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DEFENSE NUCLEAR FACILITIES SAFETY BOARD

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May 6, 1994

The Honorable Hazel R. O'Leary
Secretary of Energy
Washington, D.C. 20585

Dear Secretary O'Leary:

The Board is required by statute to address three specific topics in its fifth annual report to Congress:

- (1) an assessment of the degree to which overall administration of the Board's activities are believed to meet the objectives of Congress in establishing the Board;
- (2) recommendations for continuation, termination, or modifications of the Board's functions and programs, including recommendations for transition to some other independent oversight arrangement if it is advisable; and
- (3) recommendations for appropriate transition requirements in the event that modifications are recommended. [42 U.S.C. 2286e(d)]

To fulfill this obligation, the Board must assemble information from many sources including the Department of Energy (DOE).

The Board recognizes that under your leadership the Department has been undergoing a major reorganization with respect to its management of defense nuclear facilities. This reorganization has affected the roles and responsibilities of the various offices responsible for nuclear safety at DOE, and extends to the contracting process as well as to line management and independent oversight assignments. To carry out its statutory duty, the Board must understand in detail how certain aspects of this reorganization affect the Department's programs for assuring public and worker safety, for minimizing risk to life and property, and for protecting the environment.

The Board has determined that the Department should provide a report, pursuant to 42 U.S.C. 2286b(d), on two subjects described in detail below. This information, which is necessary for development of the fifth annual report, is also consistent with the thrust of Board Recommendation 92-5 regarding the Board's need to keep apprised of changes affecting safety in the defense nuclear complex. The report need not be organized strictly according to the topics listed. However, the report should clearly indicate where each listed topic is covered.

The DOE Report, pursuant to section 2286b(d) regarding reporting requirements, should be transmitted no later than 90 days after receipt of this letter.

I. Nuclear Health and Safety Management Program

In this area, the report should:

- A. Provide a comprehensive exposition of the functions DOE deems necessary for an effective nuclear safety management program. This should consider:
1. applicable provisions of the Atomic Energy Act and the Price-Anderson Act,
 2. comparable Federal nuclear safety programs (Naval Reactors, Nuclear Regulatory Commission),
 3. areas highlighted by Congress in establishing the functions of the Board, and
 4. integration of public and worker safety programs, including radiological and non-radiological components.
- B. Provide a brief summary description of the basic safety management system that the DOE currently has in place for satisfying its responsibilities under the Atomic Energy Act "to protect or to minimize danger to life and property". The description should include:
1. A flow diagram that depicts the considerations of safety during the life cycle of a defense nuclear facility through the major stages of:
 - Design
 - Construction
 - Operation
 - Decontamination & Decommissioning
 - Environmental Restoration
 2. The DOE process for establishing the safety management plans for specific facilities, including a discussion of how the management plan is adjusted as a facility transitions from one stage to the next.
 3. The principal safety elements (rules, regulations, orders, standards, and other requirements) that are applicable at each of the above stages.

4. The relationship between orders and standards identified in Requirements Identification Documents (RIDS) and nuclear safety regulations enforceable under the Price-Anderson Act Amendments; indicate how compliance and enforcement will be assured for both types of requirements.
 5. The adaptation of the basic safety management system for defense nuclear facilities to the assembly and disassembly of weapons and the conduct of weapons testing.
- C. Provide views on the advisability and feasibility of establishing a DOE complex-wide self-appraisal capability modeled on that used by the Institute for Nuclear Power Operations (INPO).

II. Nuclear Safety Responsibilities and Organizational Arrangements

In this area, the report should:

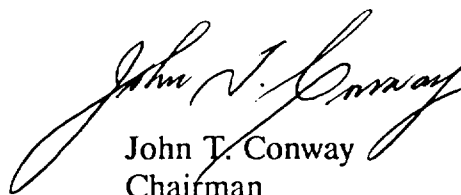
- A. Define the safety responsibilities of all organizations which have such responsibilities for defense nuclear facilities, including DOE Headquarters, field offices, contractors, and oversight organizations. The responsibilities of the following Headquarters positions should be addressed: Under Secretary, Assistant Secretaries for Defense Programs, Environmental Management, Environment, Safety and Health, the Associate Deputy Secretary for Field Management, and the Directors for the Office of Laboratory Management and the Office of Intelligence and Security. Where safety responsibility has been assigned and then delegated, this should be indicated.
- B. State the principles embodied in assignments of safety responsibility for defense nuclear facilities, and compare them to parallel principles applied in commercial nuclear practice. Examples of such principles are: clear separation of line management responsibilities and functions from independent oversight functions and responsibilities; quality assurance group reporting directly to high-level management.
- C. Identify potential conflicts of interest in existing safety assignments, and what actions (if any) are planned to eliminate these conflicts. For example, analyze the inherent problems, whether real and perceived, of having a single organizational element (ES&H) provide both technical support to the line and also conduct independent oversight of DOE compliance and enforcement programs. Another typical conflict of interest is the assignment of both line management and quality assurance functions to the same individual or group.
- D. Describe in detail how the Office of Environment, Safety and Health will carry out independent oversight functions in light of its assigned functions to assist line

organizations. Indicate how this Office will simultaneously assist line management, assess performance, and conduct enforcement actions at the same facility. Explain the actions to be taken by this office in performance-based safety compliance assessments at defense nuclear facilities, where performance is measured against DOE safety orders, regulations, and other standards and requirements of the contract.

- E. List special measures, if any, which have been taken or will be taken to ensure that safety responsibilities for defense nuclear facilities are well-defined and understood throughout the Department, and its contractor organization.
- F. Differentiate the relative roles of the contractor, DOE line management, and DOE oversight in executive safety management functions such as development and issuance of safety policies, orders, rules, standards and guides.
- G. Provide an appraisal of the Department's current organization and capabilities relative to the safety functions identified in Item IA. and delineate changes needed to strengthen the nuclear safety management program.

If the Department wishes further information on either the intent of this report or its desired content, the Board is available for further discussions. Alternatively, your staff should feel free to contact Mr. Robert M. Andersen, the Board's General Counsel, for further guidance.

Sincerely,



John T. Conway
Chairman

c: ✓ M. Whitaker, Acting DOE/EH-6