

VICE CHAIRMAN'S OPENING STATEMENT

GOOD MORNING. MY NAME IS JOHN MANSFIELD AND I AM THE VICE CHAIRMAN OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD. I WILL PRESIDE OVER THIS PUBLIC MEETING AND HEARING. I WOULD LIKE TO INTRODUCE THE MEMBERS OF THE SAFETY BOARD WHO ARE PRESENT HERE TODAY. TO MY IMMEDIATE LEFT IS MR. JOSEPH BADER. AND TO HIS LEFT IS DR. PETER WINOKUR. ON MY RIGHT IS MR. LARRY BROWN. WE FOUR CONSTITUTE THE BOARD.

THE BOARD'S GENERAL COUNSEL, RICHARD AZZARO, IS SEATED TO MY FAR LEFT, AND NEXT TO HIM IS THE BOARD'S GENERAL MANAGER, BRIAN GROSNER. THE BOARD'S TECHNICAL DIRECTOR, TIM DWYER, IS SEATED TO MY FAR RIGHT. SEVERAL MEMBERS OF OUR STAFF CLOSELY INVOLVED WITH OVERSIGHT OF THE DEPARTMENT OF ENERGY'S DEFENSE NUCLEAR FACILITIES ARE ALSO HERE.

TODAY'S MEETING AND HEARING WERE PUBLICLY NOTICED IN THE FEDERAL REGISTER ON OCTOBER 20, 2009. THE MEETING AND HEARING ARE HELD OPEN TO THE PUBLIC IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT IN THE SUNSHINE ACT. TO PROVIDE TIMELY AND ACCURATE INFORMATION CONCERNING THE BOARD'S PUBLIC AND WORKER HEALTH AND SAFETY MISSION THROUGHOUT THE DEPARTMENT OF ENERGY'S DEFENSE NUCLEAR COMPLEX, THE BOARD IS RECORDING THIS PROCEEDING THROUGH A VERBATIM TRANSCRIPT AND VIDEO RECORDING.

AS A PART OF THE BOARD'S E-GOVERNMENT INITIATIVE, THE MEETING IS ALSO BEING MADE AVAILABLE OVER THE INTERNET THROUGH VIDEO STREAMING. THE TRANSCRIPT, ASSOCIATED DOCUMENTS, PUBLIC NOTICE, AND VIDEO RECORDING WILL BE AVAILABLE FOR VIEWING IN OUR PUBLIC READING ROOM ON THE SEVENTH FLOOR OF THIS BUILDING. IN ADDITION, AN ARCHIVED COPY OF THE VIDEO RECORDING WILL BE AVAILABLE THROUGH OUR WEB SITE FOR AT LEAST 60 DAYS.

IN ACCORDANCE WITH THE BOARD'S PRACTICE AND AS STATED IN THE FEDERAL REGISTER NOTICE, WE WILL WELCOME COMMENTS FROM INTERESTED MEMBERS OF THE PUBLIC AT THE CONCLUSION OF TESTIMONY.

A LIST OF THOSE SPEAKERS WHO HAVE CONTACTED THE BOARD IS POSTED AT THE ENTRANCE TO THIS AUDITORIUM. WE HAVE LISTED THE PEOPLE IN THE ORDER IN WHICH THEY HAVE CONTACTED US OR, IF POSSIBLE, WHEN THEY WISH TO SPEAK. I WILL CALL THE SPEAKERS IN THIS ORDER AND ASK THAT SPEAKERS STATE THEIR NAME AND TITLE AT THE BEGINNING OF THEIR PRESENTATION.

THERE IS ALSO A TABLE AT THE ENTRANCE TO THIS ROOM WITH A SIGN-UP SHEET FOR MEMBERS OF THE PUBLIC WHO WISH TO MAKE A PRESENTATION BUT DID NOT HAVE AN OPPORTUNITY TO SIGN UP PREVIOUS TO THIS TIME. THEY WILL FOLLOW THOSE WHO HAVE ALREADY REGISTERED WITH US IN THE ORDER IN WHICH THEY HAVE SIGNED UP. IN ORDER TO GIVE EVERYONE WISHING TO SPEAK AN EQUAL OPPORTUNITY, WE ASK PRESENTERS TO LIMIT

THEIR ORIGINAL STATEMENTS TO FIVE MINUTES. THE CHAIR WILL THEN GIVE CONSIDERATION TO ADDITIONAL COMMENTS SHOULD TIME PERMIT.

PRESENTATIONS SHOULD BE LIMITED TO COMMENTS, TECHNICAL INFORMATION, OR DATA CONCERNING THE SUBJECTS OF THIS MEETING AND HEARING. THE BOARD MEMBERS MAY QUESTION ANYONE MAKING PRESENTATIONS TO THE EXTENT DEEMED APPROPRIATE.

THE RECORD OF THIS PROCEEDING WILL REMAIN OPEN UNTIL DECEMBER 24, 2009. AND I WOULD LIKE TO REITERATE THAT THE BOARD RESERVES THE RIGHT TO FURTHER SCHEDULE AND OTHERWISE REGULATE THE COURSE OF THIS MEETING AND HEARING TO RECESS, RECONVENE, POSTPONE, OR ADJOURN THIS MEETING AND HEARING AND EXERCISE ITS AUTHORITY UNDER THE ATOMIC ENERGY ACT OF 1954, AS AMENDED.

TODAY'S MEETING IS THE FIRST IN A SERIES DURING WHICH THE BOARD WILL EXAMINE DOE'S AND THE NATIONAL NUCLEAR SECURITY ADMINISTRATION'S ACTIONS TO DATE IN RESPONSE TO BOARD RECOMMENDATION 2004-1, OVERSIGHT OF COMPLEX, HIGH-HAZARD NUCLEAR OPERATIONS. THIS RECOMMENDATION WAS PRECEDED BY A SERIES OF EIGHT PUBLIC MEETINGS AND HEARINGS CONDUCTED BETWEEN SEPTEMBER 2003 AND FEBRUARY 2004 THAT WERE PROMPTED BY DOE PROPOSALS FOR CHANGING THE METHODS USED FOR CONTRACT MANAGEMENT AND NUCLEAR SAFETY OVERSIGHT. WHAT CONCERNED THE BOARD THEN, AND CONTINUES TO BE A CONCERN TODAY, IS THIS: "WILL MODIFICATIONS TO THE DOE/NNSA ORGANIZATIONAL STRUCTURE

AND PRACTICES, AS WELL AS INCREASED EMPHASIS ON PRODUCTIVITY, IMPROVE OR REDUCE SAFETY, AND INCREASE OR DECREASE THE POSSIBILITY OF A HIGH-CONSEQUENCE, LOW-PROBABILITY NUCLEAR ACCIDENT?”

I HAVE QUOTED THE RECOMMENDATION BECAUSE WE HAVE OBSERVED SOME AREAS WHERE PROGRESS HAD BEEN MADE, BUT THERE IS SUBSEQUENT EVIDENCE OF BACK SLIDING. A CASE IN POINT IS THE DISRUPTION OF DOE’S CENTRAL TECHNICAL AUTHORITY AND THE CHIEF OF NUCLEAR SAFETY FUNCTIONS. THE BOARD FIRST BECAME AWARE OF THE REMOVAL OF THE CTA AND CNS FROM THE OFFICE OF THE UNDER SECRETARY EARLIER THIS YEAR. SUBSEQUENT TO THE BOARD’S LETTERS TO THE SECRETARY OF ENERGY ON MARCH 23, AND TO THE NEWLY APPOINTED UNDER SECRETARY OF ENERGY ON JUNE 10, 2009, THE CTA AND CNS WERE RESTORED.

THIS LEADS ME TO THE THEME OF THIS MEETING AND HEARING. REGARDING THE COMPLEX AND HAZARDOUS WORK PERFORMED BY DOE AND NNSA, THE RESPONSIBILITY TO THE PUBLIC HEALTH AND SAFETY IS LEVIED SQUARELY UPON THE GOVERNMENT OFFICIALS IN CHARGE, STARTING WITH THE SECRETARY OF ENERGY. AGAIN, I QUOTE DIRECTLY FROM RECOMMENDATION 2004-1:

“IN ANY DELEGATION OF RESPONSIBILITY OR AUTHORITY TO LOWER ECHELONS OF DOE OR TO CONTRACTORS, THE HIGHEST LEVELS OF DOE CONTINUE TO RETAIN SAFETY RESPONSIBILITY. WHILE THIS RESPONSIBILITY CAN BE

DELEGATED, IT IS NEVER CEDED BY THE PERSON OR ORGANIZATION MAKING THE DELEGATION.”

CLEARLY, THE EXPECTATIONS SET BY THOSE IN THE HIGHEST OFFICES WITHIN DOE AND NNSA ARE WHAT THOSE AT ALL LEVELS OF THE ORGANIZATION STRIVE TO ATTAIN. SUCH EXPECTATIONS WERE SET FORTH BY ADMIRAL WATKINS, THE SIXTH SECRETARY OF ENERGY, IN SECRETARY OF ENERGY NOTICE 35 -91, NUCLEAR SAFETY POLICY. AT THE CORE OF THIS POLICY IS THE NEED FOR DOE AND ITS CONTRACTORS TO MAINTAIN A PROPER BALANCE OF SAFETY, PRODUCTION GOALS, AND COST CONSIDERATIONS THAT ENSURES SAFETY IS FULLY INTEGRATED INTO EVERY LEVEL OF ACTIVITY. THE BOARD UNDERSTANDS THAT THIS POLICY IS UP FOR REVIEW. IT IS OUR CONCERTED BELIEF THAT THE PRINCIPLES OUTLINED IN SEN 35-91 MUST BE REAFFIRMED IN THE DOE DIRECTIVES SYSTEM, AND AS THEY RELATE TO THE LINES OF INQUIRY RELEVANT TO THIS PUBLIC MEETING AND HEARING, I’D LIKE TO BRIEFLY SUMMARIZE:

- FIRST, THE SECRETARY OF ENERGY HAS OVERALL RESPONSIBILITY FOR SAFETY OF DOE FACILITIES. LINE MANAGEMENT IS DIRECTLY RESPONSIBLE AND ACCOUNTABLE FOR THE SAFETY OF ITS FACILITIES, AND CLEAR LINES OF AUTHORITY AND RESPONSIBILITY MUST EXIST AT ALL LEVELS OF DOE AND CONTRACTOR ORGANIZATIONS. DOE AND CONTRACTOR MANAGEMENT ARE RESPONSIBLE FOR PURSUING CONTINUOUS IMPROVEMENT OF SAFETY.

- SECOND, THE POTENTIAL HAZARDS ASSOCIATED WITH NUCLEAR OPERATIONS REQUIRE BOTH DOE AND ITS CONTRACTOR PERSONNEL TO POSSESS TECHNICAL COMPETENCE, COMMITMENT, DISCIPLINE, AND HIGH STANDARDS OF PROFESSIONAL AND PERSONAL EXCELLENCE. COMPLEMENTARY TO THIS IS THE ADHERENCE TO APPROPRIATE TECHNICAL STANDARDS RELEVANT TO DOE'S MISSION.
- THIRD, DOE MUST ESTABLISH NUCLEAR SAFETY GOALS TO SERVE AS AIMING POINTS FOR PERFORMANCE. THIS GOES HAND-IN-HAND WITH CONTINUOUS IMPROVEMENT AND IS WHY THE BOARD WISHES TO HEAR CONTEMPORARY VIEWS ON THIS TOPIC FROM THE SECRETARY OF ENERGY AND MEMBERS OF HIS SENIOR LEADERSHIP TEAM. THE BOARD NOTES THAT DOE HAS RECENTLY EXAMINED OPTIONS FOR IMPROVED REGULATION OF WORKER SAFETY.
- FOURTH, AS A SELF-REGULATING AGENCY, DOE MUST ESTABLISH AND MAINTAIN VIGOROUS OVERSIGHT TO ASSURE ADHERENCE TO DOE POLICY AND DIRECTIVES.
- FIFTH, DOE MUST PROMOTE A SAFETY CULTURE THAT FACILITATES IMPLEMENTATION, MAINTENANCE, AND CONTINUOUS IMPROVEMENT OF SAFETY PROGRAMS.

MUCH OF WHAT WAS SET FORTH IN THIS SECRETARY OF ENERGY NOTICE CAN BE FOUND IN GREATER DETAIL IN BOARD RECOMMENDATION 2004-1 AND IN DOE'S IMPLEMENTATION PLAN FOR THIS RECOMMENDATION.

BY THIS TIME, ALL OF THE 22 COMMITMENTS MADE UNDER RECOMMENDATION 2004-1 SHOULD HAVE BEEN COMPLETED. THE BOARD IS CONCERNED THAT SEVERAL COMMITMENTS ARE LATE OR HAVE NO DISCERNABLE ACTIONS FROM THE DEPARTMENT. THESE PARTICULAR COMMITMENTS NEED ATTENTION FROM SENIOR MANAGEMENT AND ORGANIZATIONAL SUPPORT TO MEET THE INTENT OF THE RECOMMENDATION. CONVERSELY, JUSTIFICATION SHOULD BE PROVIDED FOR WHY THE PROTRACTED RESPONSE TO ADDRESS THE COMMITMENTS IS ACCEPTABLE. THE SPECIFIC TROUBLED COMMITMENTS ARE AS FOLLOWS:

- DEVELOPING A PROCESS TO IDENTIFY RESEARCH AND DEVELOPMENT NEEDS FOR NUCLEAR SAFETY ACROSS DOE/NNSA, IDENTIFYING THE EXTENT THAT THESE NEEDS ARE BEING MET BY EXISTING PROGRAMS, AND DEVELOPING A METHOD TO ENSURE NUCLEAR SAFETY RESEARCH AND DEVELOPMENT NEEDS ARE IDENTIFIED AND INTEGRATED INTO THE DOE/NNSA PROGRAMMING, PLANNING, BUDGETING, AND EXECUTION PROCESS INCLUDING METHODS TO SHARE THE RESULTS OF COMPLETED RESEARCH AND DEVELOPMENT. NO REAL PROGRESS HAS BEEN MADE IN ADVANCING THIS COMMITMENT, AND THE EFFORT CURRENTLY IS TWO YEARS BEHIND THE COMMITTED SCHEDULE.
- I HAVE ALREADY MENTIONED THE BOARD'S EARLIER CONCERN WITH THE DOE CENTRAL TECHNICAL AUTHORITY FUNCTION. THIS FUNCTION WAS ESTABLISHED IN RESPONSE TO RECOMMENDATION 2004-1. AT NNSA, WHERE THEY HAVE MAINTAINED CONTINUITY OF THEIR CTA AND CHIEF

OF DEFENSE NUCLEAR SAFETY, THE BOARD DOES NOTE CONCERNS WITH MAINTAINING A DEDICATED SUPPORT STAFF TO THE CDNS FOLLOWING A REORGANIZATION LAST YEAR AT NNSA.

- THE IMPLEMENTATION PLAN INCLUDES A COMMITMENT TO ISSUE A DOE GUIDE TO COMPLEMENT THE DOE OVERSIGHT POLICY ORDER FOR IMPLEMENTATION OF DEPARTMENT OF ENERGY OVERSIGHT POLICY. THIS DELIVERABLE IS MORE THAN TWO YEARS BEHIND THE PROJECTED SCHEDULE.
- FINALLY, DOE COMMITTED TO DEVELOP AND IMPLEMENT QUALITY ASSURANCE PLANS, AS REQUIRED BY DOE ORDER 414.4C, *QUALITY ASSURANCE*. THIS WAS DECLARED COMPLETE BY THE DEPARTMENT IN 2006; HOWEVER, THE BOARD IS CONCERNED WITH THE FIDELITY AND IMPLEMENTATION OF QUALITY ASSURANCE OF NUCLEAR SAFETY AT NNSA.

THESE TOPICS WILL BE EXAMINED IN GREATER DETAIL IN FUTURE MEETINGS AS THE BOARD INDICATED IN OUR LETTER TO THE SECRETARY OF ENERGY AND IN THE FEDERAL REGISTER NOTICE ANNOUNCING THIS PUBLIC MEETING AND HEARING.

AT TODAY'S MEETING AND HEARING, I LOOK FORWARD TO HEARING YOUR RESPONSES TO OUR LINES OF INQUIRY AS PROVIDED IN OUR AUGUST 25 LETTER. THESE LINES OF INQUIRY FOCUSED ON UNDERSTANDING THE NUCLEAR SAFETY

POLICY ENDORSED BY DOE AND NNSA SENIOR LEADERS. THIS CONCLUDES MY
OPENING REMARKS.

AT THIS TIME, I RECOGNIZE THE HONORABLE DANIEL PONEMAN, DEPUTY
SECRETARY OF ENERGY, FOR HIS STATEMENTS AT THIS MEETING AND HEARING.