

## DEFENSE NUCLEAR FACILITIES SAFETY BOARD

October 28, 2005

**MEMORANDUM FOR:** J. Kent Fortenberry, Technical Director  
**FROM:** C. H. Keilers, Jr.  
**SUBJECT:** Los Alamos Report for Week Ending October 28, 2005

Dwyer, Jordan, Shields, and Tontodonato were on site this week reviewing preparations for contract transition. Elliott was also on site this week with an NNSA criticality safety review team.

**LANL Contract Transition:** Transition is scheduled for Dec 1<sup>st</sup>, 2005 to May 31<sup>st</sup>, 2006. Success requires close interaction between NNSA, the incumbent management team, and the in-coming management team, which NNSA will identify by Dec 1<sup>st</sup>. The in-coming team was required to submit a transition plan as part of their bid package, but it is not available now. The NNSA Site Office (LASO) is embargoed from discussing transition with LANL until released by the Source Evaluation Board. LANL management is planning for transition based on their best judgement of what's required.

**NNSA Oversight:** LASO has issues that hamper effective oversight and is not ready to manage contract transition or the new contract (e.g., site rep weeklies 9/23/05, 8/26/05). To get ready, LASO plans to enter a 3-month strategic pause in parallel with the first half of contract transition (i.e., Dec 2005 - Feb 2006), during which LASO would perform an organizational reboot by re-analyzing staffing needs, re-engineering key processes, and formalizing policies, procedures, training, and qualification. Detailed planning for the pause will occur during the next 2 to 3 weeks.

LANL would continue to operate during the pause, but LANL processes require LASO interaction and oversight. The first 3 months of contract transition is especially pivotal to ensuring not only that the new contractor starts out right but also that management and personnel stay focused on continued safe operation. LASO plans to have a small "continuity team" (e.g., ~10-20 people) focused on essential interaction. LASO also intends to rely on increased LANL oversight to compensate for decreased federal oversight during the pause, which would include cutting back on most deployed facility reps. LANL oversight and assessment processes unfortunately also have issues, and LANL appears inclined to wait and let the new contractor make improvements. Overall, it does not appear that NNSA has analyzed and understood the risks and the required risk mitigation associated with this pause, nor does it appear that corporately NNSA has systematically evaluated alternatives to the pause, such as bringing in an external federal assist team to facilitate LASO improving operations at this critical juncture.

**TA-18 Early Move Project:** Last Friday, NNSA approved startup of the TA-55 safeguarded trailer pad, and this week, TA-18 was de-inventoried to below Security Category I/II levels. A security-led inventory verification is underway to support a security downgrade decision. TA-18 is planning for SHEBA restart in delayed-critical mode and for a few other activities with sufficient fissile material to warrant criticality safety evaluations and formal development and implementation of controls.

On the pad startup, resolution of contractor-side issues from the June Operational Readiness Reviews are well-scrubbed, but resolution of federal-side issues are not apparent (site rep weekly 7/8/05); NNSA would benefit from a causal analysis of the latter focused on identifying systemic problems.

**Chemistry and Metallurgy Research Replacement Facility Project (CMRR):** Last Friday, the Deputy Secretary approved the performance baseline and construction start (Critical Decision 2/3) for the radiological lab / utility / office building (RLUOB), with scheduled completion in January 2010.