

1. In detail, please explain what review process NRC undertook to determine Tetra Tech, Inc.'s Radioactive Material License should remain in good standing.

In April 2014, the U.S. Nuclear Regulatory Commission (NRC) Office of Investigations (OI) began an investigation of activities performed by Tetra Tech EC, Inc. (Tetra Tech EC), a wholly owned subsidiary of Tetra Tech, Inc., at the U.S. Navy's Hunters Point Naval Shipyard (Hunters Point) in San Francisco, California. OI conducted the investigation to determine whether employees of Tetra Tech EC deliberately falsified soil sample surveys from the "Parcel C" area at Hunters Point. Based on the evidence developed during its investigation, OI substantiated that a radiation control technician and a radiation task supervisor deliberately falsified soil sample records and completed forms with inaccurate information. OI completed its investigation in September 2015.¹

Based on evidence developed during this investigation, the NRC issued Tetra Tech EC a Notice of Violation of NRC requirements on July 28, 2016.² In response to the Notice of Violation, Tetra Tech EC requested an Alternative Dispute Resolution (ADR)³ mediation session. As a result of the September 7, 2016, ADR mediation session, the NRC issued a Confirmatory Order⁴ that required Tetra Tech EC to address the root causes involved in the safety issues at Hunters Point and take a number of corrective actions (described in detail in response to Question 2). The NRC concluded in the Confirmatory Order that, with the required corrective actions, public health and safety are reasonably assured.

As part of NRC's inspection program, the NRC staff reviewed the licensee's completion of corrective actions. The staff also maintains continuous oversight to ensure that Tetra Tech EC complies with NRC requirements.

2. In detail, please explain what corrective actions were taken by Tetra Tech EC following the revelation that supervisors directed workers to falsify soil samples that were collected during cleanup work at the former Hunters Point Naval Shipyard site.

The Confirmatory Order documented Tetra Tech EC's agreement to make the following corrective actions:

¹ A factual summary of the OI Investigation Report is enclosed in a February 11, 2016, letter from the NRC to Tetra Tech EC. Agencywide Documents and Access Management System (ADAMS) Accession No. ML16042A074.

² ADAMS Accession No. ML16210A228.

³ ADR refers to a variety of processes that emphasize cooperative approaches to handling conflicts in lieu of adversarial procedures. ADR typically results in an "agreement in principle" where the NRC and licensee concur on a set of terms and conditions that are then signed by each party and confirmed by an Order (Confirmatory Order). Federal agency experience with ADR has demonstrated that the use of these techniques can result in more timely and more economical resolution of issues, more effective outcomes, and improved relationships.

⁴ ADAMS Accession No. ML16285A288.

- discuss with its employees the lessons-learned from the actions resulting in the Confirmatory Order;
- conduct initial training or annual refresher training on NRC requirements for all new or existing Tetra Tech EC employees;
- use an independent third party to assess Tetra Tech EC's safety culture for all its NRC-licensed activities;
- provide the U.S. Department of the Navy a copy of the NRC's Notice of Violation and the resulting Confirmatory Order; and
- use a third party to perform quality control on any future projects at Hunters Point for a period of 3 years after the date of the Confirmatory Order.

NRC has verified the completion of these corrective actions. The NRC staff will verify completion of the annual refresher training through 2021 in accordance with the Confirmatory Order.

Two of the involved individuals, who are no longer employed with Tetra Tech EC, were prosecuted by the Department of Justice, and sentenced to 8 months in prison and fined \$10,000 and \$2,000, respectively.

- 3. When the EPA [U.S. Environmental Protection Agency] announced the award of the Contract to Tetra Tech Inc, it stated that the company possessed "strong technical and scientific capabilities." However, two months after this award announcement, EPA told the Department of the Navy that its own investigation into the allegation "demonstrate a widespread pattern of practices that appear to show deliberate falsification and failure to perform the work in a matter required."**

While the EPA solicitation for the Contract was still open, did NRC ever share evidence, reports, or any other communication with EPA regarding their review of the company's license or qualifications?

The NRC staff provided the EPA with the February 11, 2016, letter to Tetra Tech EC, identifying the apparent violation; the July 28, 2016, Notice of Violation; and the October 11, 2016, Confirmatory Order. This information was shared with the EPA prior to the end date⁵ for the submittal of Request for Proposals for the Navajo Area Uranium Mines Response, Assessment and Evaluation Services contract.

⁵ The EPA announced the contract opportunity on August 31, 2016. The Request for Proposals end date was October 21, 2016. https://19january2017snapshot.epa.gov/newsreleases/epa-announces-contract-opportunities-worth-85-million-navajo-nation-uranium-mine_.html