

Docket Nos. 50-348
and 50-364

AUG 20 1975

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Alabama Power Company
Attn: Mr. A. R. Barton
Senior Vice President
600 North 18th Street
Birmingham, Alabama 35291

Dear Mr. Barton:

In response to your request of May 15, 1975, the Nuclear Regulatory Commission has issued an Order extending the construction completion dates for the Joseph M. Farley Nuclear Plant, Units 1 and 2. In lieu of the latest completion dates of July 1, 1975, and July 1, 1977, respectively, as specified previously in Construction Permits Nos. CPPR-85 and CPPR-86, the latest completion dates have been extended to March 15, 1977, and February 15, 1978, respectively.

A copy of the Order, which has been transmitted to the Office of the Federal Register for publication, and a copy of the Staff's Evaluation, are enclosed for your information.

Sincerely,

Original signed by
K. Kniel

Karl Kniel, Chief
Light Water Reactors Branch 2-2
Division of Reactor Licensing

- Enclosures:
1. Order
2. Staff Evaluation

ccs: See next page

c/d
4

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OFFICE ➤						
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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

ALABAMA POWER COMPANY

JOSEPH M. FARLEY NUCLEAR PLANT, UNITS 1 AND 2

DOCKET NOS. 50-348 AND 50-364

ORDER EXTENDING CONSTRUCTION COMPLETION DATES

Alabama Power Company is the holder of Construction Permits (Nos. CPPR-85 and CPPR-86) issued by the Atomic Energy Commission* on August 16, 1972, for construction of the Joseph M. Farley Nuclear Plant, Units 1 and 2, presently under construction at the Company's site in Houston County, Alabama.

On May 15, 1975, the Company filed a request for an extension of the completion dates. The reasons construction has been delayed are (1) inadequate allowances for Commission reviews and public hearings in the initial schedule developed when the construction permit application was filed, (2) late delivery of materials and equipment caused by greater design complexity and less manufacturing capability than anticipated, (3) design changes in engineered safety features caused by Commission design requirements that had not been anticipated by the Company, and (4) labor strikes caused by wage negotiations. This action involves no significant hazards consideration; good cause has been shown for the delay; and the requested extension is for a reasonable period, the bases for which are set forth in a staff evaluation dated

AUG 20 1975



IT IS HEREBY ORDERED THAT the latest completion dates for CPPR-85 and CPPR-86 are extended from July 1, 1975, and July 1, 1977, to March 15, 1977, and February 15, 1978, for Units 1 and 2, respectively.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by

Voss A. Moore

Voss A. Moore, Assistant Director
for Light Water Reactors, Group 2
Division of Reactor Licensing

Date of Issuance:

AUG 20 1975

*Effective January 20, 1975, the Atomic Energy Commission became the Nuclear Regulatory Commission and permits in effect on that day continued under the authority of the Nuclear Regulatory Commission.

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

Docket Nos. 50-348
and 50-364

August 20, 1975

EVALUATION OF REQUEST FOR EXTENSION OF
CONSTRUCTION PERMITS NOS. CPPR-85 AND CPPR-86
FOR JOSEPH M. FARLEY NUCLEAR PLANT, UNITS 1 AND 2
DOCKET NOS. 50-348 AND 50-364

Introduction

Construction Permits Nos. CPPR-85 and CPPR-86 were issued by the Atomic Energy Commission (now the Nuclear Regulatory Commission (Commission)) on August 16, 1972, for the construction of the Joseph M. Farley Nuclear Plant, Units 1 and 2. These units are presently under construction in Houston County, Alabama.

In accordance with Section 185 of the Atomic Energy Act of 1954, as amended, 42 U.S.C. Section 2235, and in accordance with the Commission's regulations, 10 CFR Section 50.55, the construction permits state the earliest dates for the completion of the construction as July 1, 1974, and July 1, 1976, and the latest dates for the completion of construction as July 1, 1975, and July 1, 1977, for Units 1 and 2, respectively.

By letter dated May 15, 1975, the Alabama Power Company (licensee) stated that the construction of these units cannot be completed by the present latest dates. The licensee requested that the earliest completion dates be changed to March 15, 1976, and February 15, 1977, and the latest completion dates be changed to March 15, 1977 and February 15, 1978, for Units 1 and 2, respectively.

Good Cause

The primary reasons for these delays are discussed below specifically as related to the delay in Unit No. 1:

- a. The licensee has stated that the initial schedule assumed the construction would begin in January 1971, about fifteen months following application for a construction permit. In November



1970, the staff estimated based on licensee's response to questions that its review would be completed in February 1971, and the ACRS review and Safety Evaluation Report would be completed by May 1971. In December 1970, a request was submitted for an exemption, beyond site preparation activities and non-nuclear construction then permitted by the Commission's regulations, so that nuclear construction could be started prior to issuance of a construction permit. An evaluation of the exemption request was completed and an exemption was issued in April 1971, permitting such construction work below grade level to be accomplished. The ACRS review of radiological safety matters was completed on October 14, 1971, and the staff issued its Safety Evaluation Report on December 22, 1971. A public hearing on the issues pertaining to radiological health and safety was completed on February 29, 1972.

The staff's review of environmental matters was reported in its Final Environmental Statement, issued on June 23, 1972. A public hearing was held between June 27 and July 12, 1972, to consider environmental matters in accordance with the National Environmental Policy Act of 1969 (NEPA). The Atomic Safety and Licensing Board issued a favorable initial decision on August 11, 1972, and construction permits were issued on August 16, 1972.

In May 1972, the licensee's request for an extension of the exemption was held in abeyance by the Commission pending completion of the public hearing on environmental matters then in progress. Construction was delayed until the construction permit was issued in August 1972.

Therefore, three months of delay in the construction start occurred due to a longer-than-planned evaluation of the construction permit exemption request, and another three months of delay occurred when a slowdown and stoppage in construction work was required because of a longer-than planned review and public hearing on environmental matters by the Commission. The actual delay was longer, according to the applicant, due to intangibles such as lost efficiency during the slowdown and subsequent closing down and restarting of the job.

- b. Late delivery of materials and equipment to the site for installation has been experienced due to the complexity of the equipment, more stringent quality assurance and quality control requirements, late ordering due to design changes and continuing design development, lack of basic raw materials and lack of available manufacturing space nationally during the period of construction. Examples of materials and equipment which have been late include valves, air handling units, piping, electrical penetrations, instruments, main control boards, and intermediate size nuclear vessels.

- c. Commission design requirements, developed as a result of its review of this and other applications, has resulted in a number of design changes. Examples of such design changes include an increase in containment height to provide a higher containment volume, redesign of the steam generator blowdown and liquid gaseous waste processing systems to meet the requirements of then proposed Appendix I, and extensive modifications to the auxiliary building due to consideration of high-energy pipe breaks outside containment.
- d. Due to wage negotiations, a 2-week general strike occurred in July 1974, with one of the labor crafts remaining on strike for an additional 2 weeks, the actual delay was considerably longer due to intangibles such as lost efficiency during the closing down and restarting of the job.

While the above applies specifically to Unit No. 1, similar reasons apply to the delay in construction of Unit No. 2, particularly items (b) and (c).

The overall time delay of 20.5 months for Unit 1 and 7.5 months for Unit 2 cannot be broken down into specific time durations attributed to each item. However the 5-month difference between the average time delay of 14 months for the two units and the 9 months accounted for by items (a) and (d) is consistent with time delays generally experienced on other nuclear plant projects due to complicated inter relationships involved in nuclear plant construction. Allowances for uncertainties in nuclear plant construction are evidenced by differences between earliest and latest dates for completion of construction. For the Farley plant, the allowance of 12 months included in the original schedule for this uncertainty is greater than the 5-month delay experienced for items (b) and (c).

The licensee stated that scheduled dates for initial fuel loading have been slipped 17 months for Unit 1 (from October 1974 to March 1976) and 4 months for Unit 2 (from October 1976 to February 1977). The average slip is 10.5 months for the two units is 3.5 months less than the construction completion date slip of 14 months. The allowance of 3.5 months for uncertainties in completing construction of the two units is reasonable based on the 5-month delay for such uncertainties currently experienced on the Farley project.

Reasonable Period of Time

We conclude that the above factors are not completely within the licensee's control, are reasonable and constitute good cause for delay. The staff finds that extensions of 20.5 months for Unit 1 and 7.5 months for Unit 2 are reasonable to compensate for time lost in connection with reasons stated above and can reasonably allow for future contingencies.

No Significant Hazard Consideration

Considering the nature of the delays, we have identified no area of significant hazard considerations in connection with the extension of the construction permit completion dates. Thus, prior public notice of this action is not required.

Accordingly, issuance of an order extending the earliest completion dates stated in CPPR-85 and CPPR-86 to March 15, 1976, and February 15, 1977, and the latest completion dates to March 15, 1977, and February 15, 1978, for Units 1 and 2, respectively, is reasonable and should be authorized.



L. L. Kintner
Senior Project Manager
LWR Branch 2-2



Karl Kniel, Chief
LWR Branch 2-2
Division of Reactor
Licensing