

[DOE LETTERHEAD]

February 26, 1996

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

Dear Chairman Conway:

In order to fully address the suspect/counterfeit part concerns at the Savannah River Site (SRS), and the Defense Waste Processing Facility (DWPF) specifically, I requested that Savannah River Operations Office (SR) undertake an independent review of their suspect/counterfeit parts program. In support of that request, SR had two independent organizations review and report on the SR Suspect Parts Identification Program (SPIP) as compared with similar programs within the commercial nuclear power industry. The reviewing organizations, Duke Engineering Services and specialists from the Nuclear Regulatory Commission, have extensive expertise in the area of suspect/counterfeit parts, as applied in the commercial nuclear industry.

Both independent organizations have finished their comprehensive reviews and concluded that the SPIP at SR, and specifically DWPF, when fully implemented will meet and in some cases exceed commercial nuclear facility standards and practices. The final reports are enclosed for your review (Enclosure 1). Implementation of the program is in the final stages at DWPF. The SR Manager has committed that full implementation will be complete prior to commencement of radioactive operations for all systems and components within the canyon cells, and for systems and components outside of the canyon cells which are required for sludge processing. A brief description of the remaining actions required to complete the program implementation for DWPF is enclosed (Enclosure 2). The ORR team has confirmed they will verify closure of these actions upon resumption of their review.

I am also enclosing a copy of a report titled, Resolution of Suspect Parts at DWPF, (Enclosure 3). SR has provided copies of this report to your staff. This report provides in detail the actions that have been taken at DWPF to ensure that suspect parts, in particular fasteners, will not adversely impact the safety of the public or facility worker. As identified in Section 6.0 of the report, "Continuing Actions," SR will provide continuing training to ensure that suspect/counterfeit parts do not become a safety issue at SR.

My staff has reviewed concerns raised by your staff regarding implementation of the suspect/counterfeit parts program at SR and has provided responses to these concerns in Enclosure 4. This enclosure also includes a review of the Department's past guidance and requirements on this issue and compared them to the SR SPIP.

Based on the above, it is the Department's position that there are no outstanding safety issues at DWPF concerning suspect/counterfeit parts. Please contact me at (202) 586-7709 or Mr. Steve Cowan at (202) 586-0370 if you have any questions regarding this subject.

Sincerely,

Richard J. Guimond
Assistant Surgeon General, USPHS
Principal Deputy Assistant Secretary
for Environmental Management

ENCLOSURE 1

[US NRC LETTERHEAD]

January 17, 1996

Mr. A. L. Watkins, Assistant Manager
High Level Waste
U.S. Department of Energy
Savannah River Site
Aiken, SC 29808

SUBJECT: NRC REVIEW OF DWPF COUNTERFEIT/SUSPECT PARTS PROGRAM

Dear Mr. Watkins:

On January 11-13, 1996, Mr. Gregory Cwalina and Mr. Uldis Potapovs of the NRC Special Inspection Branch reviewed the Defense Waste Processing Facility (DWPF) Suspect Parts Identification Program (SPIP) at the Savannah River site. The intent of the review was to determine if the SPIP program, as implemented, meets current commercial nuclear industry practices. As part of their review, the team examined program guidance, procedures and other documents, interviewed personnel, and examined records associated with the program.

The NRC team determined that the Suspect Parts Identification Program, if properly and consistently implemented by DWPF, meets or exceeds commercial nuclear industry practice with regard to its ability to detect and prevent the use of counterfeit or suspect parts.

A more detailed discussion of the team's efforts is included as an enclosure to this letter. If you have any further questions, please contact Mr. Cwalina at (301) 415-2983 or Mr. Potapovs at (301) 415-2959.

Sincerely,

Gregory C. Cwalina
Vendor Inspection Section (VIS)
Special Inspection Branch (PSIB)
Division of Inspection
and Support Programs (DISP)
Office of Nuclear Reactor Regulation (NRR)

Uldis Potapovs
VIS:PSIB:DISP:NRR

Enclosure [*Contact the Savannah River Site at 803-725-9647*]

ENCLOSURE 2

**REMAINING ACTIONS FOR SUSPECT/COUNTERFEIT PARTS AT DWPF
ON SYSTEMS REQUIRED FOR SLUDGE PROCESSING**

1. Obtain label plate information from approximately 11 valves inside canyon cells to confirm technical

data which indicates valve sizes and types do not match suspect valve descriptions. (Walk downs for label plate information was already scheduled to be performed for other purposes. **End Completion Date 1/24 - Completed 1/24**

2. Perform technical review of specifications, procurement data and/or label plate information as required to disposition approximately 185 components from the Safety Equipment Lists with potential matches to suspect parts data base. **End Completion Date 1/24 - Open revised completion date 2/1**
 3. Perform system walkdowns and procurement record reviews to evaluate presence of suspect (China) carbon steel flanges. **End Completion Date 1/26 - Completed 1/26**
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ENCLOSURE 3

Resolution of Suspect Parts at DWPF

[Contact the Savannah River Site at 803-725-9647]

ENCLOSURE 4

Technical Concerns and Resolutions raised by the DNFSB staff regarding Suspect Parts at the Defense Waste Processing Facility

1. DWPF did not follow the DOE suspect/counterfeit part plan in response to the 1991 Inspector General Report; plan called for 100% visual inspection, DWPF conducted statistical sampling.

Response: Walkdowns were conducted to perform visual inspections of accessible locations and non-conformance reports were generated for the approximately 6000 suspect fasteners identified. Additionally fasteners from shop stores were tested for tensile strength, hardness, and carbon content. At that time, however, there were no samples taken from installed locations to verify the conclusion that the samples from shop stores were representative of those installed in the field. In response to recent concerns on this issue DWPF has taken samples from installed locations in the field to validate the aforementioned conclusion. The criteria placed on the commercial nuclear facilities by the Nuclear Regulatory Commission (NRC) was used as a bases for the size of the sample. Both the Duke Engineering Services (DES) and the NRC reviews noted that samples taken from stores were adequate and sampling of installed fasteners exceeded the requirements placed on commercial nuclear facilities.

2. DOE-SR has provided conclusions why their program is acceptable, but no technical justifications for their decisions.

Response: Separate independent reviews of the Suspect/Counterfeit Parts Identification Program (SPIP) at DWPF were conducted by teams from Duke Engineering and Services (DE&S) and the Nuclear Regulatory Commission, (NRC) Vendor Inspection Branch. The scope of the review was to assess compliance with commercial practices. The conclusion from both reviews was that the SPIP at DWPF, when fully implemented, will meet, and in some cases exceed commercial nuclear practices. Further, the report WSRC TR-96-0007, Resolution of Suspect Parts at DWPF, dated January 15, 1996 provides results of nonconformance reports (NCRs), walkdowns, and testing done to verify that suspect parts are not a safety issue.

3. The Suspect/Counterfeit parts issue is broader than fasteners; technical justification should address the decision to keep switchgear and other identified counterfeit parts installed.

Response: As identified in the 1993, Plan for the Suspect/Counterfeit Products Issue in the DOE, Section 2. identifies the following products to be evaluated are: a.) Fasteners, b.) Electrical Components, c.) Piping Components, d.) Other (computer and preformed metal structures). All of the products listed to be evaluated are addressed in the SR SPIP and are dispositioned in accordance with the guidance in that program. The program was formally implemented via Westinghouse Savannah River Company (WSRC), Management Requirements and Procedures (MRP), MRP 5.19, "Suspect Parts Identification Program.", issued in 1994.