

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

July 2, 1998

TO: G. W. Cunningham, Technical Director

FROM: D. G. Ogg, Hanford Site Representative

SUBJ: Activity Report for Week Ending July 3, 1998

Staff members Grover, Hadjian, Stokes, Wille and Yeniscavich and outside expert Dr. Stevenson were on site Monday through Wednesday to review the Spent Nuclear Fuel Project. Mr. Ogg was on leave Thursday.

A. Spent Nuclear Fuel Project (SNFP): On June 30, DOE-RL issued a letter to Fluor Daniel Hanford (FDH) concurring with the recommendation to extend the Duke Engineering & Services Hanford (DESH) contract for the SNFP. This is a one year extension of the contract until September 30, 1999. In its letter, DOE-RL also pointed out that there remain several open items and concerns that were documented in a DOE-RL letter to FDH on March 22, 1998. DOE-RL again requested FDH to follow-up on and close these issues. Slow closure of cost, schedule and technical issues has long been a problem within the SNFP. The Board's site representative believes that DOE-RL continues to have difficulty in compelling the contractor to address and close open issues, and suggests that DOE-RL may need to employ more aggressive measures.

B. Tank Waste Remediation System (TWRS): On June 30, DOE-RL missed a commitment to submit, to Congress, a recommendation for selection of the TWRS privatization contractor (to vitrify high level tank waste). The contract award is due July 31, in order to meet a Tri Party Agreement milestone, but Congress requested one month to review the recommendation. It is expected that DOE-RL will submit the recommendation within two weeks.

C. Fluor Daniel Hanford Management: On June 30, the new President and CEO of FDH, Ron Green, unexpectedly announced his resignation. The new deputy, Ron Hanson, will be acting President until a permanent replacement can be found. The Chairman of Fluor Daniel Inc., Ron Peterson, will assist as the interim CEO of FDH.

cc: Board members