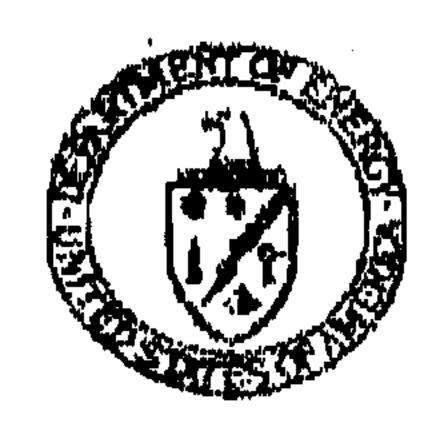
BSC CORRESPONDENCE LOG #1220057394



Department of Energy

Office of Civilian Radioactive Waste Management
Office of Repository Development
1551 Hillshire Drive
Las Vegas, NV 89134-6321

QA: N/A

ULU 1 9 2005

RECEIVED BY 5 SC CCU DATE: 12/20/2005

Ted C. Feigenbaum President and General Manager Bechtel SAIC Company, LLC 1180 Town Center Drive, M/S 423 Las Vegas, NV 89144-6321

CONTRACTING OFFICER AUTHORIZATION LETTER TO BECHTEL SAIC COMPANY, LLC (BSC), CONTRACT NUMBER DE-AC28-01RW12101, SUSPENSION OF QUALITY-AFFECTING ENGINEERING AND PRECLOSURE SAFETY ANALYSIS (PCSA) WORK BY BSC; LTR NO. 06-004

A recent Office of Civilian Radioactive Waste Management Concerns Program investigation into allegations referred to us by the U.S. Nuclear Regulatory Commission, and a concurrent U.S. Department of Energy (DOE) Root Cause Analysis, associated with Condition Report (CR) 6278, revealed that the project has not maintained or properly implemented its requirements management system, resulting in inadequacies in the design control process. This raises uncertainty regarding the adequacy of design products developed under these processes.

Effectively immediately, no engineering and PCSA technical work products subject to the Quality Assurance Requirements and Description Document (e.g., surface facility design, aircraft hazard analysis) may be approved until the DOE revalidates the Yucca Mountain Project technical requirements baseline and contractually conveys applicable current requirements, and the following actions are completed by BSC:

- 1. HSC procedurally maintains and flows requirements down to implementing mechanisms (programmatic) or products (technical and performance requirements).
- 2. BSC internally validates that processes exist and are being followed, and requirements are appropriately traced to implementing mechanisms and products.

After BSC provides documentation of completion of these actions, the DOE will verify that those processes exist and are effective.

Within five days from the date of this letter, BSC must identify to the DOE all engineering and PCSA products which it considers quality-affecting.

On a case-by-case basis, certain work may be allowed to proceed, subject to additional contro's approved by the DOE.

In response to CR 6278, the DOE will establish an integrated product team chaired by J. Russell Dyer, which will integrate the above activities, as well as other actions required to prevent recurrence of inadequacies in requirements management and other management systems.

Contracting Officer

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Should you have any questions regarding this direction, please contact Dr. Dyer at 794-1301.

ODD:JRD-0266

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