

June 2, 2008

BNFL, Inc.
1100 Daresbury Park
Daresbury, England Warrington WA4 4GB

Dear Sir or Madam:

Sometime in the next few weeks, the Project On Government Oversight (POGO) will update its Federal Contractor Misconduct Database (<http://www.contractormisconduct.org/>), a compilation of information from public resources regarding government contractors, including BNFL. On February 7, 2006 and November 15, 2006, we sent BNFL information regarding findings in POGO's database. As of today, we have not received a response from you. I have enclosed the findings relevant to your company, and I am seeking verification of this data.

Any response would be greatly appreciated, as the accuracy of this information is in the best interest of all parties. Out of fairness to BNFL, please be assured that any response received by POGO will be posted on the website along with the data.

The biggest change we will be making to the database is the inclusion of more federal contractors (the top 100). We are also adding new instances that we have found in recent months and updating instances already in the database with new information. Please note that the database also includes pending instances, but these are kept separate from resolved instances and are not included in the totals.

If you have any questions, I can be reached at (202) 347-1122. Thank you for your time and consideration.

Sincerely,

Neil Gordon
Investigator

Enclosure

Instances

1. Nuclear Safety Violations (East Tennessee Technology Park)

Date: 02/04/2003 (Date of PNOV)

Misconduct Type: Labor

Enforcement Agency: Energy

Contracting Party: Energy

Court Type: Administrative

Amount: \$123,750

Disposition: Fine

Synopsis: The Department of Energy's Office of Price-Anderson Enforcement issued a Preliminary Notice of Violation (PNOV) for \$123,750 because of "quality assurance issues affecting nuclear safety surrounding the July 25, 2001, and June 27, 2002, tube bundle fires at the East Tennessee Technology Park (ETTP) during converter dismantlement activities."

2. Worker Plutonium Exposure (Savannah River Site)

Date: 07/24/2000 (Date of Fine)

Misconduct Type: Labor

Enforcement Agency: Energy

Contracting Party: Energy

Court Type: Administrative

Amount: \$220,000

Disposition: Fine

Synopsis: "The U.S. Department of Energy... fined [BNFL subsidiary] Westinghouse Savannah River Co. \$220,000 and issued a Preliminary Notice of Violation for violations of Energy Department nuclear safety rules at the department's Savannah River Site in Aiken, S.C. The penalty stems from a September 1999 event in which eight workers were accidentally exposed to plutonium, one in excess of the regulatory limit."

3. Failure to Comply With Personnel Safety Requirements

Date: 07/05/2001 (Date of Report)

Misconduct Type: Labor

Enforcement Agency: International

Contracting Party: International

Court Type: Administrative

Amount: \$316,000

Disposition: Fine

Synopsis: In its environment, health and safety report for 2000-2001, BNFL notes being prosecuted six times in the United Kingdom "for not complying with some of the legislation under which we operate" and receiving fines and costs totaling £226,000 [approx. \$316,000]. "No harm to members of the public, the workforce or the environment occurred. Nevertheless, we did not properly comply with legislation relating to: lifting equipment, incident reporting arrangements, [and] record keeping requirements for radioactive test sources. We also did not comply with some of the maintenance conditions of our environmental licenses."

4. Failure to Follow Nuclear Safety Procedures (East Tennessee Technology Park)

Date: 03/19/2001 (Date of PNOV)

Misconduct Type: Labor

Enforcement Agency: Energy

Contracting Party: Energy

Court Type: Administrative

Amount: \$41,250

Disposition: Fine

Synopsis: The Department of Energy's Office of Price-Anderson Enforcement issued a Preliminary Notice of Violation (PNOV) for \$41,250 because of "quality assurance issues affecting nuclear safety surrounding [an] April 4, 2000, converter tube bundle at the K-33 Decontamination and Decommissioning Workshop." "The enclosed PNOV describes numerous violations with the nuclear safety requirements related to activities leading up to the tube bundle [unanticipated event]. The violations involve failure to (1) fully identify hazards associated with T-4 converter decontamination & decommissioning, (2) follow established procedures, and (3) identify and mitigate known operational deficiencies despite several opportunities to do so. Specifically, DOE is concerned that BNFL Inc. has failed to adequately address hazard analysis and work control issues that resulted from several incidents (e.g., Portable High Efficiency Particulate Air Filter..., Respirator Cartridge...) that have occurred over the two years preceding the April 4, 2000, tube bundle..."

5. Failure to Prevent Acid Spill

Date: 06/02/2000 (Date of Fine)

Misconduct Type: Environment

Enforcement Agency: International

Contracting Party: None

Court Type: Administrative

Amount: \$111,570

Disposition: Fine

Synopsis: An "acid spill at the Solvent Treatment Plant at the Sellafield site in March 1999 led to [BNFL] being fined £40,000, with some £34,000 costs on 2 June 2000 [approximately \$111,570 total]. [BNFL's] formal inquiry identified a number of issues aimed at preventing similar events in the future. These include improved monitoring and auditing of procedures for carrying out such work."

6. Groundwater Violations

Date: 02/17/2000 (Date of Press Release)

Misconduct Type: Environment

Enforcement Agency: State/Local

Contracting Party: None

Court Type: Civil

Amount: \$3,300,000

Disposition: Judgment Against Defendant

Synopsis: "A Pennsylvania Court... upheld [a] \$3.3 million civil penalty against [BNFL-owned] Westinghouse Electric Corp. for groundwater violations at the Adams County elevator plant. "The majority of the penalty... was assessed for failure to notify DEP for years after more than a thousand releases of hazardous substances to the soil surrounding the Westinghouse plant;

and for failure to take prompt remedial action to remove the contamination from the soil and otherwise protect the waters of” Pennsylvania.

7. Incorrect Treatment of Asbestos

Date: 02/12/2000 (Date of Fine)

Misconduct Type: Labor

Enforcement Agency: International

Contracting Party: None

Court Type: Administrative

Amount: \$22,000

Disposition: Fine

Synopsis: “Oldbury Power Station was prosecuted during 2000, for the incorrect treatment of asbestos. We were fined £5,000 plus £10,000 costs [approximately \$22,000 total]

8. Radiation Exposure and Falsification of Radiation Dose Records (Savannah River Site)

Date: 04/06/2004 (Date of PNOV)

Misconduct Type: Labor

Enforcement Agency: Energy

Contracting Party: Energy

Court Type: Administrative

Amount: \$206,250

Disposition: Fine

Synopsis: On April 6, 2004, the Department of Energy submitted a Preliminary Notice of Violation to BNFL subsidiary Westinghouse for “unnecessary radiation exposure of three... personnel and the subsequent falsification of radiation dose records...the DOE has concluded that violations of 10 CFR 830 Subpart A (Quality Assurance Requirements), 10 CFR 835 (Occupational Radiation Protection), and 10 CFR 820.11 (Information Requirements) occurred”. The DOE proposed a civil penalty of \$206,250.

9. Radioactive Contamination of Workers (Savannah River Site)

Date: 07/18/2000 (Date of PNOV)

Misconduct Type: Labor

Enforcement Agency: Energy

Contracting Party: Energy

Court Type: Administrative

Amount: \$220,000

Disposition: Fine

Synopsis: On July 18, 2000, the Department of Energy submitted a Preliminary Notice of Violation to BNFL subsidiary Westinghouse for “violations of DOE’s nuclear safety regulations associated with the September 1999 FB-Line worker contamination event. During that event, multiple workers were contaminated due to the handling of a [radioactive material] storage can with a defective weld...[Deficiencies were found in] (1) quality assurance, (2) radiological work practices and controls, (3) procedural compliance, and (4) response to off-normal conditions.” The base civil penalty of \$275,000 was mitigated down to \$220,000.