

Response To Interrogatories By the Saginaw Group

Those participating in the preparation of answers to these interrogatories and their addresses are given below:

| <u>Interrogatory</u> | <u>Name</u> | <u>Address</u> |
|----------------------|--|----------------|
| 1.a. and b. | R. H. Vollmer | (1) |
| c. | W. E. Vetter | (2) |
| d. | R. A. Rohrbacher | (2) |
| e. | C. C. Williams | (2) |
| f. | W. E. Vetter | (2) |
| 2.a, b and c | J. H. Sniezek | (1) |
| 3.a. and b. | J. H. Sniezek | (1) |
| 4. | W. E. Vetter | (2) |
| 5.a. | R. H. Vollmer | (1) |
| 5.b. | W. E. Vetter | (2) |
| 6. | R. H. Vollmer | (1) |
| 7. | J. P. Murray | (1) |
| 8. | J. P. Murray | (1) |
| 9. | R. A. Rohrbacher | (2) |
| 10. | R. A. Rohrbacher | (2) |
| 11. | W. E. Vetter | (2) |
| 12. | W. E. Vetter | (2) |
| 13. | R. A. Rohrbacher | (2) |
| 14. | W. E. Vetter | (2) |
| 15. | J. P. Murray | (1) |
| 16. | R. A. Rohrbacher | (2) |
| 17. | J. P. Murray | (1) |
| 18. | W. E. Vetter | (2) |
| 19. | R. H. Vollmer | (1) |
| 20. | Answer not required under Board Order | |
| 21. | J. P. Murray | (1) |
| 22. | J. P. Murray | (1) |
| 23. | Testimony of Messrs. Vetter, Williams, Rohrbacher, and Whitesell | |
| 24. | J. P. Murray | (1) |
| 25. | J. P. Murray | (1) |
| 26. | J. P. Murray | (1) |
| 27. | R. A. Rohrbacher | (2) |
| 28. | R. A. Rohrbacher | (2) |
| 29. | R. A. Rohrbacher | (2) |
| 30. | W. E. Vetter | (2) |

The individuals above provided draft responses to the interrogatories as identified and H. D. Thornburg, S. E. Bryan, R. H. Vollmer, W. E. Vetter, C. C. Williams and J. P. Murray commented on and revised answers, except interrogatories 15, 23, and 24 were prepared entirely by J. P. Murray.

(1) U.S. Atomic Energy Commission, Washington, D. C. 20545

(2) U.S. Atomic Energy Commission, Directorate of Regulatory Operations,
799 Roosevelt Road, Glen Ellyn, Illinois 60137

1.(a). Answer:

WASH 1250 The Safety of Nuclear Power Reactors and Related Facilities is a summary and discussion of a large body of published information as interpreted by the AEC staff.

We have been unable to locate any record which would indicate that any utility personnel were interviewed in connection with the analysis leading to these conclusions.

1.(b). Answer:

See answer to interrogatory 1.(a). A review of the list of references of WASH 1250 applicable to 3-19 does not show participation by Consumers Power Company. Consumers Power Company is listed as an organization providing comments to WASH 1250.

1.(c). Answer:

Yes. Inspections conducted at the Consumers Power Company Corporate Offices, and at the Midland construction site, between February 22 and July 27, 1973, by Region III, led to a conclusion that the Consumers Power Company QA/QC programs for the Midland Plant construction met the requirements of 10 CFR Part 50, Appendix B, that the QA/QC programs were being effectively implemented.

1.(d). Answer:

Subsequent to the RO inspection at the Midland site on July 23-26 and August 8-10, 1973, Consumers Power Company stated (on August 13, 1973) that corrective action relative to the Region III comments on the Consumers Power Company Quality Assurance Manual, except those related to Criterion I of 10 CFR Part 50, Appendix B, would be incorporated into the manual as revisions.

During a meeting between Consumers Power Company corporate management and Region III (on August 16, 1973) relative to the Midland project quality assurance organization, Consumers Power Company agreed that the quality assurance organization would perform all required quality assurance functions necessary to assure proper execution of the Midland project quality assurance program and would be staffed in a timely manner, commensurate with project activities and requirements.

On July 25, 1973, Consumers Power Company informed Region III that A. J. Birkle has been temporarily assigned to the Consumers Power Company quality assurance organization as a Quality Assurance Engineer.

On August 30, 1973, Region III received a revised copy of the Consumers Power Company Quality Assurance Manual for the Midland project, dated August 24, 1973. This version incorporated changes discussed with Consumers Power Company personnel during July and August 1973.

During a Region III inspection on October 10 and 11, 1973, Consumers Power Company stated that the Consumers Power Company quality assurance organizational structure had been modified and expanded effective October 1, 1973. The Consumers Power Company Project Quality Assurance Services Department is headed by a director and includes a general office staff (Jackson, Michigan) and a field staff (Midland construction site).

In addition, during the October 1973 RO inspection, it was determined that most of the significant discrepancies to the Midland Plant Quality Assurance Manual had been corrected. Moreover, at this time, Consumers Power Company indicated that the remaining inconsistencies would be corrected by appropriate changes to the quality assurance manual and to pertinent references. These changes were incorporated into the manual as Revision No. 1, dated November 29, 1973. Subsequent to the Cadweld problem and related QA/QC program deficiencies (November and December 1973), Consumers Power Company QA/QC programs were expanded and modified to include the following: (1) establishment and implementation of a master schedule for quality assurance construction site audit activities, including quality assurance field audit procedures, (2) additional Consumers Power Company top management involvement in quality assurance activities relative to the Midland Plant, (3) additional quality assurance people assigned to the construction site, (4) obtaining outside assistance relative to the Midland Plant quality assurance program, (5) initiating and

implementing a more formal indoctrination and training program for quality assurance people, and (6) additional work and (6) additional work and inspection procedures, developed and/or revised by Bechtel Corporation, have been reviewed and approved by Consumers Power Company quality assurance personnel.

1.(e). Answer:

With respect to Consumers Power Company Midland Plants, and in the course of implementing (RO) the provisions and requirements of 10 CFR Part 50.57, various violations and deficiencies in the OA/QC programs, including the implementation of this program, have been identified. Identification has been made, variously, by both RO and the licensee's agents. Corrective action has been taken by the licensee. The identification of the matters requiring corrective action and/or clarification are as is identified in RO Inspection Reports covering the subject item frame.

No. 050-329/73-05 and No. 050-330/73-05

No. 050-329/73-07 and No. 050-330/73-07

No. 050-329/73-08 and No. 050-330/73-08

No. 050-329/73-09 and No. 050-330/73-09

No. 050-329/73-10 and No. 050-330/73-10

No. 050-329/73-11 and No. 050-330/73-11

No. 050-329/74-01 and No. 050-330/74-01

The details and scope of the RO inspection effort (problem identification and resolution) and responses by QA/QC management and corporate management, have been fully documented in the above identified reports. Moreover, the continuing involvement of this (Midland) QA/QC program, and the corporate management considerations, may be examined through the complete history (all reports) of RO inspection activity regarding this site.

Specifically:

1. On August 16, 1973, Consumers Power Company agreed that the QA organization would perform all required QA functions necessary to assure proper execution of the Midland QA program. Further, they indicated that the QA organization would be staffed in a timely manner.
2. On August 30, 1973, Region III received a revised copy of Consumers Power Company QA manual for the Midland project, dated August 24, 1973. This version included revision of questionable areas discussed with Consumers Power during the July and August 1973.
3. During a Region III inspection on October 10 and 11, 1973, Consumers Power Company reported that the QA organizational structure had been expanded, effective October 1, 1973. The Consumers Power Company Quality Assurance Service Department includes a general office staff in Jackson, Michigan, and a field staff in Midland, Michigan.

4. During the October 1973 RO inspection, Consumers Power Company reported that identified inconsistencies in the QA manual would be corrected. These changes were incorporated in the manual as Revision No. 1, dated November 29, 1973.
5. Subsequent to the identification of Cadwelding deficiencies and associated QA/QC program deficiencies (RO inspection reports of November and December 1973) the following revisions and additions were made, respectively, to the Consumers Power Company and the Bechtel Corporation QA/QC programs.

Establishment and implementation of a master schedule for quality assurance construction site audit activities, including:

- a. QA field audit activity.
- b. Additional Consumers Power Company top management involvement in quality assurance.
- c. Additional quality assurance people assigned to the construction site.
- d. Obtaining outside assistance relative to the Midland Plant Quality Assurance Program.
- e. Initiating and implementing a more formal indoctrination and training program for quality assurance personnel.
- f. Additional work and inspection procedures, developed and/or revised by Bechtel Corporation, have been reviewed and approved by Consumers Power Company quality assurance personnel.

Further demonstration of the steps taken by RO, Consumers Power Company, and Bechtel Corporation relative to the continuing involvement and implementation of the Consumers Power Company QA/QC program for the Midland Plants is identified in those documents referenced by W. E. Vetter in his response to the "Consumers Power Company to AEC" interrogatory No. 3.c.

1.(f). Answer:

Beginning in November 1973, steps were taken to assure that Consumers Power Company management personnel recognized a need for intensified involvement and participation in QA/QC program implementation to assure that the Midland Plant would be constructed with maximum attention to plant quality and safety of plant operation. Specific steps taken were:

1. A request that site Cadwelding activities be suspended, pending completion of an investigation and corrective action on the part of Consumers Power Company, to assure that the associated QC program was fully established and implemented.
2. A condition was imposed, in conjunction with the above suspension of work, that Consumers Power Company management demonstrate: (1) accomplishment of an analysis of the circumstances associated with the Cadwelding matter, and (2) a program of management involvement designed to assure proper implementation of QA/QC programs during continued construction of the Midland Plant.

2. Answer:

The referenced statements probably refer to the findings and conclusions of a Task Force convened by the Director of Regulation to study the quality verification program of Regulation, and is entitled, "TASK FORCE REPORT TO THE DIRECTOR OF REGULATION, STUDY OF QUALITY VERIFICATION AND BUDGET IMPACT, JANUARY 1974."

On page 15 of the referenced document it is stated that during the period 1/1/72 - 5/30/73 a total of approximately 850 abnormal occurrence reports from the 30 operating nuclear power plants were filed with the AEC. It does not state that these abnormal occurrences were, or resulted in, violations of regulatory requirements.

Since these abnormal occurrences do not necessarily constitute violations, we have not provided a copy of each. However, we are enclosing the Task Force Report.

3.(a). Answer:

Each nuclear power plant under construction is inspected at an average frequency of approximately six (6) times per year. During the course of these inspections all safety related activity areas are examined on a sampling basis which is estimated to include 1-2% of the total population, that could be examined, within each activity area.

3.(b). Answer:

In order to verify quality, in addition to the onsite inspections, we also require licensees to report certain construction deficiencies as defined in 10 CFR 50.55(e). Such deficiencies do not necessarily constitute violations. Any failure to report such deficiencies would constitute a violation, and prompt enforcement action would follow. We regard this program to be successful and place reliance on it for achieving quality.

4. Answer:

The definance is contained in the testimony of
W. E. Vet; supplied in response to Intervenor's
interrogat

5.(a). Answer:

Yes. The conclusion was made prior to issue of the construction permit and is set forth in the Safety Evaluation Report (SER). The support for the conclusion was contained in the Preliminary Safety Analysis Report (PSAR) and was based on past performance in the implicit contexting sense set forth in response to interrogatory 18.

5.(b). Answer:

Yes. On two occasions. First, on, or about July 19, 1973. This conclusion is set forth in RO Inspection Report No. 050-329/73-06 and 050-330/73-06. Secondly on, or about, January 11, 1974. This conclusion is set for on RO Inspection Report No. 050-329/74-01 and 050-330/74-01.

In both of the above instances, the conclusory positions were based on review and analysis of the Consumers Power Company and Bechtel Corporation QA/QC programs relating to the Midland plant without any specific relationship to facts or experience common to any other Consumers Power Company facility.

6. Answer:

The purpose is to meet the requirements of 10 CFR Part 50 Appendix B which, in turn, is devoted to assuring that the construction and operation of nuclear power plants will be conducted in accordance with high standards of quality.

7. and 8. Answer:

These terms are defined in the testimony of Mr. Walter Vetter which is supplied in responses to interrogatory 23. The facts which "must exist" are essentially negative in character, i.e., an absence of factual circumstances demonstrating an unreasonable number of violations or pattern of violations.

9. Answer:

At present, based on the most recent inspection, of April 19, 1974, the staff considers Consumers Power Company to be in compliance with applicable AEC regulations relative to the Midland Plant construction activities. These regulations are: 10 CFR Part 50, Sections 50.55, 50-70, 50-71, and Appendix B. This judgment is based on the facts contained in the RO inspection reports relative to this facility (Docket Nos. 50-329 and No. 50-330).

10. Answer:

Violations of AEC regulations, relative to the Midland Plant construction activities, and the facts involved, are described in the following RO inspection reports: 050-329/70-06 and 050-330/70-06, 050-329/73-08 and 050-330/73-08, 050-329/73-10 and 050-330/73-10, 050-329/74-01 and 050-330/74-01, and 050-329/74-04 and 050-330/74- 04.

11. Answer:

Yes. As stated in the answer to interrogatory 5.(b) of these answers to intervenor's interrogatories to the Regulatory Staff.

12. Answer:

Yes. This answer is more properly answered in terms of 'yes'.

The staff concluded that there is inadequate (as opposed to 'no') reasonable assurance. The facts of such conclusions are contained in the answer to interrogatory 5.(b). of intervenor's interrogatories to the Regulatory Staff.

13. Answer:

1. Consumers Power Company has overall and ultimate responsibility.
2. Certain named individuals at Consumers Power Company may be assigned part or all of this responsibility.
3. Bechtel Corporation has been delegated responsibility for a large portion of this activity.
4. Certain named individuals at Bechtel Corporation may be assigned part or all of the responsibility delegated to Bechtel Corporation by Consumers Power Company.
5. AEC has a responsibility, relative to reactor facilities under construction, to assure that the licensee (or holder of an AEC construction permit) and his contractors have an effective and working quality assurance program as required by AEC regulations.
6. Certain named individuals at the AEC may be assigned part or all of this responsibility.

14. Answer

With respect to the Midland project only.

a. Documents received or reviewed:

- (1) Preliminary Safety Analysis Report
- (2) Consumers Power Company QA Manual
- (3) Consumers Power Company Project Procedures Manual
- (4) Consumers Power Company PQASD-Procedures Manual
- (5) Consumers Power Company QA/QC Activity Records
- (6) Consumers Power Company Corporate Office Files
(Per RO Inspection Report 329/330/74-4)
- (7) Bechtel Nuclear QA Manual
- (8) Bechtel QC Inspection Procedures
- (9) Bechtel Field Inspection Manual
- (10) Bechtel Inspection Manual - Procurement Dept.
- (11) Bechtel Master Inspection Plan
- (12) Bechtel Training Program
- (13) Bechtel Work Procedures and Specifications
- (14) Bechtel Field Inspection Procedures
- (15) Bechtel QA/QC Activity Records
- (16) US Testing Company QA Manual and QC Procedures
- (17) US Testing Company QC Records
- (18) Champion QA Manual and QC Records
- (19) Champion Work Records
- (20) B & W QA Manual
- (21) B & W Work QC Records (Pressure Vessel, Pressurizer, Steam
Generators, Piping)

(22) DRO and DL Correspondence

(23) All documents identified in testimony of W. E. Vetter,
R. A. Rohrbacher, and C. C. Williams.

(24) All documents identified in RO Inspection Reports.

b. Meetings and Attendance at Meetings

The Midland project Region III Inspection reports contain information relative to meetings, dates of meetings, and meeting attendees with the except of:

- (1) A meeting with Consumers Power Company personnel on August 16, 1973. This meeting is documented in an RO Inspection report but the report does not identify the attendees, which were, in addition to Region III personnel, Messrs, Howell, Kessler, Keeley, and Swartz of Consumers Power Company
- (2) A meeting between W. E. Vetter, and Messrs. Bernsen and Gibbons of Bechtel Corporation, on July 19, 1973.

c. Physical Structures Reviewed

Physical structures reviewed in conjunction of the Midland facility are identified in RO Reports of Inspection.

15. Answer:

The relevance and materiality of "evidence of willful failure . . . to report any violation . . .", should such evidence exist, would in our view turn on the specific nature of such evidence. Thus, it might or might not be relevant and material depending upon such factors as time, place, people and other circumstances.

16. Answer:

Violations involving Bechtel Corporation, relative to the Midland project, are identified in the following RO inspection reports: 050-329/70-06 and 050-330/70-06, 050-329/73-08 and 050-330/73-08, 050-329/73-10 and 050-330/73-10, 050-329/74-01 and 050-330/74-01, and 050-329/74-04 and 050-330/74-04. In all cases, Region III reviewed the corrective action proposed (and to be implemented in a timely manner) to preclude similar violations in the future and concluded that the action taken was adequate. Copies have either been provided intervenors, or are attached.

17. Answer:

The issues in this hearing concern implementation of a formal construction QA program at Midland. There was no formal QA construction program at Palisades, although assurance of quality at that time was maintained by various other means. For this reason the relevancy of "construction activities" at Palisades some years ago is not perceived.

18. Answer:

Although the historical experience of Consumers Power Company in complying with AEC requirements in general, may, in a very special sense be said to form a part of the contexting circumstances surrounding the issues in this proceeding, it is in that special sense only. The "sense" referred to is this: if the specific historical pattern, overall, appeared to show any special or unusual negative deviation from generally experienced patterns, it would be explicitly taken into account rather than, as it the case here, accounted for only in the implicit contexting sense referred to.

19. Answer:

The Commission revised its procedures in June 1973 to further insure that utilities implement strong QA Programs for Nuclear Power Plants. Only those applications tendered after September 1, 1973 have been subject to meeting the new requirements of these procedures.

The rejection of the Quanicassee application was based on insufficient information in the QA Program description to meet the Commission's requirements for ongoing design and procurement activities and thus it has no bearing on the issues in this proceeding. The deficiencies noted above were not cause for rejection of applications docketed prior to September 1, 1973.

Other than Quanicassee, the applications of Consumers Power Company were all submitted prior to September 1973. From the standpoint of relevancy, the Quanicassee situation involves adequacy of a QA program while the Midland proceeding involves not adequacy of a program but adequacy of implementation of a program.

20. Answer:

Answer is not required under Board Order.

21.(a). Answer:

No, for the reason set forth in the testimony provided in response to question 23.

21.(b). Answer:

No. No basis for a change in roles has suggested itself.

22. Answer:

The basis for this statement was and is inherent in the show cause process set forth in 10 CFR 2.202. Thus, after an order to show cause issues, the respondent may, within a specified time period, answer showing cause or answer, but not show cause. In either case, a hearing may be demanded. In the instant proceeding, Consumers Power Company answered the order and requested a hearing only if the answer were deemed not to have shown cause. The Staff's evaluation of Consumer's answer, together with subsequent inspections, reveals that Consumer's has shown cause, all as more particularly set forth in the answer and the response to question 23. Therefore, but for a third party's request for a hearing, none would be held.

22.(a). Answer:

Yes.

22.(b). Answer:

The evidence identified in response to questions 23 and 24.

23. Answer:

The attached testimony of Messrs. Vetter, Williams, Rohrbacher,
and Whitesell.

24. Answer:

1. Inspection Report No.: 050-329/330/73-08

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| " | " | " | " | 74-05 |
| " | " | " | " | 74-06 |

2. Response of December 24, 1973 to show Cause Order by Consumers Power Company.

3. Staff responses to selected interrogatories.

25. Answer:

No. The detailed explanation for this answer is that the Atomic Energy Act is presently believed to provide for the requisite "independent judgment" as to matters of nuclear safety.

26. Answer:

The role played by the appeal panel's memorandum in the issuance of the show cause order is as described in part II of the order. A meeting of counsel and Regulatory Staff personnel was held on Friday, November 30, 1973 and Saturday, December 1, 1973 to discuss the inspection results set forth in part III of the Order to Show Cause and the appeal panel's memorandum and the appropriate form of enforcement action to take. No documents other than the Show Cause Order itself were "made" after receipt of the appeal panel's memorandum. While it is pure speculation as to what action would have been taken if the appeal panel's memorandum had not been received, the Director of Regulation might have delayed somewhat the issuance of any show cause order.

The Staff's recollection of the state of its collective mind "as of" the date of receipt of the appeal panel's November 26, 1973 memorandum is that it neither agreed nor disagreed with the basic thrust of the memorandum but that, together with its own inspection reports, the matters involved merited action, in light of the nature of the charges and deficiencies. This, of course, promptly eventuated in the Order to Show Cause.

27. Answer:

Violations committed by Consumers Power Company. Since Consumers Power Company has the ultimate responsibility for quality assurance relative to the Midland project and is the AEC construction permit holder, all violations are considered to be of direct concern to Consumers Power Company. See answer to interrogatory No. 10.

28. Answer:

None.

29. Answer:

Pursuant to 10 CFR 50.55(e) Consumers Power Company is required to, and have, reported certain deficiencies relative to design and construction of the Midland Plant - these may, or may not, be violations of AEC regulations. However, Consumers Power Company does not report, and is not required to report, violations of AEC regulations at the time of occurrence, since AEC determines whether or not a violation has occurred - and this is usually after the fact. Nevertheless, if AEC identifies a violation of AEC regulations, Consumers Power Company is required to report to AEC the corrective action taken relative to this violation.

30. Answer:

The following documents are identified as having relativity to violations, or suspected violations, common to the Consumers Power Company Midland facility only.

Inspection Report No. 50-329/330/70-6

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