

DOE Cites Fluor Hanford, Inc., for Extensive Price-Anderson Violations

For Immediate Release
Release Date: July 16, 2004

WASHINGTON, DC The Department of Energy (DOE) has issued a Preliminary Notice of Violation to Fluor Hanford, Inc. (FHI), one of the principal contractors at the Hanford site, for multiple and extensive violations of DOE's nuclear safety rules.

The violations stem from multiple deficiencies in FHI's design, construction, and testing of the K reactor basins' Sludge and Water System (SWS) intended to remove sludge that had accumulated from the storage of spent nuclear fuel. The violations are the result of numerous and long-term failures to comply with regulatory requirements for: quality improvement processes, project oversight by FHI management, training of essential personnel, conduct of work processes, document and record keeping, facility and equipment design, inspection and acceptance testing, assessments of previously unreviewed safety issues, and information accuracy. An FHI preliminary readiness review of the SWS initiated in April 2003 was terminated after four days due to the discovery, by DOE site personnel, of installed safety equipment that was inadequate for its intended purpose.

To emphasize the importance of maintaining a quality program for DOE activities, DOE is issuing a proposed civil penalty to FHI in the amount of \$935,000. No mitigation of the civil penalty was warranted due to the numerous, extensive, and protracted nature of the deficiencies. Two of the violations were regarded as particularly serious. These involved the significant breakdown in management controls related to oversight of the project by all levels of FHI management, and FHI's failure to implement effective processes for correcting past nuclear safety violations, a problem for which FHI's predecessor company was previously cited in a 1999 enforcement action.

The Price-Anderson Amendments Act of 1988 authorized DOE to undertake regulatory actions against contractors for violations of its nuclear safety requirements. The enforcement program is designed to have contractors correct procedural violations to prevent more serious events from occurring.

Additional details on this and other enforcement actions are available on the Internet at <http://www.eh.doe.gov/enforce>.

Media Contact(s):

Jeff Sherwood, 202/586-5806

Release No. R-04-151