

January 20, 2006

Mr. Mark H. Williams, Director  
Office of License Application and Strategy  
Office of Repository Development  
U. S. Department of Energy  
1551 Hillshire Drive  
Las Vegas, NV 89134-6321

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION OBSERVATION AUDIT  
REPORT OAR-06-02, OBSERVATION AUDIT OF THE U.S. DEPARTMENT  
OF ENERGY, OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT,  
OFFICE OF QUALITY ASSURANCE, AUDIT OQA-BSC-06-02 OF BECHTEL  
SAIC COMPANY, LLC, CORRECTIVE ACTION PROGRAM

Dear Mr. Williams:

Enclosed is the U.S. Nuclear Regulatory Commission Observation Audit Report OAR-06-02 regarding the U.S. Department of Energy (DOE), Office of Quality Assurance, audit OQA-BSC-06-02 conducted on December 12-22, 2005, at the Bechtel SAIC Company, LLC (BSC), facility in Las Vegas, Nevada. The November 7, 2005, Audit Plan states that the scope of this audit was to evaluate (1) the adequacy, implementation, and effectiveness of the Corrective Action Program, (2) the implementation of the revised procedure QA-PRO-1002, Trend Evaluation and Reporting, and (3) actions initiated to resolve open conditions adverse to quality in the trend area. Performing these three evaluations would allow the audit team to determine the effectiveness of the overall corrective action process. The NRC observers assessed the effectiveness of the audit team and the audit process.

During the conduct of the audit, the observers noted that the audit team was not evaluating the implementation of the Trend Evaluation and Reporting procedure and did not appear to be performing the actions necessary to determine the effectiveness of the corrective action process. After comments from the observers, the audit team evaluated the Trend Program, resulting in a recommendation that the classification of an open Condition Report (CR-6711) be elevated. The audit team also added evaluations of corrective action effectiveness reviews that had not originally been included in the audit scope.

The audit team identified one minor adverse condition relating to procedures and four minor adverse conditions relating to procedure implementation. The audit team also identified four opportunities for improvement. The audit team concluded that the Corrective Action Program (less trending) was adequate, the Trend Program was unsatisfactory, and the overall corrective action process was ineffective. The observers determined that the audit team performed effectively and met the scope of the audit after they included the evaluation of the Trend Program in the audit activities. The observers agreed with the audit team's conclusions and findings.

A written response to this letter and the enclosed report is not required. The staff will continue to interface with DOE and follow the actions BSC is taking to address the issues identified during this audit. If you have any questions, please contact Thomas Matula at 301-415-6700.

Sincerely,

***/RA/***

Elmo E. Collins, Chief  
Licensing and Inspection Directorate  
Division of High Level Waste Repository Safety  
Office of Nuclear Material Safety  
and Safeguards

Enclosure:

U.S. Nuclear Regulatory Commission Observation Audit Report OAR-06-02, Observation Audit of the U.S. Department of Energy, Office of Civilian Radioactive Waste Management, Office of Quality Assurance, Audit OQA-BSC-06-02 of Bechtel SAIC Company, LLC, Corrective Action Program

cc: See attached list

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cc: See attached list

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Letter to Mark H. Williams from Elmo E. Collins dated: January 20, 2006  
cc:

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cc: (Continued)

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P. Thompson, Duckwater Shoshone Tribe

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G. Hernandez, Las Vegas Paiute Tribe

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D. Buckner, Ely Shoshone Tribe

V. Guzman, Walker River Paiute

D. Eddy, Jr., Colorado River Indian Tribes

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