



Department of Energy

Washington, DC 20585

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October 2, 1997 97 OCT -2 PM 2:11

DNF SAFETY BOARD

The Honorable John T. Conway
 Chairman
 Defense Nuclear Facilities Safety Board
 625 Indiana Avenue, NW, Suite 700
 Washington, D.C. 20004

Dear Mr. Chairman:

This letter responds to the Defense Nuclear Facilities Safety Board (Board) letter of September 17, 1997, which requested a report on Department of Energy (DOE) line management and contractor plans for addressing specific Board staff deficiencies related to the DOE-Richland (DOE-RL) efforts to resume fissile material movements at the Plutonium Finishing Plant (PFP).

I share your concern that the protracted fissile material handling restriction will have a deleterious effect on the reduction of plutonium residue hazards, as well as on the technical proficiency and morale of PFP staff. These concerns, however, do not diminish my demand for placing safety ahead of all other priorities. As I expressed in my July 24, 1997, memorandum to DOE-RL, working safely is my number one priority at all Environmental Management facilities, and no work should be done at PFP without the assurance of working safely. I rely on DOE-RL management to ensure that the site integrating contractor is applying the necessary level of attention and resources to PFP in order to remedy our operational problems. At this time I remain cautiously optimistic that the actions taken by both DOE-RL and the contractor will not only allow resumption of safe fissile material handling in the short-term, but that the causes of chronic poor performance at PFP will be addressed. I have tasked DOE-RL to report to me monthly via video-teleconference on the status and activities related to PFP operations and other high visibility projects at Hanford.

Enclosed is a copy of the DOE-RL report to me on the specific issues raised by your letter. I am generally satisfied with the DOE-RL approach to PFP resumption of operations and the corresponding activities to be taken by the contractor as provided in the DOE-RL responses. However, I remain concerned with the DOE-RL line management resolution of safety issues and the actions taken to improve in this area. I have requested Mr. Wagoner to provide me more information on this subject during our monthly video-teleconference next week. I look forward to our next set of discussions, at which time I plan to provide you an update on this issue.



As always, your criticism and insight into the safe management of Environmental Management facilities is appreciated, as it provides us further help in improving our safety management.

Sincerely,

A handwritten signature in black ink, appearing to read "Alvin L. Alm". The signature is fluid and cursive, with the first name "Alvin" being the most prominent.

Alvin L. Alm
Assistant Secretary for
Environmental Management

Enclosure

cc:
J. Wagoner, DOE-RL
M. Whitaker, S-3.1

United States Government

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Department of Energy

memorandum

07 OCT -2 -PM 2:11

Richland Operations Office

DNF SAFETY BOARD

DATE: OCT 1 1997

REPLY TO

ATTN OF: AMF:PMK/97-AMF-068

SUBJECT: DEFENSE NUCLEAR FACILITIES SAFETY BOARD (DNFSB) CONCERNS REGARDING
PLUTONIUM FINISHING PLANT (PFP) STABILIZATION EFFORT

TO: A. L. Alm, Assistant Secretary
for Environmental Management, EM-1, HQ

This memorandum is in response to your September 22, 1997, memorandum, same subject. In this memorandum you requested a draft response to the September 17, 1997, letter you received from John T. Conway, Chairman, Defense Nuclear Facility Safety Board (DNFSB).

DOE Richland Operations Office (RL) line management agrees with the DNFSB that line management corrective actions have been ineffective and often impermanent at PFP. RL also shares the Board's concern regarding the impact the fissile material handling hold is having on plutonium stabilization, staff proficiency and staff morale.

RL line management at PFP made a conscious decision in February 1997 that more thorough corrective actions would be taken to recover from this curtailment to prevent the recurrence of previous problems. This has led to the more formal recovery under a Readiness Assessment and the protracted hold on fissile material handling. RL line management has considered the risk of this protracted hold and has decided it is justified. Without the more extensive actions being required by RL, I am confident that we would find ourselves in another curtailment of operations at PFP in a year or so. RL stands behind its decision to be intrusive and demanding in its oversight of the contractor's recovery.

RL has already defined in writing when it will disband the Joint Review Team and relax the intrusive oversight of the Plutonium Reclamation Facility. RL will relax the intrusive oversight of fissile material handling when the contractor passes the DOE Readiness Assessment. After relaxing our oversight, we will track meaningful performance indicators to ensure continuous improvement occurs and that rigorous performance continues.

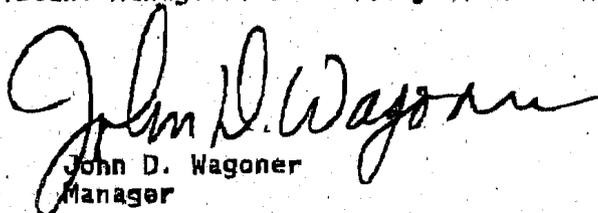
A. L. Alm
97-AMF-068

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RL appreciates the DNFSB's input on how to safely restore fissile material handling at PFP. We are factoring their input into our planning. The attachment provides a detailed discussion on each of the Board's attributes for safe restoration of fissile material handling at PFP.

If you have any questions please call me or your staff may call Peter M. Knollmeyer, Acting Assistant Manager for Facility Transition, on (509) 376-7435.


John D. Wagoner
Manager

Attachment

cc w/attach:
D. G. Huizenga, EM-60
H. E. Bilson, EM-65
H. J. Hatch, FDH

**ATTRIBUTES FOR TIMELY AND SAFE RESTORATION OF FISSILE MATERIAL HANDLING AT
THE PLUTONIUM FINISHING PLANT**

1. **Clear Identification of Risks:** the DOE Richland Operations Office (RL) agrees that the risks need to be well known in order to make a well informed decision. Although they have not been written down in a list, RL has discussed the risks at length when meeting with the contractor. In fact, in February and March 1997, prior to the Plutonium Reclamation Facility (PRF) accident, RL realized that corrective actions in the past had failed to produce a lasting improvement to the rigor of operations at PFP. For that reason, RL required the contractor to make more substantial corrective actions and undergo a Readiness Assessment. Although the readiness assessment was not required under the DOE Order, RL wanted this rigorous review prior to resumption of fissile material handling. The risk of not fixing the root causes to the problems at PFP has led RL to the more "protracted" effort to develop a comprehensive plan. "Expeditious efforts to correct the primary deficiencies" is the approach that has been taken by RL line management in the past. RL line management self identified that this approach has failed in the past. RL believes that its current path has the proper balance between correcting the primary deficiencies while initiating the comprehensive plan. The risks that RL has been considering are listed below.

Risk from Resuming Fissile Material Handling Early

- * Another curtailment in a year or two
- * Continued criticality safety infractions
- * Spread of plutonium (Pu) contamination
- * Worker safety not adequate
- * Increased cost from results listed above
- * Shareholder criticism, loss of confidence
- * Regulatory impact (emergency preparedness)

Risk from not Resuming Fissile Material Handling

- * Loss of operator proficiency
- * Continued risk from unstable Pu
- * ORR required to restart
- * Lost dollars, lost schedule
- * Shareholder loss of trust/confidence
- * Regulatory impacts (RCRA, TPA)
- * Morale continue to decline
- * Added cost of retraining/retention
- * Security risk (Pu not yet in vault)

2. **Formal Identification of Contractor Recommended Recovery Actions:** Fluor Daniel Hanford, Inc. (FDH) and B&W Hanford Company (BWHC) are preparing a formal plan and schedule detailing those actions necessary for expeditious restart of fissile material handling. This plan will be submitted to DOE for review within the next week. Once accepted by RL, we will forward the plan to you and the DNFSB.

3. **Formal Acceptance of Contractor Recovery Actions:** RL and FDH will formally accept the BWHC recovery actions as described in item 2 above.

4. **Contractor Verification of Readiness:** RL has made it clear to FDH and BWHC that it is their decision on how they verify readiness. BWHC still intends to do their readiness review per the Memorandum of Understanding between FDH and RL for the first Readiness Assessment with modifications for the pre-start actions identified after the failed RA. FDH still intends to use an independent team to assess BWHC's readiness in parallel with the BWHC readiness review. FDH plans to use staff from the Facility Evaluation Board to do this assessment. It was never envisioned that the M&I contractor would add another level of review during Operational Readiness Reviews (ORR) and Readiness Assessments (RA). RL line management will verify readiness by daily oversight of the contractor's drills, evolutions and planning prior to inviting in the independent RL RA Team.

ATTRIBUTES FOR TIMELY AND SAFE RESTORATION OF FISSILE MATERIAL HANDLING AT
THE PLUTONIUM FINISHING PLANT

5. **RL Verification of Contractor Readiness:** RL acknowledges the editing error in its September 5, 1997, letter. RL line management has verbally committed to the Hanford DNFSB staff its plan to include the Waste Management line of inquiry and the Facility Modification line of inquiry in its repeat Phase I Readiness Assessment. RL still intends to do this. FDH, BWHC and the Readiness Assessment Team Leader are all aware of this requirement from RL Line Management. RL sees will formalize this in a letter of correction.

6. **RL Line Management Resolution of Safety Issues:** RL concurs that, despite its actions to correct deficiencies in the past, they have persisted. This failure to correct long standing deficiencies did contribute to the events leading to the fissile material handling hold and did contribute to the PRF explosion. Additionally, the current RL line management team at PFP did fail to recognize the contractor was not ready prior to bringing in the RA team. Line management did not recognize the radiological control weaknesses related to the fissile material handling emergency response program. To strengthen line management oversight of PFP, RL has appointed a new PFP Program Manager. Additionally, RL intends to add one staff member, who is a qualified Facility Representative, to Transition Program line management. This new staff member will be responsible for addressing conduct of operations at not only PFP but all Transition facilities.

RL line management over PFP has adequately responded to Facility Representative concerns for the past nine months and will continue to do so. In case differing professional opinions do arise between line management and Facility Representatives, RL is developing a procedure, modeled after the Nuclear Regulatory Commission's procedure to resolve differing technical opinions.

7. **Formal Criteria for Relaxing Intrusive Oversight:** RL agrees that our intrusive oversight must end. It can lead to loss of objectivity by the Line Management staff; however, the role of the Facility Representatives at PFP is largely unchanged during this fissile material handling hold. Use of the Facility Representatives allows RL Line Management to retain some objectivity and independence. RL line management has told the PFP contractor that they will end their intrusive management when BWHC demonstrates that it can safely plan and execute work. The Joint Review Team (JRT) for the PRF recovery will be disbanded when workers are off Self Contained Breathing Apparatus (SCBA), Room 40 is isolated from the rest of PRF and PFP staff have demonstrated work planning and execution rigor. RL will relax the intrusive oversight of fissile material handling when the contractor passes the DOE Readiness Assessment.