

# DEFENSE NUCLEAR FACILITIES SAFETY BOARD

August 15, 2003

**MEMORANDUM FOR:** J. K. Fortenberry, Technical Director  
**FROM:** W. White, Pantex Site Representative  
**SUBJECT:** Pantex Plant Activity Report for Week Ending August 15, 2003

**DNFSB Activity Summary:** W. White was on site all week.

**BWXT Contractor Assurance System Proposal:** BWXT management met this week with PXSO to discuss the BWXT proposal for a contractor assurance system. This new assurance system will be used in conjunction with a new oversight model by PXSO that is still under development. The new PXSO oversight model and contractor assurance system are to be implemented initially by October 2003. Full implementation is to occur by October 2004.

The BWXT proposal makes a case for the value of a strong contractor assurance system. The systematic, site-wide focus on collection of performance metrics, evaluation and trending of assurance information, and the communication of this information to BWXT and NNSA management should provide significant benefit. Improvement in the areas of accountability, responsibility, self-assessment, and continuous improvement is a laudable goal irrespective of the NNSA oversight model. The proposal also highlights the need for evaluating best business practices in other industries and incorporating those, where appropriate, at Pantex. Notably, BWXT claims it will be able to implement this proposal at no additional cost to the government.

One area of the proposal that seems less focused is the translation of the information gained from improved self-evaluation into the right set of corrective actions and a method for monitoring the effectiveness of those corrective actions. Although corrective action planning, implementation and effectiveness evaluation are mentioned in the proposal, the focus of the proposal is more on the collection and evaluation of assurance metrics.

The value of the contractor assurance system as a business practice for BWXT may not necessarily imply, however, a level of self-governance that would support a minimization of NNSA oversight. Of particular concern are the potential complications that could arise from an over-reliance on the contractor assurance system by NNSA. The BWXT proposal notes that the contractor assurance system will result in “optimal use of NNSA resources at the Pantex Site Office, enhanced business performance by BWXT Pantex, and increased partnership and trust between the NNSA and BWXT Pantex as accountability for site performance becomes a shared and integrated activity.” The proposal allows for joint assurance activities between BWXT and PXSO, allowing them to “pool their resources to assure that assurance activities are planned and conducted appropriately.” A key element to any oversight model would seem to be PXSO’s ability to maintain an effective, independent approach to oversight of its contractor. [I.C]

**Readiness Process:** BWXT took steps this week to strengthen its readiness process. Any project requiring a contractor readiness assessment (CRA) must brief a senior management team prior to initiating the assessment. The project team and readiness verification team will present a defense of the readiness declaration to the BWXT Deputy General Manager and appropriate division managers and program directors. Before the CRA can begin, the senior management team must endorse the line manager’s declaration of readiness.

During the CRA, the readiness verification team leader will meet daily with the CRA team leader to discuss progress and will be responsible for communicating any potential issues to the appropriate line manager. During an NNSA RA, both the CRA team leader and the RV team leader will meet daily with the NNSA team leader and will be responsible for communicating potential issues to the appropriate line manager. [II.A]