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 FACIL: 50-275 Diablo Canyon Nuclear Power Plant, Unit 1, Pacific Ga. 05000275
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 EISEHUT, D.G. Division of Licensing

SUBJECT: Responds to 830705 ltr requesting info on 830614 meeting re independence of independent design verification program. Meeting does not evince any violation of or inadequacy in procedures adopted to maintain independence.

DISTRIBUTION CODE: D013S COPIES RECEIVED: LTR 1 ENCL 3 SIZE: 3
 TITLE: Diablo Canyon (50-275) Independent Design Verification Program

NOTES: J Hanchett 1cy PDR Documents.

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1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that this is crucial for ensuring the integrity of the financial data and for providing a clear audit trail.

2. The second part of the document outlines the specific procedures that should be followed when recording transactions. This includes details on how to categorize expenses, how to handle receipts, and how to ensure that all entries are properly documented.

3. The third part of the document provides a detailed overview of the accounting system used by the organization. It describes the various accounts and how they are used to track different types of financial activity.

4. The fourth part of the document discusses the role of the accounting department in providing financial information to management. It highlights how this information is used to make strategic decisions and to monitor the overall performance of the organization.

5. The fifth part of the document concludes by summarizing the key points discussed and reiterating the importance of maintaining accurate and up-to-date financial records.

6. The sixth part of the document provides a detailed description of the accounting software used by the organization. It explains how the software is configured and how it is used to process transactions and generate financial reports.

7. The seventh part of the document discusses the importance of regular backups of the accounting data. It emphasizes that this is essential to protect the organization's financial information in the event of a system failure or data loss.

8. The eighth part of the document provides a detailed overview of the internal controls that are in place to ensure the accuracy and reliability of the financial data. It describes the various checks and balances that are used to prevent errors and fraud.

9. The ninth part of the document discusses the role of the accounting department in providing financial information to external stakeholders. It highlights how this information is used to support the organization's financial reporting and to provide transparency to investors and other interested parties.

10. The tenth part of the document concludes by summarizing the key points discussed and reiterating the importance of maintaining accurate and up-to-date financial records.

11. The eleventh part of the document provides a detailed description of the accounting system used by the organization. It explains how the system is configured and how it is used to process transactions and generate financial reports.

12. The twelfth part of the document discusses the importance of regular backups of the accounting data. It emphasizes that this is essential to protect the organization's financial information in the event of a system failure or data loss.

13. The thirteenth part of the document provides a detailed overview of the internal controls that are in place to ensure the accuracy and reliability of the financial data. It describes the various checks and balances that are used to prevent errors and fraud.

14. The fourteenth part of the document discusses the role of the accounting department in providing financial information to external stakeholders. It highlights how this information is used to support the organization's financial reporting and to provide transparency to investors and other interested parties.

15. The fifteenth part of the document concludes by summarizing the key points discussed and reiterating the importance of maintaining accurate and up-to-date financial records.

16. The sixteenth part of the document provides a detailed description of the accounting system used by the organization. It explains how the system is configured and how it is used to process transactions and generate financial reports.

17. The seventeenth part of the document discusses the importance of regular backups of the accounting data. It emphasizes that this is essential to protect the organization's financial information in the event of a system failure or data loss.

18. The eighteenth part of the document provides a detailed overview of the internal controls that are in place to ensure the accuracy and reliability of the financial data. It describes the various checks and balances that are used to prevent errors and fraud.

19. The nineteenth part of the document discusses the role of the accounting department in providing financial information to external stakeholders. It highlights how this information is used to support the organization's financial reporting and to provide transparency to investors and other interested parties.

20. The twentieth part of the document concludes by summarizing the key points discussed and reiterating the importance of maintaining accurate and up-to-date financial records.

21. The twenty-first part of the document provides a detailed description of the accounting system used by the organization. It explains how the system is configured and how it is used to process transactions and generate financial reports.

22. The twenty-second part of the document discusses the importance of regular backups of the accounting data. It emphasizes that this is essential to protect the organization's financial information in the event of a system failure or data loss.

23. The twenty-third part of the document provides a detailed overview of the internal controls that are in place to ensure the accuracy and reliability of the financial data. It describes the various checks and balances that are used to prevent errors and fraud.

24. The twenty-fourth part of the document discusses the role of the accounting department in providing financial information to external stakeholders. It highlights how this information is used to support the organization's financial reporting and to provide transparency to investors and other interested parties.

25. The twenty-fifth part of the document concludes by summarizing the key points discussed and reiterating the importance of maintaining accurate and up-to-date financial records.

26. The twenty-sixth part of the document provides a detailed description of the accounting system used by the organization. It explains how the system is configured and how it is used to process transactions and generate financial reports.

27. The twenty-seventh part of the document discusses the importance of regular backups of the accounting data. It emphasizes that this is essential to protect the organization's financial information in the event of a system failure or data loss.

28. The twenty-eighth part of the document provides a detailed overview of the internal controls that are in place to ensure the accuracy and reliability of the financial data. It describes the various checks and balances that are used to prevent errors and fraud.

29. The twenty-ninth part of the document discusses the role of the accounting department in providing financial information to external stakeholders. It highlights how this information is used to support the organization's financial reporting and to provide transparency to investors and other interested parties.

30. The thirtieth part of the document concludes by summarizing the key points discussed and reiterating the importance of maintaining accurate and up-to-date financial records.

31. The thirty-first part of the document provides a detailed description of the accounting system used by the organization. It explains how the system is configured and how it is used to process transactions and generate financial reports.

32. The thirty-second part of the document discusses the importance of regular backups of the accounting data. It emphasizes that this is essential to protect the organization's financial information in the event of a system failure or data loss.

33. The thirty-third part of the document provides a detailed overview of the internal controls that are in place to ensure the accuracy and reliability of the financial data. It describes the various checks and balances that are used to prevent errors and fraud.

34. The thirty-fourth part of the document discusses the role of the accounting department in providing financial information to external stakeholders. It highlights how this information is used to support the organization's financial reporting and to provide transparency to investors and other interested parties.

35. The thirty-fifth part of the document concludes by summarizing the key points discussed and reiterating the importance of maintaining accurate and up-to-date financial records.

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July 8, 1983
5511-438

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Mr. Darrell G. Eisenhut, Director
Division of Licensing
Office of Nuclear Reactor Regulation
U. S. Nuclear Regulatory Commission
Washington D. C. 20555

UNCONTROLLED COPY

Dear Mr. Eisenhut:

On June 23, 1983, Counsel for the Joint Intervenors in the reopened Diablo Canyon licensing proceeding wrote to Mr. Denton relating various concerns about the independence of the Diablo Canyon Independent Design Verification Program (IDVP) in light of a meeting between the Diablo Canyon Project (DCP) and the IDVP on June 14, 1983. After first reviewing that letter on June 29, 1983, the IDVP decided to respond to the NRC because we were concerned that the Joint Intervenors had drawn some entirely incorrect conclusions from the discussions which took place at that meeting, and because we wanted to affirm that the IDVP has been carried out, and will continue to be carried out, in the independent manner required by the Commission. Subsequently, the IDVP received your letter of July 5, 1983, requesting certain specific information about the June 14 meeting. In response we have added several paragraphs to our original letter specifically addressing your requests.

The June 14, 1983 meeting was held at the behest of the DCP to discuss the basis for an EOI (1132) issued by R. L. Cloud Associates on June 6, 1983 relating to the seismic qualification of auxiliary building slabs for in-plane loadings.

The IDVP issued the EOI because of a discrepancy between its understanding of the status of DCP reanalysis in this area, and that status as reflected in the DCP Final Report and in the DCP-issued schedule of completion of various Corrective Action items. At the June 14 meeting, the IDVP restated its position that this item requires additional reanalysis, and the DCP confirmed that additional reanalysis is, in fact, being performed.

The IDVP procedures contemplate that when the DCP disagrees with any action taken by the IDVP with respect to substantive matters, it may discuss such matters with the IDVP only after notice has been provided to the NRC Staff and other parties, affording them access to such discussions. That is exactly what occurred in this instance. Contrary to the implication of the Joint Intervenors' letter, the June 14 meeting does not suggest that any undue pressure was being imposed on the IDVP or that there are any inadequacies in the existing IDVP procedures. Rather, that meeting represents a situation in which the DCP disagreed with the IDVP's handling of a substantive matter and used appropriate procedures to discuss the differences in public. In our view, the DCP is well within its rights to bring its concerns to the attention of the IDVP in accordance with program procedures, and its views, thus presented, are given fair and honest consideration.

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In this case, after considering the views presented by the DCP at the meeting, the IDVP concluded that EOI 1132 was appropriately issued. Subsequent to the meeting, one change was made to the EOI which is unrelated to the matters discussed by the Joint Intervenors. The original EOI discussed a new model which the DCP had stated in an earlier meeting was being employed to qualify all slabs for in-plane loadings. The original EOI stated: "This model was required because the slabs could not be qualified with the loads obtained from the original stick models." This sentence was changed to correct a factual inaccuracy. The sentence now states: "This model was required to more accurately distribute the loads from the original stick model..." The portion of EOI 1132 dealing with the Joint Intervenors' concern was not changed.

The Joint Intervenors' letter also suggests that the DCP attempted to induce the IDVP to violate program procedures in the future by requesting that the IDVP discuss concerns privately with the DCP before deciding whether to issue an EOI. The IDVP participants present at the meeting did not interpret the DCP's expressions of concern as an effort to undermine the independence of the IDVP. Rather, the DCP appeared to be concerned that the significance of the issuance of the EOI based on possibly mistaken information would be misinterpreted by outside parties as it has on numerous occasions in the past. The IDVP Final Report acknowledges this problem (Section 6.2.4). Thus, the IDVP participants understood the DCP to be urging, as it has in the past, that the IDVP obtain full and complete information prior to issuing an EOI, not that such information be obtained in any manner other than the applicable IDVP procedures. In this instance, the IDVP simply disagreed, believing that an EOI was appropriate on the basis of existing information.

In response to your letter of July 5, 1983, the IDVP provides the following additional information:

1. The factual circumstances of the June 14 meeting were reviewed by Messrs. Cooper, Wray, Cloud, and others from the IDVP on June 29, 1983, the date a copy of Mr. Reynold's letter was received by the IDVP. Those circumstances are described above.
2. As previously stated, the IDVP did not consider the events of the June 14, 1983 meeting to be in violation of IDVP procedures or to have actual or apparent influence on IDVP independence. There have been previous occasions on which representatives of the DCP urged that the IDVP obtain all of the facts before issuing an EOI. The IDVP has always felt that the expression of such views was fully within the DCP's prerogative, but the IDVP has consistently relied solely on its judgement in determining when it had enough information to issue an EOI. Thus, the expression of such views by the DCP has had no impact on the IDVP's independence. In this case, as stated above, the EOI was not changed notwithstanding the DCP's complaint.



3. The guidance given prior to the June 14, 1983 meeting to members of the IDVP for such situations is described in the IDVP Final Report. The last sentence of the 2nd paragraph of Section 6.2.4 states: "The basic approach of the IDVP was that we had to receive and consider the comments of all interested parties at all times, but that the basic structure of the approved program plans, including those aspects designed to maintain independence, had to be maintained and fulfilled." Events during and subsequent to June 14, 1983 do not indicate a need to revise that guidance. There has been no apparent or actual influence on the IDVP's independence arising from the DCP's expression of its views.

In sum, we do not believe that the June 14 meeting evinces any violation of or inadequacy in the IDVP procedures adopted to maintain independence. We want to make clear that all of the IDVP participants view the need for independence as a matter of the utmost importance, will continue to abide by the procedures established to govern this program and are not aware of any actions by any party to undermine such procedures.

Very truly yours,

TELEDYNE ENGINEERING SERVICES



William E. Cooper
Project Manager - 5511

WEC:cjr

cc: G. A. Maneatis	Resident Inspector/Diablo Canyon NPS
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