

ORIGINAL

OFFICIAL TRANSCRIPT
PROCEEDINGS BEFORE

NUCLEAR REGULATORY COMMISSION
BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

DKT/CASE NO. 50-322-OL
TITLE LONG ISLAND LIGHTING COMPANY
(Shoreham Nuclear Power Station)
PLACE Bethesda, Maryland
DATE November 18, 1982
PAGES 14,437 - 14,589

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

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In the Matter of :
LONG ISLAND LIGHTING COMPANY : Docket No. 50-322-CL
(Shoreham Nuclear Power Station) :

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Bethesda, Maryland
Thursday, Nov. 18, 1982

The hearing in the above-entitled matter
convened, pursuant to recess, at 10:10 a.m.

BEFORE:

- LAWRENCE BRENNER, Chairman
Administrative Judge
- JAMES CARPENTER, Member
Administrative Judge
- PETER A. MORRIS, Member
Administrative Judge

1 APPEARANCES:

2 On behalf of Applicant:

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11 Washington, D.C.

12 On behalf of Suffolk County:

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1 C O N T E N T S

2 WITNESSES: DIRECT CROSS REDIRECT RECROSS BOARD

3 John F. Alexander,
 4 Robert A. Kubinak and
 Brian McCaffrey (Resumed)

5 By Mr. Ellis 14,442
 By Mr. Dynner 14,450
 6 By Mr. Bordenick 14,504

7 (Afternoon Session...14,510)

8 John F. Alexander,
 9 Robert A. Kubinak and
 Brian McCaffrey (Resumed)

10 By Mr. Ellis 14,511
 By Mr. Dynner 14,551
 11 By Mr. Bordenick 14,552
 12 By Judge Morris 14,553

13 Joseph M. Kelly,
 Arthur R. Muller and
 14 Edward J. Youngling (Recalled)
 By Mr. Bordenick 14,578

16 E X H I B I T S

17 <u>NUMBER</u>	<u>IDENTIFIED</u>	<u>RECEIVED</u>	<u>BOUND IN TRANSCRIPT</u>
18 LILCO 37	14,440	14,443	
19 Suffolk County 81	14,544		14,545
20 Suffolk County 82	14,562		

22 RECESSES:

23 Noon - 14,509

24 Afternoon - 14,538

25

P R O C E E D I N G S

(10:10 a.m.)

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JUDGE BRENNER: Good morning. We will consider running through until 12:15 without a break in order to get back some of the time, but we may change our minds. And if any party or witness wants a break before then, just let us know and we will take it. Are there any preliminary matters of the parties?

MR. ELLIS: Yes, Judge Brenner. This morning I delivered to the Board and the parties a series of resumes that are contained in the red covers entitled, "Resumes of Outside Consultant Members of the Nuclear Review Board." This is in response to an inquiry by Judge Morris yesterday, and I think it would be appropriate to have this marked as -- again, I will need Judge Morris's help -- LILCC Exhibit 37 or is it 38?

JUDGE MORRIS: 37.

(The document referred to was marked LILCC Exhibit 37 for identification.)

MR. ELLIS: And I can either wait until the redirect to ask questions to have it admitted, or do it now; whichever the Board wishes.

JUDGE BRENNER: Well, let's get it in now because I want to know who doubled-checked on the

1 accuracy of these with the persons, or when they were
2 last obtained from the persons, and whether those
3 persons were asked to double-check it and so on.

4 MR. ELLIS: All right, I will ask the witness,
5 then, Judge Brenner.

6 Whereupon,

7 JOHN F. ALEXANDER,
8 ROBERT A. KUBINAK and
9 BRIAN McCAFFREY,

10 the witnesses on the stand at the time of recess,
11 resumed the stand and, having been previously duly
12 sworn, were examined and testified further as follows:

13 JUDGE BRENNER: How do you know these are
14 accurate? We're willing to accept the fact that they
15 are essentially accurate, but I want to know the persons
16 preparing them knew they were being prepared for a
17 serious purpose; if not for this hearing, at least for
18 some submission on the part of the utility by which
19 these would be represented to other agencies.

20 WITNESS KUBINAK: We did not go into a special
21 investigation for each of the items listed in the
22 particular resume. However, each of those individuals
23 was personally known to me prior to his appointment to
24 the Nuclear Review Board.

25 At one occasion or another through my tenure

1 as Plant Manager and Manager of Nuclear Operations
2 Support Department, I have had contacts with those
3 individuals and those individuals' organizations.

4 JUDGE BRENNER: I think you're going a little
5 beyond my concern. I'm not concerned that these people
6 basically have the qualifications set forth. I want to
7 make sure there aren't any major omissions or
8 inaccuracies by virtue of error when the resumes were
9 prepared. We don't have them here to correct it.

10 DIRECT EXAMINATION -- Further

11 BY MR. ELLIS:

12 Q Mr. Kubinak, what purpose were these resumes
13 prepared for?

14 A (WITNESS KUBINAK) When I put the program
15 together, the proposal together, to the Vice President,
16 Nuclear to select the board members from outside the
17 company, I used the criteria as listed in the technical
18 specifications -- a draft of the technical
19 specifications -- to be sure that I had good coverage
20 over those areas. I asked these individuals to supply
21 me resumes, and they were used to assure the Vice
22 President, Nuclear that our selection program was
23 correct and adequate.

24 JUDGE BRENNER: And these were given to you in
25 that April 1982 timeframe when the board was being set

1 up?

2 WITNESS KUBINAK: Yes, sir.

3 JUDGE BRENNER: All right. You've given the
4 context in which they were submitted. I don't have any
5 problem admitting them into evidence, in the absence of
6 any objection. If there is any material error or
7 omission or whatever that is picked up, we would like to
8 know about it sooner rather than later.

9 MR. ELLIS: Yes, sir.

10 JUDGE BRENNER: So it will be admitted into
11 evidence as LILCO Exhibit 37.

12 (The document previously
13 marked LILCO Exhibit No.
14 37 for identification was
15 received in evidence.)

16 JUDGE BRENNER: Do you want to list the
17 resumes that are in it?

18 MR. ELLIS: I didn't, and I think it would be
19 appropriate. There's the Resume of David C. Rorer,
20 Resume of Richard Bowers, Resume of Robert C.
21 Christenson, Resume of Dr. Raymond M. Crawford, and the
22 Resume of Francis E. Duval.

23 JUDGE BRENNER: And I believe, Mr. Kubinak,
24 that those five persons are, in fact, the same five
25 persons that you've listed as consultant members on page

1 2-3 of LILCO's response to our information request,
2 which is LILCO Exhibit 35. Is that correct?

3 (Panel of witnesses conferring.)

4 WITNESS KUBINAK: Yes, sir.

5 JUDGE BRENNER: All right. The procedure we
6 said we would follow would be to complete the
7 questioning on these matters of these witnesses, so it
8 would be to the county at this point.

9 MR. LANPHER: Judge Brenner, before we
10 continue with that, you had asked if there were any
11 other preliminary matters. And I don't mean to
12 interrupt. I can come back at a different time. But I
13 did deliver this morning a document entitled, "Suffolk
14 County's Submittal of Listing of Documents to be Moved
15 Into Evidence," which are the audit findings as revised
16 pursuant to the Board's rulings last Friday. And they
17 have been shown to LILCO, and there is one inked-in
18 correction on the attachment. Other than that, I think
19 we're in agreement that these are the items to be moved
20 into evidence.

21 JUDGE BRENNER: Okay. Why don't you give us a
22 short opportunity with it and we'll come back to it to
23 admit it into evidence. And at that time, I will
24 confirm that all the parties agree with it. We can
25 probably do it tomorrow or soon thereafter, if it is

1 convenient.

2 MR. LANPHER: I will probably not be in the
3 hearing room all the time. I am readily available just
4 in the other room, so just give Mr. Dynner a little
5 advance notice and I'll make sure I'm over here.

6 JUDGE BRENNER: Okay. Are there any other
7 preliminary matters?

8 MR. LANPHER: I have a housekeeping question.
9 Are we tomorrow intending to go until 1:00 o'clock, and
10 see if you all make it to lunch? Or what is the
11 schedule this week?

12 JUDGE BRENNER: We have to deliberate and vote
13 on such a momentous matter among ourselves. The parties
14 can tell us at the end of the day. And in addition, we
15 haven't thought about it among ourselves so we will also
16 have to check. I don't know that we're necessarily
17 wedded to adjourning early. Remember, we always did
18 that because the parties insisted on it. We were
19 normally willing to go a full day on Friday.

20 MR. ELLIS: Judge Brenner, I might add that
21 for the first time I am counting on it, and I am
22 chairman of a bar conference that begins on Friday
23 evening that I have to drive a considerable distance to
24 get to.

25 JUDGE BRENNER: Well, it was my recollection

1 that you were worried about all the Stone & Webster last
2 time, and since they're not here, I made the observation
3 -- well, if parties want to vary that in any week, we
4 may be willing to run later as long as we have notice of
5 it as soon as practicable. But in the absence of that,
6 parties can assume that we will always be adjourning
7 early on Friday. As to how early, that is -- we will
8 let you know later today.

9 Is anybody counting on -- what would you
10 prefer?

11 MR. ELLIS: I had counted on going through to
12 1:00.

13 JUDGE BRENNER: But not later than 1:00?

14 MR. ELLIS: Yes, sir.

15 JUDGE BRENNER: I guess we can do that, if it
16 really is 1:00 and not 2:00, as it turned out to be last
17 time. Because people get mean when they get hungry.

18 (Laughter.)

19 JUDGE BRENNER: Okay, that is okay. We will
20 go through until 1:00 o'clock without breaking for lunch
21 tomorrow.

22 MR. ELLIS: One other housekeeping matter or
23 planning matter, if I may. And that is what the Board
24 has tentatively planned for the week prior to Christmas,
25 because travel plans for a number of people are

1 important, and I have received a number of inquiries.

2 JUDGE BRENNER: Well, I think the parties
3 raised this once before, and it might have been in one
4 of our off-the-record meetings on scheduling. We have
5 not precluded yet the fact that we may want to hold a
6 hearing that Monday, but we are not promising it,
7 either. So you will have to be flexible. And we will
8 let you know as soon as we decide. There are other
9 considerations.

10 MR. BORDENICK: I'm sorry, Judge Brenner,
11 maybe I misunderstood you. Did you say hold a hearing
12 on the 13th?

13 JUDGE BRENNER: That was the 20th, Monday, the
14 20th is what I meant to say.

15 MR. ELLIS: I guess I'd forgotten that. Does
16 it go beyond the 20th or just the 20th?

17 JUDGE BRENNER: We're going to have a hearing
18 that week, although not Friday, so the only decision is
19 as to whether to start on Monday because it's going to
20 be a short week, or whether to start on the normal
21 Tuesday. We will not be in hearing the week after that,
22 as we previously have announced. And after that, it was
23 our plan to be back in Long Island beginning in January.

24 All right, we can pick up the county's
25 examination now. Mr. Dynner, speaking of the county's

1 continuing examination, I must say I was a little
2 surprised yesterday when you raised the matter of
3 further examination on the staffing, and you are correct
4 that we gave you that opportunity and will give it. I
5 just would have hoped to have heard about it earlier
6 than we did. But that having been said, -- and I mean a
7 day or two earlier, not much earlier, but -- that having
8 been said, it might be best to pick up your examination
9 once we get the other panel back right away, so that it
10 then can be picked up in the redirect instead of waiting
11 for the redirect.

12 You had suggested, I believe, that we do the
13 redirect and then come back to further cross by the
14 county.

15 MR. DYNNER: Judge Brenner, when I read from
16 the transcript the other day, I thought that it was the
17 Board's intention that I come up after redirect, and of
18 course, I'm prepared to do it at any time, at the
19 Board's discretion.

20 However, I have not had the opportunity, of
21 course, because of my attention to these matters and to
22 this panel and to examination of it, to prepare the
23 cross plan that the Board referred to yesterday. While
24 I will prepare something, I'm not sure that I'm going to
25 be able to do it in great detail. But I think clearly,

1 the cross plan that will be presented will point out the
2 inconsistencies in the areas which you requested that we
3 mention.

4 JUDGE BRENNER: All right. I would also ask
5 you to come back and tell us why there is still a
6 disagreement. Maybe we should hold --

7 MR. DYNNER: Well, I didn't know whether you
8 want to do that in front of this panel or wait until we
9 were finished with the panel and then perhaps we could
10 get into that matter; whichever you prefer.

11 JUDGE BRENNER: Let's finish with the panel
12 and then get into that matter. And then in terms of
13 your examination we will hold it until tomorrow. That
14 is, I think we will get back to the other panel sooner
15 rather than later today. I hope so. But I won't
16 require you to begin, so you will have an opportunity to
17 pull a cross plan together and give us the cross plan
18 tomorrow morning.

19 But we will interrupt the redirect examination
20 at whatever point Mr. Ellis agrees to be interrupted.
21 And if he wants to go through until the end, we will let
22 him do that. But either way. And then pick up your
23 examination at some point, and that will give you the
24 opportunity and Mr. Ellis the flexibility. So we will
25 do that.

1 All right, let's get on with the questioning
2 of this panel now.

3 CROSS EXAMINATION -- Resumed

4 BY MR. DYNNER:

5 Q Good morning, gentlemen. I would like to ask
6 you first of all a question on the clarification of the
7 ISEG and how it fits into the general organizational
8 scheme of the company.

9 LILCO's Exhibit, I believe, 36, which is a
10 compilation of three organization charts, is before you,
11 isn't it?

12 A (WITNESS McCAFFREY) Yes, we have it.

13 Q And the first organization chart is entitled
14 at the top, "Nuclear Operations Support." On the
15 lefthand side at the bottom there is a box for
16 Independent Safety Engineering. Does that box represent
17 the ISEG?

18 A (WITNESS ALEXANDER) Yes, it does.

19 Q And it is correct, is it not, that the ISEG is
20 comprised of members who devote their full time and
21 attention to their responsibilities with ISEG, isn't it?

22 A (WITNESS ALEXANDER) That is correct. The
23 group leader and the other four engineers, the total is
24 five, are full time and have no other responsibilities
25 other than the ISEG.

1 Q The direct line, solid line, which is drawn
2 between the Independent Safety Engineering or the ISEG
3 and Nuclear Compliance and Safety, which has been
4 identified as Mr. McCaffrey, indicates, doesn't it, that
5 Mr. McCaffrey in his Nuclear Compliance and Safety
6 organization has functional and administrative authority
7 over the ISEG?

8 A (WITNESS McCAFFREY) As we have described in
9 our prior testimony, as Manager of Nuclear Compliance
10 and Safety I am also Chairman of the Independent Safety
11 Engineering Group. I am located offsite, except at the
12 times that I'm at the site working directly with the
13 ISEG or the plant personnel. So in the capacity as that
14 chairman and as described in the ISEG charter, NDC
15 Policy and Procedures, I do administer those functions.

16 Q And it is correct, isn't it, that as we look
17 at this chart, that Mr. Kubinak in his capacity as
18 Manager of Nuclear Operations Support has functional and
19 administrative authority over the Nuclear Compliance and
20 Safety organization? Is that correct?

21 A (WITNESS KUBINAK) That is correct.

22 Q Now, if we turn to the second chart which I
23 will identify by the fact that at the top of that chart
24 there is a box in which the title "President" and Mr.
25 Ewell's name is listed. At the bottom of that chart it

1 shows Mr. Kubinak's position as Manager of Nuclear
2 Operations Support, and there is a solid line that goes
3 up and continues up to Vice President, Nuclear. And
4 that indicates, doesn't it, that the Vice President,
5 Nuclear has administrative and functional authority over
6 Mr. Kubinak? Is that correct?

7 A (WITNESS KUBINAK) I report to the Vice
8 President, Nuclear.

9 Q Now, is the Vice President, Nuclear
10 responsible for power production in the plant?

11 A (WITNESS KUBINAK) The Vice President, Nuclear
12 is responsible for the entire nuclear operation for the
13 Long Island Lighting Company.

14 Q And that would include, of course, the
15 production of power?

16 (Panel of witnesses conferring.)

17 A (WITNESS KUBINAK) The entire program for
18 nuclear power within the Long Island Lighting Company is
19 under the direction of the Vice President, Nuclear.
20 That includes many departments, five of which are shown
21 on that particular chart, organization chart, you
22 referred to.

23 Q Now, gentlemen, can I ask you whether you are
24 familiar with NUREG-0731, which is entitled, "Guidelines
25 for Utility Management, Structure and Technical

1 Resources, Draft Report for Interim Use and Comment."

2 (Panel of witnesses conferring.)

3 A (WITNESS McCAFFREY) We are generally familiar
4 with that document as a draft document. However, the
5 operative document on which LILCO formulated and
6 implemented its independent safety engineering
7 responsibilities is contained in NUREG-0737, Item
8 1.B.1.2, and that was the operative document that we
9 worked with the staff to develop the approach to the
10 implementation of ISEG. So I think if you say the
11 underlying documents that led to our charter and not
12 policy procedures, it was NUREG-0737.

13 Q And have you considered the suggestions or
14 requirements set forth in NUREG-0731 with respect to the
15 establishment of the ISEG?

16 MR. ELLIS: I object to the question. 0731,
17 as I understand Mr. Dynner's question, is a draft
18 document, and I don't think he has established that it
19 has any requirements or suggestions.

20 JUDGE BRENNER: Well, the question is, have
21 they looked at it for that purpose, and the witness can
22 answer and explain the answer.

23 (Panel of witnesses conferring.)

24 JUDGE BRENNER: I mean, for all I know, there
25 is no such document. They could explain that, too, in

1 their answer.

2 (Panel of witnesses conferring.)

3 WITNESS ALEXANDER: When I drafted the
4 procedures I did have 0731 in front of me, and I did
5 refer to it. However, as Mr. McCaffrey stated in his
6 testimony, the basic document that we used was 0737, and
7 that is the document to which we strove to comply.

8 BY MR. DYNNER (Resuming):

9 Q In reviewing NUREG-0731, did you become
10 familiar with the fact that it provides that the
11 Independent Safety Engineering Group is an additional
12 independent group of five dedicated, full-time,
13 site-based engineers who report offsite to a technically
14 oriented, high level corporate official, not responsible
15 for power production?

16 (Panel of witnesses conferring.)

17 A (WITNESS ALEXANDER) we don't have NUREG-0731
18 in front of us. I assume your characterization is
19 correct. Basically, we did -- what we did is we
20 believed that the current organizational structure as
21 designed gives us the independence from the power
22 productio chain. Based upon our current organization,
23 we report to Mr. Kubinak who is a high level manager.
24 He is at the same level as the Plant Manager. He is
25 completey independent of the Plant Manager, below the

1 level of Vice President. And we believe that the way we
2 are currently structured -- I certainly feel comfortable
3 with the fact that I am independent of pressures of
4 power production responsibility and cost and scheduling.

5 A (WITNESS McCAFFREY) Mr. Dynner, I would like
6 to add that you also inserted the word, I believe,
7 "technical competence." Could you read that back again,
8 please?

9 Q Certainly. The sentence I was reading from in
10 the 0731 I will read again, and it is a quotation, and
11 it states, "The Independent Safety Engineering Group is
12 an additional independent group of five dedicated,
13 full-time, site-based engineers who report offsite to a
14 technically-oriented, high level corporate official not
15 responsible for power production."

16 (Panel of witnesses conferring.)

17 A (WITNESS McCAFFREY) The words that you were
18 reading apparently from NUREG-0731 are similar to the
19 words that I find the staff has reiterated in quotes in
20 SER Number 1, where they evaluated our ISEG. In my
21 interpretation of "technically-oriented" position, I
22 feel I satisfy that position. And that is, I need to
23 have a technical awareness of the plant, its design, its
24 construction and its operation.

25 I bring to that position my years on the

1 Shoreham project which number 10 in running calendar
2 years, my prior positions as Project Licensing Engineer,
3 my position as Project Engineer supervising and managing
4 the design efforts in General Electric and Stone &
5 Webster, my position as Assistant Project Manager for
6 Engineering and Licensing, and I bring that to my
7 current position as Manager of Nuclear Compliance and
8 Safety.

9 Q I hope you understand when I ask these
10 questions, Mr. McCaffrey, that I am not at all posing
11 them in a personal context to suggest that you
12 personally might not have acted in an independent way.
13 But I'm trying to explore the structure of the
14 organization.

15 Do you view the responsibilities of ISEG in
16 terms of safety for the plant as at least as important
17 as the responsibilities of the Quality Assurance
18 Department?

19 (Panel of witnesses conferring.)

20 A (WITNESS ALEXANDER) Mr. Dynner, this poses
21 somewhat of a philosophical question and we haven't
22 given a tremendous amount of thought as to relative
23 merits. However, we view the activities of the ISEG as
24 paramountly important, extremely. We take our job very
25 seriously, and we feel that what the ISEG does is

1 similar to QA.

2 We are adding another layer of protection and,
3 in effect, another layer of quality unto the plant. We
4 don't perform the same function as QA. We perform a
5 different type function; one that perhaps had not been
6 performed before. But we consider that we complement
7 QA. We are adding a second or an additional layer of
8 protection, since QA and the RCC principle, the NRB
9 principle, the idea of the NRC resident inspector.

10 We feel that our contribution to safety is
11 extremely important, and we take that responsibility
12 very seriously.

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1 A (WITNESS KUBINAK) As manager of the Nuclear
2 Operations Support Department, I view the Independent
3 Safety Engineering Group as one contributor, as one of a
4 subset of organizations that contribute to safety.

5 Q Could you perhaps explain why, when
6 determining the organizational structure for the ISEG,
7 the company, bearing in mind that according to the LILCO
8 witnesses' testimony previously, the QA Department was
9 moved from under the Vice President for Nuclear over to
10 the chain of authority running from the Vice President
11 of Engineering in order to insulate the QA Department
12 from cost and scheduling requirements, and why similar
13 considerations were not taken into account with respect
14 to the organizational structure of ISEG?

15 MR. ELLIS: For the record, I object to the
16 characterization of the testimony when he used the
17 phrase "in order to."

18 MR. DYNNER: Well, I suggest you refer to, I
19 think it is, pages 5 or 7 of the prefiled testimony.

20 JUDGE BRENNER: It sounded pretty accurate to
21 me, Mr. Ellis. So whatever the record says, it says,
22 but if you think you want to fix it up in our minds, I
23 will tell you my present impression is that what he said
24 was reasonably accurate.

25 [Panel of witnesses conferring.]

1 WITNESS KUBINAK: Could you repeat that
2 question for us, please?

3 JUDGE BRENNER: He wants to know how come you
4 think ISEG is independent as long as it is in the vice
5 president of nuclear's chain, given the fact that when
6 the criteria for independence was applied to the QA
7 organization, it was determined that that organization
8 should be moved to the chain under the vice president of
9 engineering.

10 WITNESS KUBINAK: Yes, sir, I understood that;
11 but I thought part of that question was a misstatement.

12 JUDGE BRENNER: Just answer my question.

13 WITNESS KUBINAK: As far as I know, the
14 Quality Assurance Department never reported to the
15 VP-Nuclear. During the reorganization sometime back
16 where all the nuclear organizations were placed under
17 the VP-Nuclear, that move just was not made to put
18 quality assurance under vice president-nuclear. I don't
19 believe it was ever moved out from under the VP-Nuclear
20 to maintain independence.

21 JUDGE BRENNER: There is testimony on page 5
22 of your direct testimony essentially to the contrary,
23 and you are getting into the detail I wanted you to
24 avoid. I know what you are saying, because they didn't
25 have the same vice president structure then but the

1 change was in that direction. But in any event, answer
2 the question that I posed, and I avoided that
3 complication in my question

4 [Panel of witnesses conferring.]

5 WITNESS KUBINAK: It is my view, sir, that the
6 Independent Safety Engineering Group reports to a person
7 or organization that is not responsible for power
8 production. I believe we have an organization that
9 exhibits independence. It is true there are other
10 methods which could be used to exhibit independence. We
11 have a certain technical responsibility. We feel that
12 the product of ISEG should have an interpretation that
13 is technical. We believe we have that technical
14 competence within the company, and since it is a nuclear
15 technical competence, it is probably the only place in
16 the company that we can afford ourselves of the proper
17 interpretation of the ISEG product.

18 WITNESS MC CAFFREY: If I could add to that, I
19 think there are certain inherent benefits to having ISEG
20 reporting where it is, that is, through Nuclear
21 Operational Support Department, because unlike a
22 structure where you would have ISEG reporting to Nuclear
23 Engineering -- Vice President of Engineering, not
24 Nuclear Engineering -- but Vice President of
25 Engineering, you would not be in the flow path of all of

1 the nuclear-related materials that cross through Nuclear
2 Operations Support Department.

3 So, as we discussed yesterday, the advantage
4 we have is that we are the clearing house of much
5 information that has a direct bearing upon ISEG's role
6 in safety and plant reliability, and I think it is a
7 more efficient structure to have it where it is.

8 BY MR. DYNNER: (Resuming)

9 Q It would be possible, wouldn't it, Mr.
10 McCaffrey, to have ISEG going up through the chain of
11 command to the Vice President for Nuclear, with the Vice
12 President for Nuclear having functional authority over
13 ISEG, and to have the Vice President of Engineering come
14 down with respect to administrative authority over ISEG,
15 wouldn't it?

16 [Panel of witnesses conferring.]

17 A (WITNESS MC CAFFREY) If I am interpreting
18 what you are driving at here, you are saying, okay,
19 given it is under the Vice President-Nuclear, would it
20 be beneficial to add another layer of authority over
21 that? And I think what you are driving at, it seems, is
22 the independence, and as we said yesterday, even though
23 a member of ISEG is in this chain reporting to the Vice
24 President-Nuclear, per our corporate policy he always
25 has avenues around that chain if there is a matter of

1 safety or plant reliability he deems important to bring
2 to somebody else's attention, straight up the line to
3 the president of the company, if necessary.

4 So I don't think, given that, the existence of
5 that corporate policy, it is necessary to add another
6 level of authority on top of the chain under Mr. Pollock.

7 Q Well, I intend to move off this issue in a
8 moment, but to clarify my question to you, what I was
9 driving at was that it would be possible, wouldn't it,
10 organizationally for ISEG to remain in the flow pattern
11 as to its functional responsibilities, coming down from
12 the Vice President-Nuclear, but that to have decisions
13 that are administrative, an authority that is
14 administrative, such as the power to hire, fire,
15 evaluate, give raises, bonuses, et cetera, running from
16 the Vice President of Engineering instead, and I thought
17 of that possible dichotomy because of what I understand
18 is the current situation with respect to one of the QA
19 organizations.

20 [Panel of witnesses conferring.]

21 A (WITNESS ALEXANDER) There are probably
22 numerous ways that the organizational structure could
23 have been set up, and I suppose that the method you are
24 proposing might be one of those possible means.
25 However, we feel that the structure the way it is now is

1 acceptable. We don't see any need for a change in it.
2 We, and I as the Group Leader of the ISEG feel very
3 independent. I don't feel any responsibilities or
4 pressure towards power production. I feel that the most
5 important thing is the safe operation of that plant.
6 And while what you are saying, there may be many layers
7 of complex arrangements, we feel this is adequate and
8 the most direct means available.

9 A (WITNESS KUBINAK) I think that the
10 organization as structured has a charter and procedures
11 that are straightforward, that the information is
12 brought from the projects into the proper forum. I
13 think that taking that information up through the
14 chairman of the ISEG to the manager is probably the
15 simplest and best method that we could develop for ISEG.

16 Q Gentlemen, do you regard the ISEG as part of
17 the LILCO QA organization?

18 [Panel of witnesses conferring.]

19 A (WITNESS ALEXANDER) Specifically, no, we are
20 not part of the LILCO QA organization. We are, however,
21 an organization which in a sense impacts the quality of
22 the plant, and by doing that, we feel that we are
23 providing another layer of protection for the overall
24 quality of the safety of the plant.

25 Q Does ISEG have any authority over what the

1 Quality Assurance Department does or does not do?

2 A (WITNESS MC CAFFREY) We have no direct
3 authority over the Quality Assurance Department.
4 However, in the course of carrying out our ISEG charter,
5 it will be necessary to interface with the Quality
6 personnel in the course of our observations of plant
7 activities, such as a maintenance practice on a valve or
8 a pump. Certainly that maintenance operation involves
9 OQA being part of the process, and in the course of our
10 surveillance of that entire process, we will therefore
11 be rendering our observations on the quality aspects of
12 the program as well as the technical aspects of the
13 program.

14 Now, to separate these separation states, so
15 to speak, on QA versus ISEG, I think QA's charter is
16 pretty clear. Their area is audits and quality assurance
17 and Appendix B implementation. Our major thrust is in
18 more the technical areas, and that is our major drive is
19 in the area of technical quality of the plant and
20 reliability. As any part of the nuclear organization,
21 of course, the Independent and Safety Engineering Group,
22 just like the Nuclear Operations Support Department,
23 will undergo audits by the Quality Assurance Corporate
24 Department to assure that we are carrying out our
25 charter and procedures correctly as we have committed to.

1 A (WITNESS ALEXANDER) I might also point out
2 that we do have several cases of frequent contact with
3 the OQA organization. As I stated yesterday, I see Mr.
4 Muller virtually every day at the 8:30 meeting. In
5 addition, OQA is part of the required reading list to
6 which ISEG does have input, and another intended source
7 of information for the ISEG are the LDRs and audit
8 reports that OQA will do.

9 Now, we are not going to audit those reports
10 specifically for OQA participation, but what we do is we
11 take their input and look for trending analysis and look
12 for signs of repetitive failures or problems which we
13 might then be able to delve in and perhaps make some
14 constructive recommendations.

15 Q Mr. McCaffrey, did I understand when you
16 referred to the QA Department and their responsibilities
17 with respect to Appendix B of 10 CFR Part 50 that you
18 regard the ISEG as something supplementary to what the
19 QA Department does and not directly responsible for the
20 Appendix B criteria?

21 [Panel of witnesses conferring.]

22 A (WITNESS ALEXANDER) Well, the members of
23 ISEG, like everyone else in the organization, have basic
24 responsibilities towards nuclear quality. We are
25 oriented and trained in QA like everyone who has access

1 on the site. My people have also had some additional
2 training beyond the general employee training in QA. We
3 have responsibilities and we know the basic
4 responsibilities of everyone who is out at site.

5 However, we are not part of the QA team, so to
6 speak. We are not actually in a line QA function.
7 However, our activities do necessarily impact the
8 overall quality of the plant, and we feel that our
9 activities do add that extra layer of quality to the
10 plant.

11 A (WITNESS MC CAFFREY) Mr. Dynner, I would like
12 to add also that to assure ISEG is carrying out its
13 functions, not only will it be audited by the Quality
14 Assurance Department, but ISEG will be audited by the
15 Nuclear Review Board, as well.

16 Q Mr. McCaffrey, I think that you mentioned
17 before that ISEG also reviews or evaluates or has some
18 interplay with the QA program. Do you, in fact, regard
19 one of your responsibilities as evaluating the quality
20 assurance program?

21 [Panel of witnesses conferring.]

22 A (WITNESS ALEXANDER) The answer is basically
23 no, the ISEG does not view itself as an organization to
24 go out and audit QA. However, as part of our normal
25 projects, it is expected that, for instance, if we go

1 out to observe a particular maintenance function, we
2 will be reviewing the procedures, including looking at
3 different places where the QA personnel may put hold
4 points for QC checking. As part of our report, if we
5 disagreed that we felt that the QC checks there were
6 superficial or incorrect, we would make that part of our
7 report, but we do not view ourselves, we would not go
8 out into the field to actually look to audit QA.

9 We are out there to look at the technical
10 aspects of the job. Necessarily in doing that we do
11 have to have an interface with QA, and if we did find
12 things wrong, as any person out in the nuclear
13 organization, it would be our responsibility to report
14 that, and that would be stated in the final reports that
15 the ISEG makes and approves.

16 Q When you reviewed NUREG-0731, and you may
17 have, obviously -- you said you took a look at it and it
18 wasn't the document that is used as a basis for your
19 ISEG operation. But in 0731 there is a list of the
20 minimum functions of ISEG as suggested there, and one of
21 those is the evaluation of the effectiveness of the
22 quality assurance program.

23 Could you explain why you chose not to include
24 that function in your ISEG?

25 [Panel of witnesses conferring.]

1 MR. ELLIS: If I might suggest, if this might
2 expedite things, if Mr. Dynner's copy of 0731 isn't
3 marked up, maybe he could loan it to the witnesses.

4 MR. DYNNER: Well, my copy is, in fact, marked
5 up, but I will nevertheless be happy to give it to the
6 witnesses. If you would like, Mr. Ellis, to look at the
7 markings first --

8 JUDGE BRENNER: Just give it to them.

9 MR. DYNNER: If I can have this back, because
10 it is my only copy. I don't intend to examine you
11 extensively on it.

12 WITNESS ALEXANDER: When I wrote the
13 procedures and the charter in the NDC policy, I was
14 aware of the recommendation in 0731. I chose not to
15 include that because, first of all, I felt that it was
16 not an area, that type of auditing was not an area that
17 we necessarily had to get into. We wanted to maintain
18 as much technical basis as possible. Secondly, we noted
19 that Quality Assurance OQA was already audited, and we
20 presumed at the time that it was adequately audited by
21 the QA Department. And finally, it was not a
22 requirement -- well, not finally, but the next point was
23 that it was not a requirement listed in 0737, and since
24 the organization was just starting up, we didn't want to
25 add any more responsibilities than we had to take on in

1 the beginning, knowing all along that we could always go
2 back and change the procedures to expand the scope of
3 responsibility if necessary.

4 Q Gentlemen, yesterday there was submitted into
5 evidence this book which contains the NDC policy, the
6 ISEG charter, the procedures and some resumes, and I
7 believe, and Judge Morris, please correct me, that that
8 was LILCO's Exhibit 35; is that correct?

9 JUDGE MORRIS: That is LILCO 34.

10 MR. DYNNER: Thank you.

11 BY MR. DYNNER: (Resuming)

12 Q Gentlemen, have the contents of this booklet
13 been reviewed by NRR of the NRC?

14 [Panel of witnesses conferring.]

15 JUDGE BRENNER: If there a reason, Mr. Dynner,
16 why you are restricting it to one sub-organization in
17 the NRC Staff? I mean you can if you want to, but it
18 may be harder to answer that way. I don't know.

19 MR. DYNNER: I was trying to make it easier by
20 cutting it down into three separate subsections in the
21 question.

22 JUDGE BRENNER: Well, it depends on whatever
23 you feel you need.

24 WITNESS MC CAFFREY: Mr. Dynner, the
25 procedures and the charter -- I don't believe the NDC

1 policy have been provided to NRR and I&E. They were
2 provided to our project manager in NRR, and they were
3 physically handed to the resident I&E inspector at the
4 site, Mr. Higgins.

5 BY MR. DYNNER: (Resuming)

6 Q Do you know when that was done, Mr. McCaffrey?

7 A (WITNESS MC CAFFREY) My recollection is it
8 was within the last two weeks, perhaps as long ago as
9 2-1/2.

10 JUDGE BRENNER: Did you say weeks or months?

11 WITNESS MC CAFFREY: Yes, sir, 2 to 2-1/2
12 weeks.

13 BY MR. DYNNER: (Resuming)

14 Q Were the procedures of the charter provided to
15 these NRC organizations with the intention that they
16 should review them, or were they merely submitted for
17 informational purposes?

18 A (WITNESS MC CAFFREY) I was requested by NRR
19 to make the procedures and charter available to them.
20 My assumption is that was for the purpose of being able
21 to verify the implementation of the commitments made by
22 the company in its FSAR and various letter submittals.

23 A (WITNESS ALEXANDER) I might add that the
24 whole package has been available at the site and
25 available for inspection by the resident at any time,

1 and that is since they have been approved.

2 Q When you say since they have been approved, do
3 you mean approved by LILCO or approved by someone else?

4 A (WITNESS ALEXANDER) Approved by LILCO.

5 Q You have not received any feedback or comments
6 from the NRC Staff or any of the NRC organizations
7 concerning the charter or procedures yet, have you?

8 A (WITNESS MC CAFFREY) No, we have no feedback
9 on their adequacy or acceptability, and unless we hear
10 further, we will assume that they find that they comply
11 with the previous commitments.

12 Q Gentlemen, in your view, does the ISEG provide
13 for the reporting from other nuclear power stations of
14 all equipment failures that occur at those stations?

15 [Panel of witnesses conferring.]

16 A (WITNESS MC CAFFREY) Could I have the
17 question read back, please?

18 [The reporter read the record as requested.]

19 [Panel of witnesses conferring.]

20 A (WITNESS ALEXANDER) Basically I believe the
21 answer to your question is yes. We believe that we have
22 accounted for the equipment failure reporting from other
23 stations, and the way ISEG is trying to do this is by
24 subscribing to the INPO program. INPO has a program
25 whereby they review all of the LERs reported from the

1 operating nuclear stations in the United States and
2 abroad. They review those LERs for significance and then
3 produce those LERs daily on the Notepad, which is a
4 teletype telephone system.

5 We get these Notepad-delivered SERs,
6 significant event reports. We review these as operating
7 experiences. In addition to equipment problems, the
8 SERs also report operational problems, administrative
9 problems and procedural problems, so we take all of
10 these and then review them in accordance with our
11 Procedure NIOSD 19.8, which you have in the Green Book as
12 operating experiences.

13 In addition to that, we also will be doing
14 reviews from the NPRDS system, basically as we are clued
15 into operating or equipment problems, either through the
16 SEE-IN program bulletins, circulars, notices, G.E. SILS
17 which we get, TILS, SALS, the entire gamut of
18 operational experiences from it. We have been and
19 intend to continue to use the NPRDS system to give us a
20 little bit better feel for equipment problems. And we
21 feel in that way we are clueing in to potential
22 equipment problems throughout the industry as well as
23 from LILCO.

24 JUDGE BRENNER: I think the only acronym we
25 haven't heard in the alphabet soup that we gone through

1 in this hearing, at least that I don't recall, was a
2 SAL. Can you tell me what that is?

3 WITNESS ALEXANDER: A SAL is a Service
4 Advisory Letter. It is published by the General
5 Electric Company and it usually involves electrical and
6 electronic reporting of equipment events.

7 JUDGE BRENNER: Not to be confused with the
8 SILS which we know about in this record. Thank you.

9 BY MR. DYNNER: (Resuming)

10 Q Gentlemen, could you turn for a moment to
11 page 3 of NIOSD 19.8, which is entitled "Operating
12 Experience Review Program," and it is a procedure which
13 forms a part of LILCO Exhibit 34.

14 A (WITNESS ALEXANDER) We have that.

15 Q Now, in Paragraph 5.2, entitled "Operating
16 Experience Originating Outside of Shoreham," is it
17 correct that that paragraph sets forth all of the
18 sources and requirements for obtaining experience
19 regarding equipment failures from other nuclear power
20 plants under the ISEG program?

21 [Panel of witnesses conferring.]

22 MR. ELLIS: Which page was that?

23 MR. DYNNER: That was page 3 of 7 on Nuclear
24 Operation Support Division, Procedure 19.8, Revision 0,
25 dated 6/30/82.

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MR. ELLIS: Thank you.

1 WITNESS ALEXANDER: This paragraph lays out
2 examples of many of the sources that we use. It is not
3 necessarily a complete laundry list of every source of
4 information. If we receive another source of
5 information which, for example, doe not come through
6 bulletins, circulars, notices, SORs, and all of the
7 other programs that are listed in this paragraph, we
8 follow up on that too.

9 WITNESS MC CAFFREY: Mr. Dynner, I could add
10 to that. Continuing on paragraph 5.2 but on the
11 following page it says that, "or indirectly through
12 normal NOSD correspondence and control systems." And
13 what that is pointing out is that the flow through NOSD
14 of all regulatory-related correspondence of any sort can
15 find its path to ISEG, when appropriate.

16 BY MR. DYNNER: (Resuming)

17 Q As written, does this paragraph refer to the
18 NPRDS program?

19 (Witnesses conferred.)

20 A (WITNESS ALEXANDER) NPRDS is not listed in
21 this paragraph. There are other sources of information
22 that are not listed in this paragraph which we also
23 use. The intent in writing the paragraph was not to
24 limit us to the use of only a listing or one finite
25 listing of sources. We only intended to just lay out

1 some important ones, and we don't feel that there needs
2 to be a specific list.

3 We have a vast array of information available
4 to us, and we use all of it. NPRDS we view as a tool to
5 assist us, not as a source of information which is
6 necessarily any more important than any of these other
7 sources that are listed here.

8 A (WITNESS MC CAFFREY) I think yesterday, Mr.
9 Dynner, Judge Morris was inquiring about NCMIS, and
10 NDMIS is also not listed here. And yet you heard that
11 NDMIS has been used as a source of useful information
12 for ISEG, just as we have used NPRDS.

13 Q Well, we had some discussion and in your
14 testimony concerning NPRDS both written, prefiled. And
15 yesterday I had the impression, and correct me if I am
16 wrong, that the NPRDS system was considered by you to be
17 an important source of information regarding equipment
18 failures and other safety issues from other nuclear
19 power plants. Is that true?

20 A (WITNESS ALEXANDER) That is true. It is
21 another important source of information.

22 Q And it is correct that notwithstanding the
23 fact that it doesn't say NPRDS, here that you do intend
24 to use NPRDS as an important input of operating
25 experience originating outside of Shoreham, isn't it?

1 A (WITNESS MC CAFFREY) We have, and we will use
2 it. Correct.

3 Q Would this panoply of source information both
4 contained in this procedure, and presumably implicit in
5 the way you intend to apply the procedure, pick up
6 equipment failures as to non-safety-related equipment?

7 (Witnesses conferred.)

8 A (WITNESS ALEXANDER) Basically, we look at
9 anything which can affect the safe or reliable operation
10 of the plant, not just necessarily the term
11 "safety-related equipment," equipment which is not
12 "safety-related" but which can affect safety functions
13 of the plant are looked at. We look at everything,
14 basically.

15 A (WITNESS MC CAFFREY) An example of that
16 project that is under way is the review of James A.
17 Fitzpatrick LERs with the sensitivity to potential
18 interactions regardless of whether it is strictly
19 classified as a safety-related system, component, or
20 structure, or beyond that sphere of systems, components,
21 or structures.

22 Q Gentlemen, I am not at all suggesting that you
23 don't look at the information that comes in to you. My
24 question is directed more towards whether, in your
25 judgment, the various sources of information that you

1 are drawing upon will, in fact, disclose each and every
2 equipment failure at each other nuclear power plant
3 regardless of whether that equipment failure was or was
4 not safety related and regardless of the type of
5 equipment that might have been involved.

6 (Witnesses conferred.)

7 A (WITNESS ALEXANDER) We are limited, of
8 course, by our sources of information and their
9 quality. We feel that we can not be certain obviously
10 of each and every equipment failure because we depend on
11 the other plants to make sure that they report those.
12 And if they don't report them, we could never know of
13 them.

14 However, to address your concern about whether
15 or not our sources of information include
16 non-safety-related, quote unquote, equipment, one of the
17 examples I gave yesterday was the project that we
18 recently completed recommending the installation of a
19 hydrogen monitor on the exciter to the generator. The
20 exciter to the generator does not fall into
21 safety-related equipment. However, an explosion which
22 would destroy the exciter might be construed as
23 impacting safety-related equipment.

24 So this particular source of information was
25 reported to us through the SEEIN program as a

1 significant event report and is a significant operating
2 experience report. Despite the fact that it was not
3 safety related, it was reported to us, and we picked up
4 upon this as a serious potential, having serious
5 potential impact to safety-related equipment, and we
6 took steps to make recommendations.

7 I might add that the SER program that INPO
8 runs has been reviewed by the Nuclear Regulatory
9 Commission, and they use that and they have accepted
10 that program. And we do wholeheartedly subscribe to it.

11 They basically screen all of the LERs from all
12 of the plants and meet with the committee and decide
13 which ones are significant enough to warrant
14 consideration by the plants. And we warrant and
15 disposition every SER that comes out.

16 Q And you don't rely just upon INPO, as you
17 testified, you also go to other sources. Isn't that
18 correct?

19 A (WITNESS ALEXANDER) That is correct.

20 Q I think one of you gentlemen interested me
21 when you said that in terms of the information that
22 comes to you regarding equipment failures as an example,
23 that the critical thing might be regarded as what kind
24 of input was made by other nuclear power plants into
25 this system.

1 So that it is true, isn't it, that if another
2 nuclear power plant similar to Shoreham were to plug
3 into its reporting system only failures of such things
4 as pumps or diesels but not plug into its system such
5 things as gaskets or pressure transmitters, that would
6 impact upon the quality and quantity of information
7 received by ISEG, wouldn't it?

8 (Witnesses conferred.)

9 A (WITNESS ALEXANDER) Well, basically, we have
10 many sources of information to us. And, for instace, in
11 the instance that you cited, were a plant not to report
12 gasket failures, we wouldn't know, of course, that the
13 gasket failed. We do have information of our own gasket
14 failures, and we do intend to look at those in addition.

15 In situations where a gasket failure or a
16 smaller subcomponent failure resulted in a plant
17 transient or some sort of larger system interaction or
18 something that resulted in a significant event, we
19 would, of course, be clued in either through INPD or the
20 NRC bulletins, circulars, notices program, the NDMIS
21 program.

22 And in addition, a significant amount of
23 information comes over on NCTEPAD, which are just
24 basically maintenance questions. For instance, many
25 questions come over about recirc pump seal failures. We

1 take those off and collect them and try to gain
2 experience from them. Although perhaps each and every
3 failure has not resulted in a reportable occurrence or a
4 transient, we have been looking at them.

5 I get all of that correspondence, and I read
6 it daily, and I route it through my people in the ISEG
7 so that in case perhaps I miss something, something
8 which may be of interest to them may be picked up.

9 As you pointed out, we are limited to sources
10 of information, but we feel that we make use of, we make
11 the best use possible of what is available.

12 A (WITNESS MC CAFFREY) Mr. Dynner, I think you
13 also have to look at the overlapping nature of all of
14 these programs, that there are many, many programs, many
15 of them looking at many of the same features. I see
16 strong similarities between NOMIS and NOTEPAD. So I
17 think you have to look at the overlapping nature of it
18 that should assure if it doesn't get picked up one way
19 it will get picked up another way.

20 You also have to look at the fact that our
21 people are out there in the industry attending seminars,
22 conferences, industry meetings, and that when
23 maintenance personnel get together they always talk.
24 Sometimes your best discussions on feedback happen in
25 the evening after the formal sessions are over.

1 Also, all of the vendors that supply equipment
2 to Shoreham and have supplied equipment to Shoreham
3 would be expected to forward information and advice or
4 suggestions for replacement parts or upgraded
5 replacement parts that they would have deemed
6 appropriate based upon failure histories of that
7 equipment and its application throughout the business.

8 A vendor cannot long stay in business if the
9 word on the circuit is that his gaskets are not standing
10 up and therefore that plant has been down for 6 or 7
11 months. He will be out of business very quickly. So he
12 will be keenly interested in getting that back, and so
13 that is another level of this overlapping feedback that
14 we will rely upon.

15 Q You referred to just a while ago the input
16 from the Shoreham plant itself for the purpose of, among
17 other things, discovering equipment failures. And
18 please correct me if I am wrong, but as I read this
19 procedure 19.3, I see that the only reference appears to
20 be LERs that is being inputted from Shoreham into this
21 program. Is that correct?

22 JUDGE BRENNER: You are still talking about
23 section 5.2?

24 MR. DYNNER: No. I am now talking about
25 section 5.1; that is to say, the input of information

1 from the Shoreham plant itself rather than from outside
2 sources.

3 JUDGE BRENNER: Thank you.

4 (Witnesses conferred.)

5 WITNESS ALEXANDER: 19.8, NQSD 19.8, only
6 covers a very small part of what we do. We -- in this
7 particular case, it covers operating experiences. And a
8 major source of input from the plant of operating
9 experiences are going to -- or is going to be the LER
10 program. However, that is not the only source of
11 information we have. NQSD 19.9, which describes
12 different surveillances that we perform, the assessments
13 we perform, the evaluations are basically the
14 commitments that come out of 0737 and describes a
15 minimum surveillance frequency for us to go out and look
16 at these things, these other sources of equipment
17 failure and operating experiences.

18 It is through that program that we intend to
19 send people out regularly to go read logs, look at LDRs,
20 look at equipment performance, look at equipment data
21 sheets and that type of stuff. So the fact that 19.9
22 only culls out one source of information is because that
23 is all that 19.9 was intended to describe.

24 Q Excuse me. You meant 19.3, didn't you?

25 A (WITNESS ALEXANDER) Yes. 19.8 was intended

1 to describe. The other sources of information are
2 obtained through the use of 19.9 and the 19.2 project
3 plan.

4 Q Would information from these other sources
5 such as, for example, LDRs and CARs, which you attempt
6 to obtain through other procedures other than 19.9 in
7 fact be plugged into the system for operating experience
8 review program as set forth in 19.8?

9 (Witnesses conferred.)

10 A (WITNESS ALEXANDER) Basically, the system
11 works this way. According to 19.9 I will send people
12 into the plant at some regular frequency, and in the
13 case of LDRs we will send a person out to obtain the
14 LDRs to perform the analysis by project plan as
15 addressed in NIOSH 19.2.

16 The results of that project plan will then be
17 fed back into the plant or to those people who need to
18 know based upon the results or the final approved
19 project. The net results will also be fed back, if it
20 is an operating experiences benefits, through the
21 monthly operating experiences report, which is put on
22 the required reading list.

23 Q So that I can understand then, the analysis of
24 LDRs requires that you take some action such as sending
25 someone in to the plant to look for them, while under

1 the procedure of 19.8 LERs, or rather a copy of each
2 LER, is automatically sent to ISEG. Isn't that correct?

3 A (WITNESS ALEXANDER) That is correct.

4 Q Out of curiosity, why didn't you provide four
5 copies of LDRs and CARs to come directly to ISEG for
6 analysis as part of the operating experience review
7 program?

8 (Witnesses conferred.)

9 A (WITNESS ALEXANDER) It was my decision, and I
10 decided to do it that way. Basically, we wanted the
11 LERs as soon as possible, because usually LERs were
12 indicative of a transient or a significant event, and we
13 wanted -- we felt that fit in well with the SERs. The
14 way we analyze SERs, we had to draw a limit as to the
15 amount of paperwork that was regularly thrown into the
16 ISEG because of we could find ourselves almost wallowing
17 in paper. So it was easier for us to leave the LDRs
18 with the normal sources of information and for us to
19 send the engineers to review the LDRs from their normal
20 information sources.

21 There are many, many more sources of
22 information which we go after than are automatically
23 provided to us, and that was just a decision. It was my
24 decision.

25 Q Well, your concern for the safety issues leads

1 me to another question, which is, if you look for a
2 moment at this procedure 19.8, you see in both step 3 on
3 page 2 and in step 6.A on page 6, there is reference to
4 an important or persistent safety problem that has been
5 discovered. And each of those paragraphs provides that
6 in those cases the copy of the report may be forwarded
7 to the plant staff and nuclear engineering department,
8 which implies that it need not be but simply may be as
9 an option.

10 And I was curious as to why you did not feel
11 that it was mandatory that important or persistent
12 safety problems be immediately forwarded as a mandatory
13 requirement to plant staff and nuclear engineering?

14 (Witnesses conferred.)

15 A (WITNESS MC CAFFREY) Mr. Dynnar, we have long
16 recognized in the course of reviewing operating
17 experiences that it is important that we feed promptly
18 to the plant matters of significance that do not warrant
19 waiting for the final completion and final blessings of
20 the project report. This gives us a flexibility of
21 handing the plant a draft or preliminary copy of the
22 report or simply sitting down with the plant management
23 and conveying the same information to them in a meeting.

24 A (WITNESS ALEXANDER) I would like to point out
25 that on the one particular case which I brought up

1 yesterday on the review of the alarm response procedures
2 where we had the two events where we identified
3 potential water hammer interface rather than even
4 waiting for me to finish the review and then sending
5 them draft copy, I immediately sent them a common
6 control form with an interoffice memorandum.

7 So that was an even more expeditious route
8 than sending them a draft copy. Otherwise, if we had
9 written that paragraph more strongly, it might have been
10 necessary for me to wait until January to send them a
11 draft copy of the procedure.

12 Q Mr. McCaffrey, while it is true that by using
13 the word "may," that you give someone the flexibility,
14 that he may send an unapproved advance copy of a report
15 showing an important or persistent safety problem to
16 plant staff and nuclear engineering, it is also true
17 that by using the word "may," you allow the situation in
18 which notwithstanding the important or persistent safety
19 problem, the responsible individual may not send the
20 unapproved report to plant staff and nuclear
21 engineering. Isn't that correct?

22 (Witnesses conferred.)

23 A (WITNESS MC CAFFREY) I don't regard the
24 feedback of that information to the plant as
25 discretionary at all. It is mandatory. What is left to

1 the judgment of the ISEG group is the timing and the
2 method chosen to convey that information to the plant or
3 nuclear engineering or whatever appropriate organization
4 in LILCO is affected. As with any technical matter, you
5 must at times rely upon the judgment of the experienced
6 people performing that function as to the best method of
7 achieving the goal of prompt feedback of the information
8 to the appropriate organization.

9 Q So you agree then, don't you, that if the
10 intention is that every time an important or persistent
11 safety problem is discovered, that you want that to go
12 to plant staff and nuclear engineering without waiting
13 for a report to be finished, that it would be much
14 better if your procedure used the word "shall" instead
15 of "may"? Isn't that correct?

16 (Witnesses conferred.)

17 A (WITNESS ALEXANDER) In that particular
18 instance, the report of the copy, an advanced copy to
19 one or the other group, if, for instance, if we made it
20 obligatory to forward advance copies to nuclear
21 engineering or to plant staff when only one of the two
22 groups may have been concerned, there was no point in
23 forwarding.

24 For instance, in the case of the water hammer
25 situation, there was no point in me forwarding an

1 advance copy to nuclear engineering where they have no
2 controls and no input into the plant procedures. The
3 plant staff is the ones that needed that. Nuclear
4 engineering should wait and receive a final approved
5 smooth copy.

6 And in addition, I would feel that an
7 obligatory statement, especially in that particular
8 area, would serve to encumber rather than facilitate the
9 disposition of operating experiences information.

10 A (WITNESS MC CAFFREY) Mr. Dynner, there have
11 been instances at our monthly ISEG meetings where in the
12 course of my review of projects and evaluations of
13 operating feedback, I in the process of trying to err on
14 the conservative side of prompt feedback, have chosen at
15 times to request the group leader to take a preliminary
16 copy or walk over to talk to a given plant personnel
17 because I feel I would like him to know about that
18 sooner, and we have chosen to do that rather than wait
19 for the process to complete its normal formal course.

20 Q Okay. I have only about one more question on
21 this procedure. I have been asking enough questions
22 about procedures in the last week.

23 On page 7 I was curious as to why on the list
24 of distribution for approved operating experience
25 reports copies are not circulated to the manager of the

1 QA department or to the operating QA engineer. Could
2 you explain why?

3 (Witnesses conferred.)

4 A (WITNESS ALEXANDER) The DQA engineer does
5 receive this information. Basically, the copy that is
6 forwarded to the training supervisor is forwarded for
7 inclusion on the required reading list, which is then
8 forwarded to Mr. Muller, who reads it.

9 I talked to Mr. Muller yesterday or the day
10 before, and he in fact verified that he has seen this
11 information. It does not necessarily or does not -- it
12 is not immediately distributed to the QA department.
13 And that was my choice not to include hem on the
14 distribution list.

15 A (WITNESS MC CAFFREY) Mr. Dynner, just give me
16 a moment, please.

17 (Witnesses conferred.)

18 A (WITNESS MC CAFFREY) Mr. Dynner, these
19 reports that are issued with the distribution as
20 contained on page 7 on 19.8 is the required
21 distribution. However, as it says at the top there,
22 that the approval is done by myself, the chairman. And
23 in the course of my review of the contents of that
24 report, if I deem a matter of interest or need for
25 feedback to the quality assurance department, I would

1 take it upon myself to forward a special copy to them.

2 I would also point out that elsewhere in these
3 procedures you will find 6-month summary reports of
4 operating feedback assessments and a fixed distribution
5 on that as well. The Nuclear Review Board is a
6 recipient of the summary reports. Mr. Gerecke is a
7 member of the Nuclear Review Board, and he is manager of
8 the quality assurance department.

9 Q Why did you make a determination, Mr.
10 Alexander, not to simply send every operating experience
11 report to the quality assurance department on the list?

12 (Witnesses conferred.)

13 A (WITNESS ALEXANDER) Basically, I made the
14 decision because I didn't feel that the operating QA
15 department required that information on a monthly
16 basis. Of course, the records and the information is
17 available should operating QA department, when the
18 operating QA department comes to audit me. And it is
19 available upon request to them. They review my
20 procedures. They were aware of them, and I don't recall
21 them ever asking to be added to the list.

22 If they were, I certainly would modify the
23 list. But it was my judgment that based upon the type
24 of information that is included in those reports, which
25 are mostly operating or equipment-type information, that

1 they did not have immediate use for that type of
2 information. And therefore, I decided to leave them off
3 the list.

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1 A (WITNESS McCAFFREY) I think it would be safe
2 to say also that the operating QA engineer, upon
3 receiving that information and finding any of it
4 appropriate for feedback back up his chain, would do so.

5 Q Is your answer the same for the reason for
6 leaving the QA Manager off the list? You were just
7 speaking of the Operating QA Department, or the
8 operating QA engineer, and --

9 A (WITNESS ALEXANDER) I'm sorry, I meant the QA
10 Department. When I said I left him off the list, the
11 operating QA engineer does get these reports through the
12 required reading listing, as to all of the section heads.

13 Q Thank you. Mr. Kubinak, yesterday you
14 testified as to the various phases of the NPRDS program,
15 and I believe that you said that Phase I, which was
16 basically the preparation of the data base, was
17 approximately 75 percent complete and would be completed
18 by the end of 1982. Is that correct?

19 A (WITNESS KUBINAK) Yes, that is correct.

20 Q When do you believe that Phases 2 and 3, as
21 you described them yesterday, will also be completed so
22 that the total NPRDS program will be in effect?

23 A (WITNESS KUBINAK) I lack the necessary
24 information to give you an answer to that question. We
25 have a relationship with INPO that is active. When INPO

1 has their program in order, I will make the necessary
2 recommendations to the Vice President, Nuclear and put
3 the NPRDS program into effect. Until I get that
4 information I just can't answer that question.

5 Q Have you received any indications from INPO as
6 to whether what they have to do is going to be done
7 within a particular timeframe? Is it going to take six
8 months or five years? Is there any guidance that you
9 can give us?

10 A (WITNESS KUBINAK) I can give you no guidance
11 relative to that question.

12 Q In determining what should be included in the
13 data base for the NPRDS program for Shoreham, have you
14 included small types of equipment such as gaskets and
15 pressure transmitters and things like that, as well as
16 the larger components in the plant?

17 A (WITNESS KUBINAK) We have used the recommended
18 data base format given by INPO. The components of that
19 data base number approximately 4500. The makeup of
20 those components includes small and large pieces of
21 equipment.

22 Q Do you recall whether specifically, it would
23 include gaskets, for example?

24 A (WITNESS KUBINAK) No, I do not recall
25 specifically each and every one of those 4500 components.

1 Q Do you know whether it is the practice in the
2 industry for other nuclear power plants to do what you
3 are doing, which is basically, as I think you testified,
4 to go by whatever the NPRDS suggested data base is?

5 A (WITNESS KUBINAK) I'm not aware of the status
6 of NPRDS programs in other companies. I believe the
7 common data base which is described by NPRDS which we
8 are implementing is absolutely essential to getting a
9 common data base for everyone to access so they know
10 what information is in there, how to get that
11 information out and what to do with it when they get it.

12 In addition, I get a flavor from your question
13 stating that NPRDS is not active within LILCO -- it
14 certainly is active within LILCO. The data base does
15 not have to be complete for LILCO to get NPRDS
16 information. The data base doesn't have to be complete
17 for LILCO to put information into the data base of the
18 main frame that they have down in San Antonio.

19 Q Is it correct, then, that you don't know what
20 the constituent elements of the data bases are in the
21 other plants that are part of the NPRDS system?

22 A (WITNESS KUBINAK) Yes, I am not familiar with
23 the input from othe plants. However, we attend meetings
24 and workshops at INPO with other plants. INPO, I
25 believe, -- my observation is -- is trying to

1 standardize the input from all of the plants so that we
2 have a common data base to work from.

3 JUDGE BRENNER: Mr. Dynner, do you know about
4 how much more you have?

5 MR. DYNNER: Not much more. I should finish
6 up by the break.

7 BY MR. DYNNER (Resuming):

8 Q Do you know, Mr. Kubinak, what kind of
9 progress NPRDS has made in standardizing the data bases?

10 A (WITNESS KUBINAK) They have, INPO has
11 published two manuals which our NPRDS personnel use; one
12 of which describes the components and systems that go
13 into the NPRDS data base, and the format for the
14 reporting mechanism, the forms for the reporting
15 mechanisms.

16 I believe the second manual describes the
17 methods of inputting and outputting the data from that
18 data base. Yes, that is my best recollection of those
19 two manuals.

20 Q Mr. Kubinak, I would like to follow up on one
21 thing that you said because I, in truth, was confused as
22 to what extent the plant was now able to use the NPRDS
23 program. And you indicated that, in fact, they are
24 using it notwithstanding the incompleteness of the data
25 base. Have you, in fact, trained at this point

1 sufficient personnel to effectively utilize the NPRDS
2 program? I thought that was part of what you regarded
3 as Phase 2 in your testimony yesterday.

4 A (WITNESS KUBINAK) Phase 2, the training of
5 personnel, to which I referred are the personnel that
6 operate the machines that interface with the Texas
7 machine. Not the training of engineers and supervisors
8 and others in what NPRDS is; that is part of Phase 3.

9 Once we determine how we are going to use
10 this, then we have to implement the proper training of
11 all of our people to really use it.

12 A (WITNESS ALEXANDER) I would like to point out
13 that the maintenance work request program which we have
14 initially written at Shoreham basically has been
15 conceived with NPRDS in mind. Basic information and
16 basic coding information that is required for the NPRDS
17 input is available in the MWR program. Basically, our
18 intention at LILCO is to make NPRDS as painless to the
19 end user -- the input to the NPRDS program as painless
20 to the operating people as possible.

21 In fact, in the normal functioning of doing
22 their maintenance as they fill out the form, as this
23 information is put onto our computer, subprograms have
24 been or are being written to extract that information
25 and put it in the NPRDS format and then automatically

1 send it to the San Antonio machine for input into the
2 system.

3 Another thing that I might like to point out
4 -- Judge Morris asked a question yesterday if there was
5 free field in our MWR form, and we did have a free field
6 which would allow a verbal description of the problem,
7 as any problem which is related which cannot be
8 described within the INPC available coding information.

9 JUDGE MORRIS: If I may, Mr. Dynner, my
10 specific question was with respect to a full description
11 of the root cause of failure. And do I correctly infer
12 that that free field could be used for expansion on that
13 subject?

14 WITNESS ALEXANDER: Yes, Judge, it can, and
15 there's a subparagraph in the procedure which makes that
16 field available to further describe the cause of the
17 event or failure. That, of course, is written in
18 English and, therefore, is not easily scannable by a
19 computer program which may be trending, but the
20 information is there. So if a person wanted to go back
21 and manually extract it, it could be done.

22 WITNESS KUBINAK: I think this indicates our
23 intent to use NPRCS many, many years ago and integrate
24 it into our system.

25 BY MR. DYNNER (Resuming):

1 Q Mr. Kubinak, I'm still a little puzzled. If
2 the interface with San Antonio is not complete, does
3 this mean that your use of the NPRDS system is limited
4 in terms of the input from other nuclear power plant
5 information?

6 A (WITNESS KUBINAK) Excuse me, I just didn't get
7 that question.

8 Q Well, it could be that I'm confused by the
9 technicalities here. But as I understood it, you talked
10 about Phase 2 and, to some extent, 3, as involving the
11 interface of the Shoreham plant with the San Antonio
12 system, or computer. And to the extent that that
13 interface has not been completed, does that limit the
14 input data from San Antonio or from that computer and at
15 other nuclear power plants of safety data?

16 A (WITNESS KUBINAK) I'm not sure that other
17 plants have difficulties inputting into NPRDS. I assume
18 they have been doing that for years and doing it
19 successfully.

20 We have two methods of getting information
21 from the NPRDS data base. You can talk to their machine
22 from our terminal, or you can call them on the phone.
23 In this particular case, the operators that I said we
24 are training are the ones that are going to operate the
25 electronic interface.

1 I believe we have gotten information into the
2 company by telephone directly from NPRDS.

3 A (WITNESS ALEXANDER) I would just like to point
4 out that yes, I have done data searches. I just get on
5 the telephone and I call INPD; they do the data search
6 for me, they give me some basic results over the phone
7 if I'm willing to wait, or it comes in Express mail the
8 next day.

9 Q So it is the computer interface that hasn't
10 been completed yet and won't be for some time; is that
11 correct?

12 A (WITNESS KUBINAK) I have stated that the data
13 base would be completed by the end of the year. Not
14 necessarily would it take that long to complete it.

15 Q No. I'm trying to understand the interface
16 problem now, and you indicated that you could retrieve
17 information from other plants through the NPRDS system
18 by telephone. So as I understand it -- please correct
19 me if I'm wrong -- the fact that the interface that you
20 have been referring to isn't completed means that the
21 computers don't talk to each other yet; that you can't
22 retrieve the information directly through your
23 computer. Is that correct?

24 (Panel of witnesses conferring.)

25 A (WITNESS ALEXANDER) Let me see if I can put

1 this in perspective.

2 Q Please use layman's terms for me.

3 A (WITNESS ALEXANDER) Certainly. We have access
4 to information from NPRDS through three basic sources.
5 One is the telephone; verbal request. The second source
6 is a teletype. We have three people trained. It is a
7 modem operation where you hook it up to a telephone. We
8 can get that from the NPRDS. And then we also get a
9 quarterly report, a very voluminous thing, from NPRDS.

10 Our input of the data base which is the basic
11 engineering and design information which going to reside
12 in machines, is 75 percent done and installed on the San
13 Antonio machines. That part that has not been complete
14 is the automatic update of the failure history from our
15 MWRs into that San Antonio data base.

16 In other words, every time a seal fails, we
17 can do this manually at this point, either calling up on
18 the teletype or sending down batches of information.
19 What we are trying to do, or what we intend to do
20 eventually is just to have a person sit down with the
21 completed MWR form, type it into the computer. And then
22 once a month or once a week or whatever frequency we
23 decide, the computer will automatically gather the data,
24 collect it together and then shoot it to San Antonio so
25 we won't have to worry about it. That is the part that

1 hasn't been completed.

2 A (WITNESS McCAFFREY) Mr. Dynner, I think we
3 recognize some of the current limitations of the NPRDS
4 system. As we have said, we are using it to its maximum
5 available extent for useful feedback to ISEG, and we
6 intend to continue to utilize it. And certainly in the
7 future, as INPC and the entire industry fine tunes the
8 NPRDS system and gets it fully operational, its value
9 will increase. And all we're saying is we intend to
10 make continued use of that full capability.

11 Q Gentlemen, with respect to the NDMIS program
12 which you described yesterday in your testimony, does
13 that require LILCO to specifically ask for information,
14 or is there an automatic feed-in of information from
15 NDMIS to LILCO on some kind of periodic basis?

16 A (WITNESS ALEXANDER) Basically, both. NDMIS is
17 available on a call basis or on an as-called basis. If
18 you have a question you call the NDMIS organization,
19 they get the answer and they mail you or send you the
20 answer over the teletype.

21 In addition, at some frequency which escapes
22 me at the moment -- I believe it is monthly -- they also
23 collect together all of the questions and answers that
24 they have and they forward that information in books so
25 you have an historical reference of all the questions

1 and answers that have been asked, so that you have a
2 data base available.

3 In addition, they put on meetings, I believe
4 -- I think they are semi-annual; I could be wrong --
5 where they have the NCMIS coordinators come down and sit
6 down and discuss their problems, discuss trends in the
7 industry, and enjoy the sun in Florida, as they usually
8 have them in the winter.

9 A (WITNESS McCAFFREY) To assist Mr. Alexander, I
10 think yesterday's transcript accurately covers the
11 source of newsletters, monthly reports and seminars that
12 NCMIS conducts. And as I said, one of the features of
13 NCMIS that we particularly like is the follow-up
14 function performed by the NUS Corporation to seek out
15 and compile the requested information from the utilities
16 that were seeking that information. We get follow-up
17 phone calls.

18 Typically, NCMIS, as it is running right now,
19 will send out requested information to the participants
20 such as Shoreham, typically two days a week, Mondays and
21 Wednesdays unless there's some other unusual event they
22 would like to scan, and come Friday morning, 10:00
23 o'clock, that contact calls up and obtains all of the
24 requested information to compile it back into their
25 reports which they will feed back to whatever utility is

1 requesting that information.

2 MR. DYNNER: I have no further questions.

3 JUDGE BRENNER: Let me get some estimates.

4 Does the staff have any question of this panel?

5 MR. BORDENICK: One question.

6 JUDGE BRENNER: We will let you ask it before
7 we break, then. Let me ask Mr. Ellis how much redirect
8 he will have of this panel.

9 MR. ELLIS: No more than 30 minutes.

10 JUDGE BRENNER: Okay. Let's let Mr. Bordenick
11 ask his question or two and then we will break and come
12 back for redirect after lunch.

13 BY MR. BORDENICK:

14 Q This is just a clarification type question.
15 Mr. Kubinak, you testified yesterday -- and I don't have
16 the transcript in front of me but I don't think I need
17 it -- that the offices of Mr. Youngling, Reilly and
18 Pollock were in reasonably close proximity in that
19 complex. I wasn't sure what you were referring to when
20 you said "in that complex." Is that the Shoreham site
21 or is that the Hicksville operations office or what?

22 A (WITNESS KUBINAK) That is the Shoreham site.

23 MR. BORDENICK: That is all I have.

24 MR. ELLIS: Judge Brenner, that is less than
25 30 minutes minus one question. That is one of the ones

1 I was going to ask. May I make a request or a
2 suggestion, that it appears that we'll be going to OGA
3 redirect relatively soon after lunch. Mr. Dynner's
4 position on the staffing matter will impact what I do.
5 Could we move up his cross plan to after lunch, so that
6 we could get that matter resolved sometime this
7 afternoon?

8 JUDGE BRENNER: Do you think you might finish
9 your redirect today? I thought based upon your previous
10 estimates that there was no way you would do that. So
11 let me ask you that question first. Is that a
12 reasonable possibility?

13 MR. ELLIS: I don't think so, but I think it
14 is close, and this would impact it to some extent.
15 Staffing was one of the things I was going to go to
16 first.

17 JUDGE BRENNER: Well, you're not going to get
18 the cross plan anyway. You want him to ask his cross
19 before any of your redirect? Is that what you're asking?

20 MR. ELLIS: I would like to know what the
21 determination is going to be.

22 JUDGE BRENNER: He's going to be able to ask
23 questions about it as long as he shows us that there is
24 some information in there that is arguably different
25 from what the witness said. And the test of "different"

1 is not going to be a very high test. The test of how
2 much we let him ask will depend upon how useful it is.
3 But it is his representation and we're going to take a
4 look, too. That is why we want the cross plan along
5 with any documents that he thinks are pertinent.

6 Because if the representation is that he would
7 have gotten an inaccurate response to his question from
8 LILCO in the first instance, he might have asked those
9 originally. I assumed when I said before that he could
10 go ahead and give us the cross plan tomorrow morning and
11 we would break you redirect at whatever point you
12 wanted, that you would not finish your redirect today.
13 And that was a necessary implicit assumption on my part
14 based upon your previous estimate. I should have asked
15 you that expressly. And now you've given me the
16 opportunity to do that.

17 MR. ELLIS: Well, I don't think it will end
18 today, but I need to consult with Mr. Muller and Mr.
19 Youngling and Mr. Kelly to some extent to be more
20 precise about that. I'm trying my best to streamline it.

21 JUDGE BRENNER: All right. Why don't you give
22 me the outline of what you want to ask after lunch,
23 along with the documents and we will take a look at it.
24 Whether or not -- but if you don't want to ask the
25 questions right away, I won't require it. But if Mr.

1 Ellis exhausts all of his redirect this afternoon except
2 for the staffing matter, -- obviously, you want to save
3 the staffing matter for last in your redirect -- given
4 the situation, we may get to it today but I won't unless
5 we have to, but we would like to get a statement as to
6 what the disagreement is on the number of people, and a
7 representation from you right after lunch.

8 MR. DYNNER: Yes, I will cover that, Judge
9 Brenner, and I would also like it clear that given the
10 limitations of time and the facilities that we have out
11 here, that I'm afraid that to comply, all that I'll be
12 able to give you will be a handwritten note, and I
13 apologize for that.

14 JUDGE BRENNER: That is okay. I expected that
15 it would be handwritten given the circumstances you just
16 stated.

17 MR. DYNNER: If it is appropriate at this
18 time, we have received a filing for the Board which we
19 can distribute, from SDC.

20 MR. ELLIS: May I say one more thing on this
21 subject? I want to reflect also that I may have some
22 further input to the Board on this particular subject
23 after lunch, as well.

24 JUDGE BRENNER: What subject? Staffing?

25 MR. ELLIS: The subject of staffing.

1 MR. BORDENICK: I have something that is QA
2 related. I had one question of this panel -- I have
3 several questions to the other panel.

4 JUDGE BRENNER: I know. I mean I didn't know,
5 but I didn't take your answer before to apply to the
6 other panel.

7 MR. BORDENICK: I'm a little confused as to
8 when Mr. Ellis is referring to redirect, is he referring
9 to this panel only?

10 JUDGE BRENNER: No. The last sequence of
11 dialogue between Mr. Ellis and myself was redirect of
12 the other panel, because that is where the staffing
13 matter will come up. He's going to get these guys out
14 of here.

15 MR. DYNNER: If the Board wishes, we will
16 distribute the filing of SOC which we received at the
17 same time. Given what the Board referred to yesterday
18 concerning my supplemental cross examination plan on
19 operating QA/QC, which was the detailed plan that was
20 submitted that we did not finish, I have marked up a
21 copy of that cross examination plan which indicates in
22 the lefthand margin which areas were done and which were
23 not done.

24 And pursuant to what the Board said yesterday,
25 I would move into evidence this document entitled,

1 "Suffolk County's Supplemental Cross Examination Plan on
2 Operating QA/QC" consisting of eight pages.

3 JUDGE BRENNER: Well, why don't you give
4 copies to us and to the parties and we will take a look
5 at it and then handle it. I don't want to sit here and
6 read it now. And let's break and come back at 1:45.

7 (Whereupon, at 12:15 p.m., the hearing in the
8 above-entitled matter was recessed for lunch, to
9 reconvene at 1:45 p.m. the same day.)

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1 AFTERNOON SESSION

2 (2:20 p.m.)

3 JUDGE BRENNER: Let's go back on the record.

4 We have the handwritten OQA staffing plan. We
5 are going to get an opportunity to look at it after we
6 have finished with this panel, and something from LILCO
7 on this subject. We have also just received, so we
8 haven't read that, but we can put it aside until we
9 finish this panel.

10 Mr. Lanpher, after we finish this panel maybe
11 we could move that exhibit, identify that exhibit of
12 what you want to move into evidence, because at that
13 same time we will mark as an exhibit the operating QA
14 cross plan as further detailed in the offer of proof and
15 get those done together, if you want. If you don't want
16 to be here and want to come back some other time, it's
17 up to you.

18 MR. LANPHER: Whatever is convenient for the
19 Board.

20 JUDGE BRENNER: It doesn't matter to us, so
21 whatever you want to do.

22 MR. LANPHER: I think I will stay around and
23 get it done.

24 JUDGE BRENNER: Okay. Redirect, Mr. Ellis.
25 Do you have a time estimate?

1 MR. ELLIS: Yes, sir. I would say no more
2 than half an hour.
3 whereupon,

4 JOHN F. ALEXANDER
5 ROBERT A. KUBINAK
6 AND
7 BRIAN MC CAFFREY

8 resumed the stand and were further examined and
9 testified as follows:

10 REDIRECT EXAMINATION

11 BY MR. ELLIS:

12 Q Mr. Kubinak, you were asked a number of
13 questions by Judge Morris concerning the nature and
14 content of the contacts between Mr. Pollock and Mr.
15 Reilly. And you indicated in your responses that you
16 needed to refresh your recollection concerning the
17 contents of those contacts.

18 Have you had an opportunity to do so?

19 A (WITNESS KUBINAK) Yes, I have, and I think I
20 can put that program in perspective.

21 Q Can you now furnish us with additional
22 information concerning the nature or the subject matter
23 covered in those contacts between Mr. Pollock and Mr.
24 Reilly?

25 A (WITNESS KUBINAK) Yes, sir. Early in 1982

1 the VP-Nuclear assigned me the project of establishing
2 his VP advisory program, as we call it, and to address
3 the commitments that were made by LILCO. Following
4 along on that assignment, in April of '82 I processed
5 the request to the General Electric Company which stated
6 that I had the advisory program, and I wished to include
7 Mr. Reilly as that adviser. He is the number one GE
8 representative on the site.

9 In May of 1982 I did receive approval from
10 General Electric to use Mr. Reilly in this capacity. At
11 that time I met with Mr. Reilly and formulated an agenda
12 for that program. This program had two parts. There
13 was a formal part which this agenda addressed, and then,
14 of course, the informal part which we could ask Mr.
15 Reilly to assist at any time that we wished.

16 Referencing the formal part of the program, I
17 met with Mr. Pollock and reviewed that agenda. He
18 thought it addressed most of the issues that he had in
19 his mind. At the same time, he provided some philosophy
20 as to how I should continue with this program. He said,
21 in effect, that I should phase in this program for the
22 maximum benefit of the VP-Nuclear to understand and
23 conduct his business on the site. He wanted it to be
24 informative, specific, useful and applicable to
25 Shoreham. And he added that when I conduct this program

1 that I should not limit it to the participation of Mr.
2 Reilly; if we needed anybody else from any other place
3 that we should proceed and get that other person or
4 other piece of information.

5 We had the first meeting in June of 1982. It
6 addressed the first topic on the prepared agenda, and
7 that was the status of the plant safety systems. The
8 meeting as it progressed included conversation on all of
9 the GE systems and the status of the testing that was
10 going on, any difficulties that may have occurred, and
11 the status both of construction and testing. But at
12 that time Mr. Pollock addressed Mr. Reilly and talked of
13 that philosophy which I referred to earlier.

14 The second meeting --

15 Q Do you mean the second meeting, or was
16 anything else discussed, other matters discussed at the
17 first meeting?

18 A (WITNESS KUBINAK) No, sir. That was limited
19 to the agenda, the plant system safety status and the
20 philosophy to which I referred.

21 Q All right. Would you now tell us what the
22 general content of the meeting consisted of, the second
23 meeting?

24 A (WITNESS KUBINAK) The second meeting was
25 approximately one month later and covered the second

1 item on the agenda which was plant improvement items.
2 The first of those plant improvement items was the spare
3 parts program. Mr. Pollock was interested in how the
4 spare parts program, which is conducted by the plant on
5 the site, was supporting the operations of the
6 construction and startup organizations.

7 Mr. Reilly gave him his opinion on the spare
8 parts program. Mr. Reilly discussed the aspects of
9 radiation and its effects on conducting maintenance. He
10 suggested that we take a good look at the areas in the
11 plant that are not totally accessible during operation;
12 that we should make photographic records of those areas,
13 videotapes of those areas to aid in conduct of the
14 maintenance program.

15 Another item on the agenda was operations on
16 the refueling floor. Mr. Reilly talked about tools that
17 are available for operation, operations on the refueling
18 floor. He talked about spare parts supports for the
19 refueling crane and for the tools; and he talked about
20 the training of the people that should take place for
21 those people that work on the operating floor.
22 Operators will work there, maintenance people will work
23 there, and of course there will be supervision on that
24 floor.

25 Another topic during that meeting was the

1 diesel generators. The diesel generators, I believe,
2 were going through part of their pre-op program. I
3 believe there were some modifications being made to the
4 diesel generators at that time. Mr. Pollock was
5 interested in detail as to what these modifications
6 were, how the tests were going, and if there were any
7 difficulties with the engines, and if Mr. Reilly was
8 satisfied with the performance of those engines.

9 Another topic was the main steam isolation
10 valves. I believe also that they were either being
11 tested or being prepared for test. Specifically, they
12 came up, I believe, at one of Mr. Pollock's meeting,
13 other meetings not with Mr. Reilly now, at some startup
14 meeting or whenever, and that Mr. Pollock was interested
15 in Mr. Reilly giving him some input on Mr. Reilly's
16 experience with main steam isolation valves as far as
17 speed and performance and so forth.

18 Mr. Reilly also talked about another item, and
19 that was a GE product called GETARS, G-E-T-A-R-S, all
20 caps.

21 Q Can you give us a quick summary of the content
22 of any other meetings?

23 A (WITNESS KUBINAK) Yes. I have information
24 here also --

25 JUDGE MORRIS: Excuse me, Mr. Kubinak. Could

1 you tell us what a GETARS is first?

2 WITNESS KUBINAK: A GETARS is a system
3 developed by General Electric which when installed takes
4 information from many places within the plant and puts
5 it in a time relationship. It was interesting to note
6 here during discussion that we have committed to use
7 this system during our startup, and that we have not yet
8 evaluated fully enough to commit to General Electric to
9 use it during operation.

10 But what it does, in effect, is gives you a
11 time scale on many actions that take place during a
12 plant transient so that you can analyze that transient
13 in a more expeditious fashion. It gives you more
14 information so that you can get back on the line faster
15 because you have all the information that is required to
16 justify putting the machine back in service.

17 It logs this information for analysis. It
18 takes pressures, recirculation flows, power bus voltage,
19 controller signals, and a total of 220 signals can be
20 put on to this system and put in a time relationship.
21 As I said, it is used presently in our startup program
22 and will be evaluated for future use.

23 JUDGE MORRIS: Is it primarily a diagnosis
24 system?

25 WITNESS KUBINAK: It is exclusively a

1 diagnosis system.

2 JUDGE MORRIS: Does it print out numbers, or
3 is there a visual display?

4 WITNESS ALEXANDER: Judge, all 220 signals are
5 monitored at a very fast rate. I believe it is about
6 500 hertz. The information is stored. It can give you
7 an immediate output of 10 signals, but of course you can
8 always go back and get either a digital output or a
9 graphic output of any one of those approximately 220
10 monitor points.

11 There is a small computer that is involved
12 with it, and it has some minor subprogramming in it to
13 allow trending and diagnostic abilities. It is very
14 useful for monitoring certain evolutions such as scrams
15 when many things are going on all at the same time, and
16 even a slower computer may not be able to pick it all
17 up. And it wouldn't have sufficient resolution to pick
18 up all of the almost simultaneous incidents.

19 BY MR. ELLIS: (Resuming)

20 Q Mr. Kubinak, would you summarize the contents
21 briefly of the next meeting, please?

22 A (WITNESS KUBINAK) The next meeting dealt with
23 startup and operating reports from other nuclear
24 stations in a similar phase as Shoreham.

25 Q Can you name those briefly, please?

1 A (WITNESS KUBINAK) Yes. There are three of
2 these stations: Susquehanna, Pennsylvania Power and
3 Light; LaSalle of Commonwealth Edison; and Kuosheng,
4 which is a Taiwanese plant. Discussions began with the
5 Taiwanese plant. Apparently they have a reactor water
6 cleanup system similar to Shoreham. They have had some
7 difficulties with the seal coolers on that reactor water
8 cleanup system.

9 We are paying particular attention to those
10 seals on Shoreham. It appears at this time or at the
11 time that Mr. Reilly made the statement that we do not
12 have a similar problem, but we would monitor it to make
13 sure that that problem did not occur. If we had the
14 problem, we would recognize it very quickly.

15 They also have similar diesel generators in
16 the Taiwan plant, and we are watching that also, getting
17 reports on a regular basis through Mr. Reilly.

18 On the LaSalle plant on their RCIC turbine
19 they had an occurrence of a sticking governor. We have
20 that same governor at Shoreham, and that item is under
21 study, active study by the startup organization. I
22 think they have the vendor coming in to make sure that
23 we don't duplicate that particular problem on the unit.

24 The third plant was the Susquehanna plant. He
25 discussed the status of that plant, and there were no

1 specific relationships made at the meeting between any
2 of the activities at Susquehanna compared to those at
3 Shoreham.

4 At that meeting also an item discussed was the
5 startup matrix. That was a matrix supplied by General
6 Electric which related to their startup test program and
7 gave information relative to when in the startup test
8 program certain tests are conducted, and had some
9 inference as to the length of that startup test program,
10 and gave a general overview of what is involved in the
11 program.

12 MR. ELLIS: Judge Morris, I was going on to
13 another subject, unless you had some further questions
14 on this subject.

15 JUDGE MORRIS: Go right ahead.

16 BY MR. ELLIS: (Resuming)

17 Q All right. Mr. Kubinak or Mr. McCaffrey, you
18 were asked, I think one or both of you may have been
19 asked questions concerning contacts between Mr.
20 Nicholas, the consultant there, and the plant manager,
21 Mr. Rivello, and the engineer, and the contents of those
22 meetings. Have you had an opportunity to inquire
23 further into that?

24 A (WITNESS MC CAFFREY) Yes, I have.

25 Q And can you furnish or would you furnish the

1 additional information you have concerning those
2 contacts, please?

3 A (WITNESS MC CAFFREY) Yes. I spoke with Mr.
4 Rivello directly to enable me to convey directly back to
5 the Board the specifics of the meetings and points that
6 he felt were useful.

7 In summary, the meetings were held in August
8 -- two meetings were held in August, one in September,
9 one in October, and two were held in November. Mr.
10 Nicholas spent considerable time discussing such topics
11 in these six meetings as access control; that is, he
12 conveyed to the plant senior management, Mr. Rivello, as
13 well as the chief operating engineer, Mr. Steiger, his
14 observations on the access control system for the plant
15 which is currently in place.

16 He conveyed to Mr. Rivello his recommendations
17 on controlling, and equally as importantly, obtaining
18 access to the areas of the plant now that are required
19 for activities by both the plant startup and the
20 project. They were actually finding that our access
21 control system was so rigorous it was beginning to
22 impede the ability of those organizations to work
23 simultaneously in a coordinated fashion in those areas.
24 So he has input, some refinement as to that program to
25 improve that.

1 They discussed the maintenance work request
2 program. Mr. Nicholas went and reviewed a large number
3 of maintenance work requests. He evaluated the entire
4 system and offered to the plant management methods to
5 improve the program and increase its effectiveness.

6 In the course of his reviews he also conveyed
7 to the plant management some good practices that he
8 thought were worthy of mention to the points. I asked
9 Mr. Rivello for some examples. He said that Mr.
10 Nicholas found the quality of the technicians at the
11 station and the quality and training of the mechanics at
12 the station worthy of special note.

13 Mr. Nicholas has fed back to the plant startup
14 experience from such plants as LaSalle and Grand Gulf to
15 acquaint the operating personnel with problems
16 encountered at those stations to preclude or minimize
17 their occurrence at the Shoreham station.

18 They've also reviewed the system turnover
19 program; that is, the system of turning over completed
20 tested systems from startup to the plant organization.
21 They have discussed completion of the reactor building
22 and the dry well and its effect on the integrated leak
23 rate test and other future testing to be done in the
24 reactor building.

25 They have reviewed the operating floor status

1 and its current completion of construction and future
2 plans. They have reviewed the plant modification
3 program, and they have discussed system testing status
4 underway at this time.

5 Those would be some examples of the types of
6 discussions that have taken place at these meetings.

7 (Discussion off the record.)

8 JUDGE BRENNER: Let's go back on the record.

9 BY MR. ELLIS: (Resuming)

10 Q Mr. Kubinak, in response to Mr. Bordenick's
11 question, you clarified that Mr. Pollock, the Vice
12 President-Nuclear, was at the site I think you said
13 three or four times a week, is that correct?

14 A (WITNESS KUBINAK) I think I said three or
15 four days a week.

16 Q Three or four days a week. Does he have an
17 office there?

18 A (WITNESS KUBINAK) Yes, Mr. Pollock has an
19 office at the site.

20 Q And I take it so does Mr. Reilly?

21 A (WITNESS KUBINAK) That is correct.

22 Q And did you ask Mr. Pollock how often he sees
23 Mr. Reilly apart from the scheduled meetings on an
24 average?

25 A (WITNESS KUBINAK) Yes, I did. He sees Mr.

1 Reilly, has contact with Mr. Reilly at a minimum of two
2 times per week. That is in addition, of course, to
3 their monthly meetings.

4 Q Now, does Mr. Nicholas have an office on the
5 site as well?

6 A (WITNESS MC CAFFREY) Yes. Mr. Nicholas is
7 the operations superintendent at the site, and
8 therefore, he has an office.

9 Q Is his contact with the plant manager limited
10 to these meetings that you described?

11 A (WITNESS MC CAFFREY) No. They would be in
12 the course of his primary responsibility, the purpose
13 for which he was there prior to being appointed as an
14 adviser. He functions in the startup capacity. I think
15 if you look at the Exhibit 35, the resume of Mr.
16 Nicholas, it describes that from January '82 to date he
17 has been the lead startup engineer for the nuclear steam
18 supply system.

19 Q He is a GE employee?

20 A (WITNESS MC CAFFREY) Yes, he is.

21 JUDGE BRENNER: Could I jump in with a little
22 nit on Mr. Nicholas, as long as you've gotten to him?

23 MR. ELLIS: Yes, sir.

24 JUDGE BRENNER: I think you said before that
25 he was able to bring to bear at Shoreham Grand Gulf

1 startup experience, and I'm not clear why that is the
2 case if he has been at Shoreham since August 1982, given
3 my understanding. Well, I guess that is my question.

4 WITNESS MC CAFFREY: I believe it is the
5 practice of GE that all the operations superintendents,
6 regardless of what station they are at, are provided
7 with this information from all the plants that are
8 coming through the process to make it aware to them so
9 that they as representatives at the site where they are
10 located can convey that information. So I believe Mr.
11 Nicholas gets it from the home office of the GE
12 organization.

13 JUDGE BRENNER: I see. You didn't mean to
14 imply that he was involved at Grand Gulf and its startup
15 program.

16 WITNESS MC CAFFREY: No, sir.

17 JUDGE BRENNER: Is that the case with respect
18 to LaSalle also; that is, that he was not there as part
19 of the startup either as an observer or whatever?

20 (Panel of witnesses conferring.)

21 WITNESS MC CAFFREY: I don't believe Mr.
22 Nicholas has direct startup experience at LaSalle or
23 Susquehanna. In his resume he does show experience at
24 Caorso, Italy as a GE shift supervisor, but I don't find
25 any direct reference to LaSalle or Susquehanna.

1 JUDGE BRENNER: All right. Thank you.

2 BY MR. ELLIS: (Resuming)

3 Q Mr. McCaffrey, Judge Morris asked you some
4 questions concerning the status of the shift advisers.
5 Do you have any additional information that you can
6 furnish at this time?

7 A (WITNESS MC CAFFREY) Yes, I do. It is a bit
8 different than I conveyed yesterday. As we pointed out
9 in the filing of November 10th, I believe, we had
10 received bids, competitive bids as we are required to do
11 by the PSC, the Public Service Commission in the State
12 of New York. Those bids have been undergoing final
13 evaluation. I reviewed the status as well with Mr.
14 Rivello. The plant management has basically completed
15 their review.

16 I inquired about the evaluational process,
17 since the purpose of the advisers to the shift personnel
18 is to bring direct operating experience. Mr. Rivello
19 conveyed to me that in the course of their evaluation of
20 these bids by various competitive organizations they can
21 provide such expertise. They are providing a
22 considerable weighting factor to direct shift experience
23 on previous operating nuclear stations.

24 The evaluation and final recommendations
25 should be complete by next week, and then we are bound

1 by the New York State Public Service Commission laws for
2 filing that with the state, and I believe we will be
3 able to get an expedited concurrence by the state in
4 about 30 days, at which point we would be able to bring
5 on board the advisers to the shift.

6 A (WITNESS ALEXANDER) I should like to add here
7 that there are currently four senior reactor operator
8 qualified people on shift right now under the capacity
9 of startup coordinators. These people have been on
10 shift since June 1982, and their primary function has
11 been to assist the plant personnel by coordinating the
12 startup test program and by advising the plant personnel
13 on the expected transients and on the expected operation
14 of the system.

15 So we already have four shift personnel
16 advisers on site at this time. This contract is to
17 replace those personnel.

18 JUDGE BRENNER: Let me just make clear since
19 you emphasized the previous shift operating experience,
20 are you talking about degreed personnel with such
21 operating experience or typical level of plant operators?

22 WITNESS ALEXANDER: Judge, these four people I
23 don't believe have degrees, the four people that are
24 there now, but they have a license under the NRC at
25 their level of senior reactor operator, and that is the

1 level of people they are advising, and they have
2 considerable experience, I believe all of them, at
3 Hatch. I'm not sure of the location, but I know they
4 all have shift operating experience at the licensed
5 senior reactor operator level.

6 JUDGE BRENNER: What about their range of
7 credentials that are being considered by LILCO for this
8 contracted supplied operating shift advisers?

9 WITNESS MC CAFFREY: With regard to your
10 question about whether they are degreed personnel, I am
11 not certain. My judgment would be that they are
12 qualified shift operators at the plants and probably not
13 degreed personnel.

14 JUDGE BRENNER: The NRC has a term called
15 shift technical advisers that they use. The NRC staff
16 has a little different idea about that position than
17 they do for senior reactor operators. And I'm trying to
18 figure out whether your term "operating shift advisers"
19 is more like a shift technical adviser or is more like
20 an SRC who happens to have what you consider good
21 experience.

22 WITNESS ALEXANDER: No, Judge. This is in
23 addition to the shift technical adviser or STA. LILCO
24 certainly has six people on site who are degreed college
25 engineers who have gone through an extensive program,

1 which I might add I developed, and I was involved in
2 hiring those people. Those people will be on site. In
3 fact, they are on site and on shift right now.

4 This is an extra group of advisers, people who
5 have operating experience, previously had a license,
6 previously seen the equipment run and function as an
7 integrated system. So this is an additional group of
8 advisers and not in place of the STS.

9 JUDGE BRENNER: Okay. I think I'm
10 understanding it a little better. Just to make sure,
11 these people, will they actually be standing shifts in
12 addition to advising; that is, operating a plant also?
13 Or how do you intend to work that out?

14 WITNESS ALEXANDER: Yes, sir. They will be on
15 shifts probably on the same rotation so that they will
16 develop a rapport with one particular shift
17 orientation. There are six STAs. There are six
18 shifts. They stay on a rotating basis. In addition, it
19 is anticipated that the shift advisers, which Mr.
20 McCaffrey was talking about, the SRD level people, will
21 also be on a rotating shift basis. I'm not sure that
22 they will stay with the same group of people, but they
23 will be there around the clock on shift to advise on
24 operational matters, things that the RSTAs haven't
25 necessarily seen before.

1 JUDGE BRENNER: And they will be in addition
2 to the normal minimum shift complement of SRCs and ROCs?

3 WITNESS ALEXANDER: Yes, sir.

4 JUDGE BRENNER: Now I understand. Thank you.
5 I'm sorry I didn't get it from yesterday.

6 BY MR. ELLIS: (Resuming)

7 Q Gentlemen, Judge Morris asked you a number of
8 questions concerning the Review of Operations Committee,
9 the ROC committee, and I want to ask you questions both
10 about their activities in the past and their activities
11 contemplated during operations.

12 Let me turn first to the past. You indicated
13 in your response to Judge Morris that a substantial
14 portion of ROC time had been devoted to review and
15 approval of procedures. Can you give some examples of
16 what other activities ROC has been engaged in?

17 A (WITNESS ALEXANDER) Yes, Mr. Ellis. Last
18 night I had an opportunity to talk with Mr. Steiger and
19 Mr. Rivello. Mr. Steiger is the chief engineer and a
20 member of ROC. Mr. Rivello is the plant manager and
21 chairman. And they described some of things they have
22 been doing in the past with the ROC committee. In
23 addition to procedures they have been reviewing the
24 procedures scheduled and programmed for the power
25 ascension program. It has approximately 40 such

1 procedures and involves the scheduling of those
2 procedures and the different performance testing that
3 will be done.

4 In addition, they have been reviewing turnover
5 packages as the various systems are completed by the
6 startup group and turned over. Each turnover package is
7 reviewed and approved by the ROC committee. What
8 happens is they actually go down. Actually, the
9 technical group goes down and reviews each system and
10 performs a walkdown and looks for discrepancies and
11 verifies that the procedures are correct and the system
12 descriptions, all the set points are correctly
13 incorporated into the plant documents. This package is
14 brought before the ROC committee and reviewed and
15 accepted. At that point the plant staff officially
16 accepts control and responsibility for the particular
17 system.

18 In addition, they have used the ROC committee
19 as a forum for discussion of various codes and
20 regulations in order that they may come up with an
21 interpretation or a common way of handling them and
22 understanding them. Sometimes the codes and regulations
23 are not always clear perhaps to one member of the
24 committee exactly how he should meet the requirements,
25 and the ROC committee has served as an open forum for

1 discussion and coming up with common means of satisfying
2 those requirements.

3 In addition, along the same lines they have
4 used the RDC committee as just a forum for open
5 discussion of common problems. Two areas that the plant
6 manager noted that have received extensive use here have
7 been the security problems with the security programs
8 and emergency planning. And they have spent a lot of
9 time discussing among themselves how they would best be
10 able to meet those requirements.

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1 Finally, there is a large program under way
2 for integration of the various administrative programs
3 so that they can assure that all future plant
4 modifications and plant actions will be captured and
5 controlled in a coordinated method throughout the entire
6 LILCO organization, and they have an active subcommittee
7 working on this program, which reports back to, I
8 believe, every ROC meeting. That is an example of some
9 past activities of the ROC committee.

10 Q Now, on the basis of you discussions with Mr.
11 Rivello, Mr. Steiger, can you furnish us with any
12 additional information concerning what is planned for
13 ROC, consideration and review for the future, that is,
14 after operations commence?

15 A (WITNESS ALEXANDER) Yes, I talked to Mr.
16 Rivello about this last night. In addition, of course,
17 to the normal or expected requirements of the ROC Group
18 which are outlined in the tech specs and all the normal
19 procedural changes that are expected to come along when
20 they have some other plants, of course they continue to
21 expect to use the open forum approach and to continue to
22 discuss their common problems. As I said, the ROC
23 Committee actually is made up of people who are at the
24 8:30 meeting every morning, and they find that it is
25 very common that common problems are brought into the

1 ROC meeting for an open discussion and hopefully a
2 unified resolution of the problems.

3 In addition, they plan to distribute to the
4 ROC members a daily fact sheet which will describe
5 system performance, plant performance on a daily basis,
6 scheduling and problems that had occurred in the last 24
7 hours and distribute this to the ROC members each day so
8 that they will all have a common basis of
9 understanding.

10 In addition, they tend to use a subcommittee
11 concept to do organized review of certain areas, and
12 they have identified four areas already. One is
13 security, two is operational readiness, three, emergency
14 planning, and four, engineering support; and they expect
15 the smaller subcommittees to report back to the ROC
16 Committee on a frequent basis. And the final thing that
17 Mr. Rivello reported to me last night is that they are
18 planning on using a three-day schedule and using the ROC
19 Committee as a means of scheduling plant activities on a
20 three-day revolving schedule or coordination of
21 activities.

22 Q Mr. Kubinak, I think you testified in response
23 to the Board's questions that you had made available or
24 you had given the NRB members a choice of having their
25 own OQA manual and procedures or using the ones that

1 were controlled and available by you. Will the NRB also
2 have any audit responsibilities with respect to CQA?

3 A (WITNESS KUBINAK) Yes, the NRB is required to
4 audit CQA.

5 Q And when is that audit scheduled at present?

6 A (WITNESS KUBINAK) That audit is presently
7 scheduled for May of 1983.

8 Q And will that audit involve or include a
9 review of the manual procedures?

10 A (WITNESS KUBINAK) Yes.

11 Q Mr. Alexander, in response to questions from
12 the Board, I think you indicated that you walked around
13 the plant every day and went to the control room every
14 day. Can you tell us in a little more detail why you
15 walk around the plant every day, what you do and what
16 you hope to accomplish by doing that?

17 A (WITNESS ALEXANDER) When I walk around, I
18 often don't have a set routine; I am basically looking
19 around, either looking for projects to perform,
20 basically out trying to gain some inspiration. So I will
21 walk around the plant and look at the various areas in
22 the control room and out in the field, looking for
23 various areas that might strike me as worthy of a
24 project plan or continued investigation. When I'm in
25 the control room, very often I will talk to the various

1 operators. I will talk to the watch engineer or watch
2 supervisor or both. I will look at their logs, look at
3 their data sheets. I will look at the various strip
4 chart recorders and other information that is just
5 generally available in the control room and throughout
6 the plant.

7 Q When you talk to these people, what are you
8 seeking?

9 A (WITNESS ALEXANDER) Very often I ask them if
10 anything unusual has happened that would be of interest
11 to me. I will ask them about equipment failures or
12 problems that they have been having, or sometimes I will
13 also ask them what they have scheduled to occur, if
14 anything of interest, which is going to happen in the
15 near future so I can maybe go watch or send one of my
16 people out to watch it.

17 Q Is this walking around the plant that you have
18 described what you refer to generally in your response
19 to the Board as head-hunting?

20 A (WITNESS ALEXANDER) I think I used that word
21 yesterday. I kind of wish I hadn't. We haven't brought
22 back any heads. But yes, we do go out and look for
23 problems actively, yes.

24 Q And do you encourage the ISEG people to do
25 that?

1 A (WITNESS ALEXANDER) Yes, I do. In fact, I
2 called back today just to check on the status, and at
3 the morning meeting today, the plant staff described a
4 problem with a heat exchanger, and I know Mr. Sarascini
5 stated that he was going to go out and take a look at
6 that this afternoon. I don't know any more about it
7 than that.

8 Q Can you give us any other examples? I think
9 you indicated in your testimony that your ISEG members
10 in their tours, head-hunting, if you will, around the
11 plant had come up with good ideas for investigations or
12 projects. Can you give the Board an example or two of
13 that?

14 A (WITNESS ALEXANDER) Yes. Some of the
15 projects we have done based upon just the inspiration
16 gained from walking around the plant have been the
17 review of the station equipment clearance procedures,
18 which are the tagging procedures. We came across an
19 interesting situation. There was some fiberglass
20 saltwater piping in the screenwell, and we found that
21 when there was a problem there, that it was insufficient
22 isolation capability in the system. So we currently have
23 an active project going to evaluate the layout and the
24 design of that system and perhaps will be able to
25 hopefully make some recommendations to facilitate

1 isolation of, we will say, a potential leak.

2 There was one situation where in the review of
3 the RHR system, a not unexpected but a potential systems
4 interrelation was observed incorrectly by one of my
5 members, and on further review we found that he was
6 incorrect, and that resulted in several days worth of
7 work. And we also had basically an operating experience
8 that we fed back to the plant through the monthly
9 report. By walking through the 4160 volt switchgear, we
10 noticed that the drop flags, the indicator flags were
11 all indicating, had all indicated trips, and we found
12 that this was due to the fact that the operators had not
13 been conscientious enough about walking through the
14 plant to reset those flags. And we noted that and
15 delivered that to the plant and have been going back
16 ever since on a regular basis checking to make sure that
17 they do frequently reset them.

18 Q You used the term "interrelation." Is that
19 synonymous with interaction?

20 A (WITNESS ALEXANDER) I believe so, yes. Yes,
21 it is.

22 JUDGE BRENNER: Well, we won't ask him to
23 define interactions in five words or less.

24 Mr. Ellis, let me interrupt you. We would
25 like to take a break at this point instead of later, and

1 we will use this as the afternoon break, so the time
2 will be the same. There are some things we want to take
3 care of, and if we take care of it sooner rather than
4 later, it will assist us and it will be the same break
5 time. I apologize. We hadn't originally planned to
6 interrupt you.

7 MR. ELLIS: Would you like a clear notion of
8 what I have left?

9 JUDGE BRENNER: No, it doesn't relate directly
10 to what you are doing.

11 We will take a break until 3:15, and when we
12 come back, I would like Mr. Lanpher to be here because
13 we would like to have the County make some calls for us,
14 depending upon what we decide. We will be back at 3:15.

15 MR. ELLIS: Do you want Mr. Reveley here?

16 JUDGE BRENNER: If you do.

17 [Recess.]

18 JUDGE BRENNER: Okay, we are back on the
19 record.

20 Let me digress to the subject of emergency
21 planning. Notwithstanding our continuous request to
22 hear from the parties as to whether they could make the
23 conference that we proposed to hold here on Monday, we
24 did not hear any word from SOC. As the County
25 courteously informed them several times, they did not

1 hear from SOC either, nor did we get a phone call from
2 SOC, as we required, that they would be making a
3 filing. Nevertheless, we received a filing.

4 In that filing, SOC asserts that they would
5 like to attend the conference for us but for some
6 unexplained reason cannot attend unless it is in New
7 York. We don't agree that SOC could not attend a
8 one-day or even part of a day session here, particularly
9 when we attempted to schedule it at their convenience
10 well in advance, and particularly when it was scheduled
11 for later on a Monday, thereby giving them the option of
12 coming down Monday morning or driving down Sunday when
13 presumably it wouldn't interfere with other business.

14 We had thought Mr. Shapiro would be attending
15 here on Monday, given that information passed on to us
16 through the County. We just had Mr. Shapiro called by
17 my secretary. He claims that he has filed something
18 which we have not received which states that he has no
19 interest in attending the conference before us, and he
20 informed my secretary that even if it was held in New
21 York, he would not attend because he believes he has set
22 out his position in his writing and need not attend.

23 Notwithstanding our extreme unhappiness with
24 SOC's lack of diligence on procedure, if SOC affirms
25 that it will attend, we are willing to go to New York

1 for this procedural session. There are some
2 complications. First of all, it would have to be
3 Tuesday, not Monday, if we are going to New York.
4 Second of all, we cannot get the Riverhead hearing room
5 because the Legislature is meeting then, as it does on
6 the last Tuesday of the month.

7 My secretary is attempting to make alternate
8 arrangements if we do go there, but she might not be
9 able to. We are checking on the other facilities, the
10 Town Hall and Happaug Courtroom. If we can't find
11 another facility, we will enlist the aid of the County
12 to see if it can find another facility. Perhaps we can
13 get one of the Supreme Court courtrooms in Happaug just
14 for one day. We were never able to get it for a lengthy
15 period, but just perhaps one day on Thanksgiving week we
16 will find a judge with a day or two off.

17 But the key is we want SOC's absolute
18 affirmation that they are going to be there if we go
19 through the exercise of making these arrangements. One
20 reason we are willing to do it is that SOC is
21 misinformed as to one aspect of our proposed procedure,
22 based on its filing before us, and before SOC commits
23 the extreme step of causing us to declare it in default,
24 we want to make sure it understands the procedure.

25 The point of misinformation, incidentally, is

1 SCC believes that witnesses will only appear before us
2 at our discretion if we deem it useful. That is not the
3 case. Witnesses will appear before us after the
4 examination before hearing unless no party wants the
5 witness to appear and the Board also does not want the
6 witness to appear. To state it another way, if any
7 party wants a witness to appear, that witness will
8 appear. No showing is required. That is a potentially
9 important misunderstanding.

10 So what we need is if the County can through
11 its courtesy, which we continue to appreciate, can
12 contact Mr. Latham right away and get back to us as soon
13 as you know whether he will attend that session if it is
14 held in the Long Island area, and I don't know where
15 exactly, at some time on Tuesday, and presumably we
16 would set it for 10:00 or 11:00 or thereabouts on
17 Tuesday morning, and get back to us while we are still
18 on the record.

19 I should make sure the County can attend if we
20 do that.

21 MR. LANPHER: The County will attend any
22 hearing that you set. Mr. Bordenick has offered to let
23 me use one of the offices next door. He will use the
24 card to let me in and I will go attempt to contact Mr.
25 Latham right now, unless there is something else you

1 want me to be here for.

2 JUDGE BRENNER: No. Let's go off the record.

3 [Discussion off the record.]

4 JUDGE BRENNER: Let's go back on the record.

5 Let me make sure that the Staff and LILCO
6 could attend if we make that change.

7 MR. REVELEY: We will be there.

8 MR. BORDENICK: We will be there.

9 JUDGE BRENNER: All right. Changing subjects
10 again.

11 On the Suffolk County submittal of listing of
12 documents to be moved into evidence, it is my
13 understanding that all of the parties agree -- let's
14 stay with just those documents that are attached and not
15 the ones mentioned in the cover sheet for a moment --
16 that all parties agree that those audits are properly
17 moved into evidence under our guidelines previously
18 discussed. Is that right?

19 MR. EARLEY: Yes, Judge, that is correct.

20 MR. BORDENICK: That is correct, Judge Brenner.

21 JUDGE BRENNER: I had a question about one of
22 the ones on the cover. I don't know if anybody else
23 did. And that is why I held it out the other day.
24 Suffolk County Exhibit 52 is the Quality Assurance
25 Program Report covering July '78 through the end of

1 June '79. You state Part B on page 6 is the portion you
2 want to move into evidence. I did not go back to the
3 transcript, but Part B starts on page 6 but runs for many
4 pages thereafter. I didn't recall that the questioning
5 extended to the other pages. I wasn't sure which portion
6 you meant from your designation.

7 MR. LANPHER: Judge Brenner, I am willing to
8 stipulate it is the portion that we addressed in the
9 testimony, and I don't have that document here. I think
10 it was the first paragraph. It was a long paragraph at
11 the top of that page, and it is hard to remember.

12 JUDGE BRENNER: That is my recollection, too.

13 MR. LANPHER: So whatever I asked, under your
14 guidelines -- I won't argue about them. We have agreed
15 that you ordered that we have to ask about stuff to move
16 it in in this area, and so what I directed the parties'
17 attention to would be what I would move in.

18 JUDGE BRENNER: How is this for precision? It
19 will be Suffolk County Exhibit 52, Part B, the portion
20 that was asked about. We believe but are not positive
21 that it is Item either 1(a) or perhaps extending to
22 1(b), but whichever portion was asked about, we do know
23 it is not the entire Part B.

24 MR. LANPHER: That is fine with me.

25 JUDGE BRENNER: Is that okay with LILCO?

1 MR. EARLEY: Yes, Judge.

2 JUDGE BRENNER: Maybe I am the only one who
3 had a problem with the reference.

4 MR. LANPHER: Judge Brenner, I think I gave
5 the reporter four copies of this document which we have
6 been referring to, Suffolk County Submittal of Listing
7 of Documents to be Moved into Evidence, and it makes
8 sense either to mark it as an exhibit or to just bind it
9 in. I don't know if it has to be an exhibit.

10 JUDGE BRENNER: Let's do both, and we will do
11 it right now since we discussed it, and I will let you
12 get going.

13 JUDGE MORRIS: That is 81.

14 MR. LANPHER: We would like to have marked for
15 identification as Suffolk County Exhibit 81 the document
16 entitled "Suffolk County Submittal of Listing of
17 Documents to be Moved Into Evidence." It consists of a
18 cover page with four pages attached thereto, and it
19 doesn't need to be in evidence. It needs to travel with
20 the record because that identifies the underlying
21 materials that will be in evidence.

22 (The document referred to
23 was marked Suffolk County
24 Exhibit No. 81 for
25 identification.)

1 JUDGE BRENNER: Those materials have
2 previously been marked for identification. That is
3 fine. And let's bind a copy in for convenience at this
4 point.

5 [The document referred to, entitled "Suffolk
6 County Submittal of Listing of Documents to be Moved
7 Into Evidence," Suffolk County Exhibit 81, follows:]
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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

Before the Atomic Safety and Licensing Board

In the Matter of)

LONG ISLAND LIGHTING COMPANY)

(Shoreham Nuclear Power Station,
Unit 1))

) Docket No. 50-322 O.L.

SUFFOLK COUNTY SUBMITTAL OF LISTING OF
DOCUMENTS TO BE MOVED INTO EVIDENCE

Pursuant to the Board's oral rulings on Friday, November 12, 1982, the audit findings described in the attachment hereto are to be moved into evidence. In addition, the following exhibits or portions thereof are also to be moved into evidence:

SC Ex. 52, part B on
page 6

Bound into record
after Tr. 10,725

SC Ex. 60 (entire document)

Bound into record
after Tr. 11,271

Respectfully submitted,

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November 15, 1982

Attorneys for Suffolk County

AUDIT FINDING SUMMARY

Exhibit No.	Audit	Finding(s)	Description	Transcript
SC 48	EA 0	p. 45, top ¶, p. 47, top ¶, p. 50	calculations	10,300-10,302, 10,305 10,318-10,320, 10,334- 10,335, 10,365-10,367
SC 49	EA 00	p. 7, top ¶ p. 10	calculations	10,305, 10,321- 10,343
SC 50	EA 1	p. 7, top 2 ¶¶ p. 10, ¶¶ 3-4	calculations	10,343-10,358
SC 51	EA 4	p. 1, p. 2, top	calculations	10,358-10,365, 10,368-10,375
SC 51	EA 5	pp. 1&2, top	calculations	10,375-10,378
SC 51	EA 7	statistical sum- mary, p. 2, item C	calculations	10,378-10,387
SC 51	EA 9	p. 2, item C	calculations	10,389-10,391, 10,398-10,399
SC 51	EA 10	pp. 1&2, item C	calculations	10,394-10,403
SC 51	EA 11	p. 1, item 2B Attachment 2, Statistical Summ.	calculations	10,403-10,412
SC 51	EA 14	p. 2, item C	calculations	10,420-10,429
SC 51	EA 16	p. 2, item 2.B.2	calculations	10,430-10,440
SC 51	EA 17	p. 2, item 2	calculations	10,440-10,443
SC 51	EA 18	p. 3, #7	calculations	10,444-10,449 10,456-10,464
SC 51	EA 20	Obs. 001 Obs. 002	calculations calculations	10,464-10,469 10,469-10,471 10,475-10,481
SC 51	EA 20	Obs. 007	calculations	10,481-10,482
SC 51	EA 21	Obs. 014, #s 6&9	calculations	10,489-10,490, 10,495-10,510, 10,512-10,522
SC 51	EA 21	Obs. 016, # 2	calculations	10,490-10,495
SC 51	EA 22	Obs. 018, #s 2&3	calculations	10,510-10,511, 10,524-10,525

AUDIT FINDING SUMMARY

Exhibit No.	Audit	Finding(s)	Description	Transcript
SC 51	EA 25	Obs. 058	calculations	10,525-10,528
SC 51	EA 23	Obs. 030, p.1, #s 1&2 Obs. 031, p.1; #s 1&3 Obs. 032, #1	calculations calculations calculations	10,528 10,529 10,529-10,544
SC 51	EA 23	Obs. 034, #3 p. 1	calculations calculations	10,531-10,534 10,547-10,549 10,551-10,552
SC 51	EA 23	Obs. 038, p. 2 & #4	calculations	10,553-10,554
SC 51	EA 24	Obs. 050 pp. 2-3	calculations	10,556-10,563
SC 51	EA 26	Obs. 067 p. 2	calculations	10,563-10,574
SC 51	EA 26	Obs. 067 p. 3, #6	calculations	10,574-10,578
SC 51	EA 27	Obs. 072, #s 1, 2, 4, 5, 6	calculations	10,583-10,589
SC 51	EA 28	p. 1 and Obs. 079 #1-2	calculations	10,589-10,595, 10,597-10,600
		Obs. 080, #1	calculations	10,595-10,597
SC 51	EA 30	Obs. 101, #1-3	calculations	10,597-10,608
SC 51	EA 31	Obs. 107, #1-2	calculations	10,608-10,611
SC 51	EA 34	Obs. 119, p. 2, #2, bottom	calculations	10,630-10,633
SC 51	EA 34	Obs. 120, #s 2, 4	calculations	10,633-10,635, 10,656-10,668, 10,754-10,782, 10,799-10,806
SC 51	EA 34	Obs. 120, item 4	calculations	10,656-10,668
SC 51	EA 38	p. 1	calculations re: EA 34, Obs. 120	10,636-10,647
SC 51	EA 38	Obs. 142	calculations	10,668-10,672
SC 51	EA 39	p. 2; Attachment 2	calculations re: EA 38, 142, EA 34, 120	10,673-10,691

AUDIT FINDING SUMMARY

<u>Exhibit No.</u>	<u>Audit</u>	<u>Finding(s)</u>	<u>Description</u>	<u>Transcript</u>
SC 53	SEO 11	Obs. 129, #s 1, 4, 5, 7	calculations	10,710-10,724
SC 51	EA 39	Obs. 007	calculations	10,806-10,809
SC 51	EA 40	p. 2, ¶¶ 1&3, Obs. 023, 154(1-3)	calculations	10,809-10,836
SC 55	FA 602	entire audit; see esp. 3.1	E&DCRs	10,894-10,910 10,937-10,951
		4.1	E&DCRs	10,951-10,958
		4.1-4.7	E&DCRs	10,958-10,965, 10,967-10,981 11,011-11,012, 11,015-11,021, 11,040-11,043, 11,054-11,056
		4.2	E&DCRs	10,910-10,934
SC 51	EA 19	p. 2, #2.B.5	E&DCRs	10,999-11,003
SC 51	EA 21	Obs. 011, #1	E&DCRs	11,003-11,006
SC 51	EA 22	Obs. 017, #2	E&DCRs	11,006-11,011
SC 51	EA 23	Obs. 041, #2&4	E&DCRs	11,023-11,024, 11,140-11,149
SC 56	FQC 19	D.1	E&DCRs	11,025-11,035
SC 56	FQC 25	Obs. D.2	E&DCRs	11,048-11,054
SC 57	FA 654	entire audit except 4.5, 4.8-4.10, 4.12, 4.13	E&DCRs	11,056-11,063 11,063-11,073 11,076-11,088 11,090-11,092 11,096-11,097 11,097-11,109 11,116-11,118
SC 57	FA 654	4.11	E&DCRs	11,703-11,076, 11,114-11,115, 11,119-11,121
SC 58	FA 718	4.3	E&DCRs	11,123-11,124
		4.4	E&DCRs	11,125-11,126
SC 59	FA 842	4.1	E&DCRs	11,127-11,134

AUDIT FINDING SUMMARY

4.

<u>Exhibit No.</u>	<u>Audit</u>	<u>Finding(s)</u>	<u>Description</u>	<u>Transcript</u>
SC 51	EA 23	Obs. 41, item 4	E&DCRs	11,140-11,149
SC 56	FQC 23	Obs. F-2 (a)	E&DCRs	11,149-11,152
SC 56	FQC 26	Obs. F-3	E&DCRs	11,152-11,154
SC 51	EA 40	p. 1, ¶1; Obs. 158	E&DCRs	11,154-11,170
SC 56	FQC 33	Obs. B-3, F-1	E&DCRs	11,170-11,176
SC 51	EA 40	p. 1, ¶ 1.	E&DCRs	11,154, 11,193- 11,194
SC 51	EA 13	p. 2, #C.1	E&DCRs	11,194-11,199
SC 51	EA 21	Obs. 008, #1	E&DCRs	11,199-11,202
SC 51	EA 23	Obs. 41, #3 & 10	E&DCRs	11,202-11,208
SC 56	FQC 23	p. 2, #3.1.1.A; D.2	E&DCRs	11,272-11,277
SC 51	EA 23	Obs. 041, #8	E&DCRs	11,277-11,281
SC 56	FQC 33	B-1	E&DCRs	11,281-11,288
SC 51	EA 15	pp. 1-2, 2.B.1	E&DCRs	11,289-11,292
SC 51	EA 21	Obs. 011, #4	E&DCRs	11,292-11,293
SC 57	FA 654	4.4	E&DCRs	11,293-11,304

1 MR. LANPHER: Judge Brenner, Mr. Dynner, I
2 think, was going to ask whether you want to do a similar
3 thing with something he handed out.

4 JUDGE BRENNER: Let's hold it because I would
5 like to finish this panel and let you get going.

6 [Discussion off the record.]

7 JUDGE BRENNER: Let's go back on the record.

8 I am sorry about the digression, but given the
9 schedule, we felt we needed to see if we could
10 accommodate that matter, and again, we apologize for
11 interrupting your redirect, Mr. Ellis, and we will let
12 you proceed at this point.

13 MR. ELLIS: Thank you, Judge Brenner.

14 BY MR. ELLIS: (Resuming)

15 Q Mr. Alexander or Mr. McCaffrey, in response to
16 questions from Mr. Dynner concerning the chain of
17 authority and organization of ISEG, you indicated that
18 ISEG was in the Vice President-Nuclear chain of
19 authority and that among the Vice President-Nuclear's
20 responsibilities were cost and scheduling. What other
21 responsibilities does the Vice President-Nuclear have?

22 A (WITNESS MC CAFFREY) Mr. Pollock's principal
23 responsibility is the safe operation of the nuclear
24 power station.

25 Q Mr. Alexander, you answered a number of

1 questions, and you, too, Mr. McCaffrey, concerning
2 NUREG-0737 and NUREG-0731. Mr. Alexander, why did you
3 use 0737 instead of 0731 as a basis for the preparation
4 of the ISEG charter and procedures?

5 A (WITNESS ALEXANDER) Well, primarily the
6 reason is because NUREG-0737 was a requirement, while
7 NUREG-0731 was a draft and recommendation which has not
8 been approved, and that is the primary reason. The two
9 documents are not that dissimilar, and as I said before,
10 we did take the requirements or the recommendations of
11 0731 into consideration, but the reason for using 0737
12 was because it was a requirement by the NRC to do so.

13 Q All right, Mr. Alexander. Notwithstanding the
14 fact that 0731 is a draft and has not been issued, does
15 LILCO, in your view, comply nonetheless with the
16 sentence that Mr. Dynner asked you about concerning the
17 requirement for five dedicated full-time persons
18 reporting to an offsite technically-oriented high level
19 official not responsible for power production? And I am
20 paraphrasing.

21 A (WITNESS ALEXANDER) Yes, sir, without any
22 doubt at all, we certainly comply with that requirement.

23 Q Mr. McCaffrey, in response to Mr. Dynner's
24 questions, you indicated that the Staff had been given
25 in the last 2 or 2-1/2 weeks the organization chart and

1 procedures of ISEG. Have there been previous
2 discussions with the Staff concerning the ISEG charter
3 status and organization?

4 (WITNESS MC CAFFREY) Yes, there were. There
5 extensive discussions with the Staff back in the
6 time period of May, June, July, August and September
7 1981. That was the period of time when LILCO was
8 involved in responding to all of the NUREG-0737
9 requirements, of which 1.812 was simply one of those
10 requirements. We had many meetings with Mr. Rivenbark
11 to discuss LILCO's proposals and through many meetings
12 affected the final resolution and commitment by LILCO.
13 LILCO's final commitment, as stated in the supplement to
14 the Safety Evaluation Report, was based upon the July
15 21, 1981 letter to the Commission which I signed and
16 submitted myself, and that, of course, is what was the
17 basis for the supplement to the SER, which demonstrated
18 the Staff's acceptance of LILCO's organizational
19 structure and alignment of ISEG.

20 Q Can you refer us please, Mr. McCaffrey, to the
21 page numbers in the supplement to the SER that you are
22 referring to?

23 A (WITNESS MC CAFFREY) Yes, I can. The section
24 on the Independent Safety Engineering Group is contained
25 in Section 13.4.3 of Supplement No. 1 to the Safety

1 Evaluation Report issued in September of 1981 on pages
2 13-39 and 13-40 and 13-41.

3 Q And does that portion of the supplement to the
4 SER reflect that the NRC was advised of the path of
5 reporting of ISEG through NOSD and Vice
6 President-Nuclear?

7 A (WITNESS MC CAFFREY) They were clearly
8 advised that LILCO intended to have ISEG report through
9 the Nuclear Operations Support Department. The Nuclear
10 Operations Support Department organization was shown in
11 another attachment to SNRC 601, which is the 7/21/81
12 letter. so given that and the FSAR organization charts
13 and our letters, they clearly could understand that the
14 alignment was through the manager of Nuclear Operations
15 Support and ultimately to the VP-Nuclear.

16 Q And did you in fact discuss that with the NRC
17 in your discussion?

18 A (WITNESS MC CAFFREY) Yes, we did.

19 Q On the basis of that information, did the NRC
20 find in the supplemental SER that such an organizational
21 structure satisfied the requirements of NUREG-0737?

22 A (WITNESS MC CAFFREY) Yes, they did, and I
23 think if you read the supplement carefully, one of our
24 prior proposals was to try to use a concept of the shift
25 technical advisers and the subcommittee of RCC. As was

1 pointed out, they wanted to fulfill the requirements of
2 0737 forcing independence from plant operations, and
3 that is why our proposal through NQSD was acceptable to
4 them.

5 Q Mr. McCaffrey, in your view, given your
6 knowledge of the ISEG charter, is it fully consistent
7 with the existing tech specs that relate to ISEG?

8 A (WITNESS MC CAFFREY) Yes, it is.

9 Q And does it just meet the tech specs or does
10 it go beyond them?

11 A (WITNESS MC CAFFREY) It goes considerably
12 beyond the tech specs. It complies not only with the
13 tech specs but NUREG-0737, which provides more
14 descriptive requirements for ISEG. And as we indicated
15 in our testimony yesterday, we have effected additional
16 programs and features of ISEG to go well beyond the
17 minimal requirements, as we discussed with Judge Morris
18 yesterday.

19 Q Mr. Alexander, in answering Mr. Dynner's
20 questions concerning NQMIS, you mentioned receiving a
21 monthly report, and I would like to clarify if I may,
22 please. Does that monthly report include the questions
23 and answers of all the plants or just of the particular
24 plant receiving the report?

25 A (WITNESS ALEXANDER) All the plants.

1 Q Do you know how many plants are members of
2 NOMIS?

3 A (WITNESS ALEXANDER) Approximately 70.

4 A (WITNESS MC CAFFREY) That is correct.

5 Q Mr. Alexander, you indicated that the OQAE
6 does in fact receive the operations experience report of
7 ISEG because it is on the required list. Is that the
8 plant required list?

9 A (WITNESS ALEXANDER) That is the required
10 reading list, yes, sir.

11 Q For the plant?

12 A (WITNESS ALEXANDER) Yes, sir.

13 MR. ELLIS: That completes LILCO's redirect,
14 Judge Brenner.

15 JUDGE BRENNER: Let's go off the record for
16 one moment.

17 [Discussion off the record.]

18 JUDGE BRENNER: Back on the record.

19 Any follow-up questions based on redirect?

20 RECROSS EXAMINATION

21 BY MR. DYNNER:

22 Q I have only one question, gentlemen, you will
23 be relieved to know.

24 Will the plans that you describe with respect
25 to the RCC, such as the review by subcommittees, et

1 cetera, be translated into written procedures and
2 requirements in order to be implemented?

3 [Panel of witnesses conferring.]

4 A (WITNESS ALEXANDER) The procedure, the plant
5 procedure which governs ROC, provides for the formation
6 and the use of subcommittees, yes, sir.

7 JUDGE BRENNER: I am sorry, it is my fault, I
8 missed the answer. Could I get it read back, please?

9 [The reporter read the record as requested.]

10 MR. DYNNER: That is all. I have no further
11 questions.

12 JUDGE BRENNER: Mr. Bordenick, do you have any
13 further follow-up?

14 MR. BORDENICK: Yes, I do.

15 RE CROSS EXAMINATION

16 BY MR. BORDENICK:

17 Q Mr. McCaffrey, you spoke of the technical
18 specifications for Shoreham. Have those technical
19 specifications been reviewed and finally approved by the
20 NRC?

21 A (WITNESS MC CAFFREY) No, they have not been
22 finally approved, to my knowledge. We are referring to
23 the draft technical specifications at this point.

24 MR. BORDENICK: I have no further questions.

25 JUDGE MORRIS: I have just a couple, gentlemen.

1 BOARD EXAMINATION

2 BY MR. JUDGE MORRIS:

3 Q I have indicated to you I have some
4 familiarity with NPRDS. I was a little unhappy with the
5 picture that was left on the record of the full
6 character of the NPRDS system. I am not sure that you
7 are as familiar with those details as perhaps I am or
8 perhaps some of your other staff.

9 For example, the fact that it originally was
10 started around 1972 as a joint effort between industry,
11 ANSI and the NRC, and the contractor at that time to
12 process the data and enter it into the computer was
13 Southwest Research Institute, and the change in managing
14 that contract occurred, I think, on the order of a year
15 ago when INPC took over. And that INPC, and also
16 influenced by EPRI, who is not a member of NPRDS, in
17 that time frame began to think about ways to improve the
18 system, so that even today the system is still, in a
19 sense, in a period of formation or shaking down. And
20 that it is my belief, and maybe you can corroborate,
21 that not even all operating plants are members of the
22 NPRDS system, at least at my last reading, which was
23 maybe a couple of years ago, that maybe as many as a
24 third of the operating plants had not elected to join
25 NPRDS.

1 It is also true that NPRDS, in order to get
2 off the ground, limited the required input, it is my
3 understanding, to systems and components that were
4 safety related. However, in the working meetings that
5 took place, which were attended by the member utilities
6 and the principal or at least some of the principal
7 architect engineers and the reactor suppliers, there was
8 a good deal of discussion as to whether indeed there
9 could be standardization of what the data base should be
10 from one plant to another.

11 And at least in that time frame, the reactor
12 suppliers at least developed a standard sort of
13 inventory for their scope of supply. But the utilities
14 who are really the members of NPRDS and were to benefit
15 most were free to enter into the system anything they
16 wanted to, and that some utilities at that time frame
17 were interested in maybe only 1500 components.

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1 Your description of the 4500 that Shoreham is
2 proposing is a number which, in my understanding, is
3 considerably higher than was considered in those days.
4 It was also, for example, agreed that nuclear fuel would
5 not be entered into the NPROS system. I'm not sure
6 whether it has been entered into today, but certainly
7 that is a safety-related item that is not there.

8 So that in understanding the system and using
9 it, I think people need to know that whether or not it
10 is useful depends on the system or component being
11 similar to that which they have in their own plant, but
12 that this doesn't destroy its usefulness at all. It may
13 be that there are 70 plants that all use the same kind
14 of transformers for a given application. And then this
15 data base on those 70 transformers -- or it might be 5
16 of each in the same plant -- is useful to all in that
17 population. If it's 5 times 70. But in other
18 applications there may be only a dozen.

19 So it is this kind of perspective that I think
20 people have to know about in judging the usefulness and
21 the utility of the system at this point in time. Have I
22 said anything that you disagree with?

23 A (WITNESS KUBINAK) No, sir. I did not mean in
24 my discussion here about the NPROD system to criticize
25 it. We are fully dedicated to use it. But we are aware

1 that this data base, for example, is being moved from
2 one company or one control to another.

3 We are aware that at the present time, INPD is
4 going to be the receiver of that data base. We are
5 aware that the format is a moving target. We are also
6 aware that INPD expects to have all nuclear utilities or
7 plants by mid or, let's say, early 1984 I think was
8 their expression, to have everyone involved in that.

9 Yes, we will be there and we will support it
10 and we will use it, but it is just going to take a
11 little time.

12 Q And you understand the situation is as I have
13 described it?

14 A (WITNESS KUBINAK) Yes, sir.

15 Q And are you also aware that the NRC had
16 considered at one time making NPRDS mandatory?

17 A (WITNESS KUBINAK) Yes. Involved also in that,
18 in the back of my mind I also remember the discussions
19 about ICERs, remember those and remember there came from
20 that a lot of discussion between NRC and, I guess, INPD
21 or previous data base owners, trying to settle on the
22 fact as to what is really in there, and what is in our
23 LER system and what is in the DER system. So that we
24 can present a good picture but without overlap between
25 all of these systems, and we are waiting.

1 Q So this, in effect, is the reason that this is
2 not a system in place by LILCO and fully developed?

3 A (WITNESS KUBINAK) Yes. This system has not
4 been fully developed, and it is very difficult for me to
5 implement that.

6 Q Thank you. One question I neglected to ask
7 yesterday, and I believe LILCO has a commitment to have
8 a contract for, I believe you called it an in-service
9 contract with the architect engineer or follow-up
10 contract. Can you enlighten me on that?

11 A (WITNESS KUBINAK) Yes, sir. I have been
12 charged with the responsibility of the continuing
13 service contract or contracts. We have inhouse at the
14 present time in the draft form this continuing services
15 contract. The question presently is: should all
16 contractors being used in the future be covered under
17 one given format, one given contract.

18 I proposed to our Vice President, Nuclear and
19 Vice President, Purchasing -- presently, those two
20 gentlemen are discussing whether the two major
21 contributors, which would be General Electric and Stone
22 & Webster, should be addressed under
23 separately-negotiated contracts. In any case, that is a
24 commercial matter which they are discussing at the
25 present time. And no decision, to my knowledge, has

1 been made on that subject.

2 The continuing services contract, as it now
3 appears in the company then, is for technical assistance
4 beyond the Stone & Webster and General Electric
5 technical assistance where it would have contracts to
6 administer. That is my responsibility, also, to
7 administer those contracts separately from the
8 continuing services -- let's call it continuing services
9 agreement. I think that is the proper term.

10 The continuing services agreement was
11 originated by myself to assure that we have purchase
12 orders placed with a sampling of companies so that we
13 need assistance, we can go get that assistance right
14 away. We would not have to work with requisitions and
15 purchasing departments and other things. Presently, it
16 looks like it is going that way. We will have smaller
17 contractors, so to speak, consultants, on immediate call
18 also.

19 We do have to address, particularly with the
20 continuing services contract, the participation in that
21 contract with the public service commission. We have
22 investigated similar contracts in New York state held by
23 some of the other utilities. We are trying to work with
24 our purchasing department to get agreements between them
25 since they sign these contracts, between them and the

1 other parties. The other parties, of course, would be
2 -- the principal one would be Public Service
3 Commission. That is an active project under my
4 direction at the present time.

5 I guess the answer to your question is yes, we
6 will have a contract with Stone & Webster, a contract
7 with General Electric and a continuing services contract
8 with other companies. And we will have those in place
9 prior to the expiration of any present contracts.

10 Q Thank you. Mr. McCaffrey, when you were
11 describing the conversations or consultations between
12 Mr. Nichols and, I believe, the Plant Manager, you
13 mentioned that he had observed -- and I guess the words
14 you used were "with respect to technicians at the plant"
15 -- that this was worthy of note. What did that mean?

16 A (WITNESS McCAFFREY) In the course of Mr.
17 Nichols working at the station in his line function as
18 well as in his advisory capacity, he was apparently able
19 to come to a judgment as to the quality of training and
20 expertise and experience of the technicians and
21 mechanics that are at the station right now, and thought
22 they were of very high quality, and just passed that
23 comment on to Mr. Rivello. It is not a suggestion for
24 improvement, but in an area where he thought they were
25 very strong right now. That was the nature of that

1 comment.

2 Q Thank you. The way you summarized it, it was
3 not quite clear whether they needed additional training
4 or whether he was complementing them.

5 A (WITNESS McCAFFREY) I was glad I was able to
6 clarify that.

7 JUDGE MORRIS: Fine, thank you, that's all I
8 have.

9 JUDGE BRENNER: I believe we are complete with
10 this panel, unless there are any questions stimulated by
11 the last few questions.

12 (No response.)

13 JUDGE BRENNER: Hearing none, we thank you
14 gentlemen for your appearance here, and we appreciate it
15 because it was an area we were interested in, as you
16 know, and that is why you were here. So thank you. And
17 it looks like you can make your meeting tomorrow morning.

18 (Witnesses Alexander, Kubinak and McCaffrey
19 were excused.)

20 JUDGE BRENNER: I see that Mr. Lanpher is
21 back. Maybe he can update us on the emergency planning
22 schedule.

23 MR. LANPHER: I spoke with Mr. Latham, and he
24 will be at a meeting on Tuesday. I told him you were
25 contemplating between 10:00 and 11:00. He said that

1 would fit into his plans; he will be there.

2 I also am informed that you got the Court of
3 Claims, Judge Brenner.

4 JUDGE BRENNER: Yes, my secretary did.

5 MR. LANPHER: And we got the legislative
6 hearing room, and I have to get back to my colleague,
7 Mr. Brown, to just let him know whether we should hold
8 the legislative hearing room.

9 JUDGE BRENNER: Let's go off the record for a
10 moment.

11 (Discussion off the record.)

12 JUDGE BRENNER: Let's go back on the record.

13 All right. We've decided, after momentous discussion,
14 that we will use the county's hearing room in Happaug, e,
15 which we appreciate being able to use, and it will be
16 10:30 on Tuesday. And the reason is largely --
17 actually, exclusively at this point -- for the
18 convenience of Mr. Latham, and based upon your contact
19 with him, we expect him to be there. Or other counsel
20 representing SOC.

21 While we're on the emergency planning subject,
22 do you know whether we will get the county's response to
23 the motion for summary disposition at the end of the day
24 today or on the due date tomorrow?

25 MR. LANPHER: It will be here before 1:00

1 o'clock tomorrow.

2 JUDGE BRENNER: That much I know.

3 MR. LANPHER: It just wasn't possible to get
4 it done sooner.

5 JUDGE BRENNER: We understood the time
6 pressures were somewhat tight and that is why we were
7 somewhat flexible on that point. We will save the other
8 matter until tomorrow; that is, the question we posed
9 which we said we would repose on whether the county's
10 position is that it is not going to participate at all,
11 or that it just didn't like some of the circumstances
12 about the proposal.

13 All right. We are back to operating QA
14 matters, other than the matters for which this panel
15 that we just dismissed was here to testify on. One
16 thing we can do is mark the Suffolk County's
17 Supplemental Cross Examination Plan on Operating QA/QC
18 as a further offer of proof. That will be Suffolk
19 County Exhibit 82 for identification.

20 (The document referred to
21 was marked Suffolk County
22 Exhibit No. 82 for
23 identification.)

24 JUDGE BRENNER: It consists of eight pages,
25 and as Mr. Dynner explained earlier, or started to

1 explained, he has marked up the margins as to which
2 portions he has done or not done. And the only one not
3 marked up is the paragraph on page 3 which speaks for
4 itself. That is, there are other things as described
5 there not done.

6 And speaking for myself, I essentially agree
7 with his characterization. There is some overlap in
8 some subjects; that the particulars as listed were not
9 done. They may have related to other areas that he
10 didn't inquire about.

11 Incidentally, having had the opportunity to
12 mark this as an offer of proof gives me the first
13 opportunity to look at a publicly-disclosed cross
14 examination plan in this proceeding. And previously, I
15 have had occasion to express appreciation for the
16 county's plans, cross examination plans. They are all a
17 little different depending upon the subject matter, but
18 this is the level of detail essentially that we have
19 been getting from the county, and we appreciate it.

20 I don't think we need to bind it in. We will
21 just leave it as an exhibit for identification.

22 All right. On OQA staffing, the preliminary
23 matter would be to inquire for the representation from
24 the county as to why the number of people, given their
25 responsibilities, does not at all narrow or alleviate

1 the concerns originally expressed in the contention.

2 MR. DYNNER: Yes, Judge Brenner. I owe you
3 what I hope will be a short report on that matter, and
4 why in our view the negotiations broke down.

5 To put it short and sweet, the negotiations
6 on the level of 14 persons for OQA staffing broke down
7 because of our understanding that LILCO was not willing
8 to extend their commitment beyond the first refueling
9 outage. And it is the county's position, and has been
10 the county's position, that the OQA staffing issue is
11 one that does not simply exist for one year or so and
12 then disappear.

13 We had indicated to LILCO that we would be
14 willing to attempt to settle the matter if some period
15 could be found between the approximate one year and the
16 40 years for the plant. We had at one point suggested
17 what I thought was a reasonable time, and Mr. Ellis
18 indicated back to us that in view of -- and he can speak
19 for himself, of course, but as I understood it, his
20 explanation was that the company did not feel it was
21 appropriate to attempt to set any minimum OQA staffing
22 level beyond the first fueling outage.

23 JUDGE BRENNER: Was 14 the minimum number that
24 the county had in mind for beyond the first refueling
25 outage, or did you not get down to that?

1 MR. DYNNER: Well, I will say that without
2 prejudicing the county's position which consistently has
3 been that, sufficient data analysis and projections have
4 not been generated by the company which matched up the
5 tasks under the CQA program with manhours and skill
6 levels to make a reasonable judgment.

7 But nevertheless, based upon an overview, a
8 desire to get this thing settled in the hopes that we
9 could put it to bed, we were prepared to move ahead
10 subject to a final check with the client on the basis of
11 a staffing level of 14 CQA people for a minimum of five
12 years.

13 JUDGE BRENNER: I guess I will ask LILCO not
14 whether you agree with the positions, but whether you
15 want to add anything to accurately reflect your position.

16 MR. ELLIS: Yes. I think Mr. Dynner -- what
17 he has said is accurate. I would like to add to it. We
18 have never had an indication from the county of whether
19 the 14 was sufficient for the first year, or really, any
20 time.

21 There was a proposal made last night about 14
22 for five years. Mr. Dynner indicated that was correct,
23 that that was unacceptable to the company because the
24 company cannot foresee what the circumstances are going
25 to be beyond the first refueling outage. We have seen

1 many changes in organizations and structures of how
2 things are done in nuclear power plants in the last
3 three or four years, and it did not seem prudent to the
4 company to make that sort of long-term commitment. And
5 the previous time periods, which were even longer than
6 five years, of course, were equally unsatisfactory.

7 We have consistently sought a number from the
8 county, and I guess I would have to say, giving them the
9 nod, that their view is they don't have to come up with
10 a number, and it is our problem to make them happy with
11 our number. And that is about where the matter stands.

12 JUDGE BRENNER: Well, we appreciate the
13 attempt. I'm not sure that something couldn't have been
14 worked out among the parties that would have been
15 acceptable to us if it had been pursued earlier. It
16 seems possibly that the press of events, including the
17 fact that some discussions took place as recently as
18 last night following up on the previous discussions --

19 MR. DYNNER: I might indicate to you, Judge
20 Brenner, that very early on, prior to litigation of
21 these OQA issues, the county did propose as part of an
22 overall settlement of all operating QA matters, that the
23 procedures, the manual as well as, in our judgment, this
24 issue of how many people were adequate to the task of
25 OQA staffing, be put to a third-party independent

1 arbitrator or auditor acceptable to both parties.

2 And that that auditor, after appropriate input
3 of the problems in specific that the county had and the
4 considerations that LILCO wanted to put on the table,
5 would go away in a corner somewhere and pour over all of
6 this work and do the projections on staffing, and pour
7 through these manuals and procedures and come up with an
8 answer which, from the county's point of view -- the
9 county said that we would be willing to be a binding and
10 final answer.

11 And there were negotiations held on that, and
12 at one point we did come back to say that if LILCO did
13 not want to agree that the final recommendations of an
14 independent auditor would be binding, that we would,
15 from our point of view, say okay, LILCO, you can veto
16 anything but if you do, we want the right to litigate
17 that before the Board, along with the recommendations of
18 the auditor.

19 So I think that the Board, which has made some
20 comments in the past about this difficult process of
21 litigating the CQA issues, was perhaps not aware that
22 there is a history here. I am not attempting to give a
23 full and complete history of who struck John, but just
24 to indicate that attempts were made and ongoing from
25 early on in this process.

1 MR. ELLIS: May I just add one thing to that?
2 I think Mr. Dynner's characterization is generally
3 correct. It is just not complete.

4 We said, in response to that we said let us
5 have our experts meet and talk about the problems; what
6 are the problems that you have, tell us what the
7 problems are you have with the procedures in the
8 manual. We were consistently, or they consistently
9 declined this request, and we did not think submitting
10 it to some other expert, in view of the fact that they
11 had an expert retained and we had an expert retained,
12 was an efficient way to do what had to be done,
13 especially in view of the imminent litigation of the
14 matter.

15 And we saw nothing in their direct testimony
16 that alerted us to any concerns they had with the
17 procedures and that sort of thing.

18 MR. DYNNER: You don't want to hear my
19 rejoinder, do you, Judge?

20 JUDGE BRENNER: No, and I will tell you why
21 not. It might be interesting but it's not going to help
22 us. In fact, it might hurt us for this reason. Have
23 you all given up all hopes of further conversation on
24 this subject? We're not going to hold up the
25 litigation; we will go forward with the litigation.

1 MR. ELLIS: LILCO hasn't, but I don't know
2 what form they could now take. I think it is fair to
3 say we would not agree to submitting it to an expert at
4 this point in time.

5 MR. DYNNER: I think it is fair to say from
6 the county's point of view that the difficulty which we
7 are faced with now, which is similar to a difficulty we
8 were faced with before, is just given the press of
9 events and the schedule; who we could have to sit down
10 -- and frankly, we don't see how we could negotiate a
11 settlement in connection with all of the excruciating
12 detail that we have sat through for a while in these
13 proceedings and elsewhere without, in effect, having the
14 county entertain the enormous job of itself rewriting
15 all of the procedures in the manual and then submitting
16 them to LILCO and saying do you agree with this sentence
17 or don't you agree.

18 We just don't have the time, the manpower, and
19 the expertise to perform that job, and it seems to be
20 what we are down to.

21 JUDGE BRENNER: Well, I agree that the
22 schedule of litigation is somewhat -- not somewhat, but
23 -- has overshadowed the negotiation process in time and
24 in other dimensions and I think it is unfortunate
25 because CA was set up for litigation very late in the

1 process. But there are any number of reasons why there
2 wasn't more narrowing between the parties, and both
3 parties have alluded to some of them today and we have
4 heard more in the past on other subjects.

5 It occurs to me -- and you all can think about
6 it -- that now that you have got an extensive record, as
7 part of the process of pulling that record together;
8 which process you have to go through and should be going
9 through by now for proposed findings on QA, you are
10 going to be pulling much of this detail together and
11 also, focusing on what the details are that bother the
12 county, and LILCO will be focusing on the details that
13 it feels it has assembled in its behalf, and the staff
14 has a recent view of details, some of which it might
15 have focused on before and some of which it might not
16 have focused on before. By the time you are done, you
17 will have a view of the staff's review.

18 We might be able to -- we had hoped one of the
19 devices that we had expressed disappointment in that
20 they had not been employed, given the fact that
21 negotiations were not fully successful were some
22 stipulations of fact. And we think that would have been
23 a useful device.

24 Having passed the possibility for that at this
25 late stage, or apparently passed the possibility for

1 that, much the same process with the advantage of having
2 had the litigation could be used to pull together what
3 the facts are and the point of view of each party, and
4 perhaps narrowing some matters. It isn't going to be as
5 helpful as it might have once been in terms of
6 efficiency of the litigation, but there is another
7 important goal that can be reached, and that is
8 happiness with the result.

9 And it has been my experience that when
10 parties can agree and accomodate each other, they are
11 more happy with the result than some interfering party
12 -- in this case, the Board -- coming in with its result.

13 Now, we might not like what the parties came
14 up with in any one of these subareas anyway, but we will
15 have that opportunity to tell you. I think there is a
16 lot of room for the parties to keep talking as they are
17 in the process of pulling the findings together,
18 especially. But that is up to the parties.

19 It is not going to save you a lot of work, and
20 in that sense, that incentive is gone. But it may save
21 or help the end result in terms of your respective
22 clients.

23 I have also little illusion that you are, at
24 this point, going to settle the entire questions
25 represented by the QA/QC contentions, but some of the

1 facts that go into those questions might be settled, and
2 some of the subareas. I think reasonable persons, even
3 after a hotly-contested litigation, can settle. But it
4 is up to you. Maybe the absence of the work incentive
5 removes the settlement negotiation incentive, I don't
6 know. But think about it among yourselves and don't
7 preclude that opportunity just because the litigation is
8 almost done on the issue.

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1 We understand on this narrow issue where you
2 are. And we thank you for the report. In terms of the
3 further cross-examination that the County wish to
4 undertake on QQA staffing, we have read the submissions
5 of the parties. I assume that LILCO's submission was
6 served on the County and all parties.

7 The County provided us with its handwritten
8 cross plan outline, which we appreciate receiving. And
9 we have got almost the same attachments from both
10 parties with the exception that LILCO included the QQA
11 man-hour projection first year of operation. That is
12 Attachment 2. And the County did not include that one
13 item.

14 MR. DYNNER: Judge Brenner, I might point out
15 that certainly Mr. Ellis' submission may have -- I mean
16 I am certain it was unintentional, but there is some
17 ambiguity in his sentence. Their Attachment 2, which is
18 a listing of QQA man-hour projections first year of
19 operation apparently performed by Mr. Muller has never
20 been given to the County prior to today. And the first
21 time we saw it was a part of the submission that LILCO
22 made.

23 JUDGE BRENNER: I have read LILCO's filing
24 quickly. I certainly got the impression from that that
25 you had it only very recently. I didn't realize it was

1 as recently as today.

2 MR. DYNNER: Noon today, sir.

3 MR. ELLIS: Which one? I am sorry.

4 MR. DYNNER: The typewritten one that you say
5 that comes up here, Attachment 2. Tim, your language in
6 your letter I am sure unintentionally indicates I think
7 the material that was given, and it could be read to --
8 it could be read by someone to mean that Attachment 2
9 was previously served on the County.

10 MR. ELLIS: No, I did not intend that. On
11 page 4 of our submission we point out that it is the
12 Attachment 1 that they have had since November 10.

13 JUDGE BRENNER: Yes. I know. But I did have
14 the impression that the County had Attachment 2 before
15 today. So I am glad you clarified that.

16 MR. ELLIS: I did not intend that. I am sorry
17 for that.

18 JUDGE BRENNER: But he knew it was after
19 November 10. So that is the time frame. I thought it
20 was within the last day or two, particularly given
21 LILCO's position, that you might have to cross-examine
22 on that document.

23 However, in any event, we have considered the
24 views of the parties and the way events have transpired
25 in terms of the prior answer to discovery as we

1 discussed on the record previously. And we have looked
2 at the areas of cross-examination by the County, and we
3 think it is reasonable for the County to pursue those
4 areas.

5 Of course, LILCO does not know precisely what
6 the County has said, but it is based upon those same
7 documents, and we think it reasonable that if the County
8 had had those documents in the first instance, that they
9 probably would have asked questions like these. As I
10 look at it, it looks like a half an hour or less. It is
11 hard to tell because there are areas rather than
12 questions. But given the material, that is my guess.

13 I am not holding you to it, but do you think I
14 am in the right general time frame, Mr. Dynner?

15 MR. DYNNER: I would think that given some
16 fairly precise answers, that we might be able to finish
17 it, maybe I would estimate a little bit closer to an
18 hour. But I would think that certainly it is not going
19 to be an extended examination. I think the Board from
20 reading our cross plan submission has a pretty good idea
21 of what we are going to try to extract from that
22 examination. I agree with that.

23 JUDGE BRENNER: We will let you ask it now on
24 that subject, if you wanted to. But as I understood
25 previously, you prefer to wait until tomorrow. Am I

1 right, Mr. Dynner?

2 MR. DYNNER: I would especially like to wait
3 until tomorrow. As you know, I have been involved in
4 preparing my cross-examination of the ISEG panel, and I
5 would also like to have time to digest Attachment 2,
6 which of course is a new document.

7 JUDGE BRENNER: Okay. Sure. And we said we
8 would give you that opportunity.

9 Why don't we then proceed with the redirect --
10 I am sorry, the Staff questions and then the redirect on
11 all matters other than staffing, and hold anything on
12 staffing for the County to ask their further questions
13 tomorrow unless the parties have some other proposal
14 based upon something that I am missing.

15 All right, let's get the witnesses back up
16 then.

17 (Discussion off the record.)

18 JUDGE BRENNER: Let's go back on the record.

19 I don't remember what's on the record at this
20 point. But just in case, we are going to be in the
21 County Legislature hearing room in Hauppauge at 10:30 on
22 Tuesday, because a representative of SCC, its counsel,
23 presumably Mr. Latham or somebody else, will be there to
24 discuss the emergency planning matters, including the
25 Board's proposed examination before hearing by way of

1 depositions and motions to strike, and the motion for
2 summary disposition.

3 And we asked for the ICC report on that day.
4 At the time we asked for it, we thought we would be
5 here. And if it involves somebody who would not have to
6 be there otherwise, we will understand why we cannot get
7 that report. But we are anxious to get it, and,
8 hopefully, it can be passed on to the counsel who will
9 be there anyway, so that we can receive that report in
10 New York.

11 We hope to have something out in writing. We
12 are not positive -- on the deposition procedure before
13 that conference so as to make the discussion there more
14 efficient. If we do, it will be on our authority, which
15 we receive the arguments on, and also some of the
16 proposed details of the procedure.

17 However, as we have also indicated, details of
18 implementing the procedure, if we conclude that we have
19 the authority, will be subject to the discussion among
20 the parties, and we will see what adjustments can be
21 made in the procedure, given the comments.

22 But let me indicate that possibility, and we
23 will know more about that on Friday or certainly by
24 Monday.

25 All right. Staff questions.

1 whereupon,

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JOSEPH M. KELLY,

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ARTHUR R. MULLER, and

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EDWARD J. YOUNGLING,

5 the witnesses on the stand at the time of recess, having

6 previously been duly sworn, resumed the stand and

7 testified further as follows:

8

RECROSS EXAMINATION

9

BY MR. BORDENICK:

10 Q Good afternoon. My questions are going to be
11 designed to get clarification or more detail on
12 questions that were put to you by Mr. Dynner, and your
13 answers. So that is the context of the questions.

14 In Chapter 17 of the FSAR you have either
15 described or referenced the controls contained in
16 various NRC reg guides and industry standards. Is that
17 correct? I guess my question is initially put to Mr.
18 Muller. But any member of the panel can answer it, or
19 if Mr. Muller answers it, can add to it.

20 (Witnesses conferred.)

21 Q I am not asking for a complete listing. I am
22 just asking in effect a general type question. I mean
23 you are welcome to confer, but I am a little confused as
24 to why the question --

25 A (WITNESS YOUNGLING) The regulatory guides are

1 listed in Appendix 3.3 of the FSAR. The ones that apply
2 to the quality assurance are contained in there.

3 Q And those relate to Chapter 17 of the FSAR?

4 A (WITNESS YOUNGLING) Yes.

5 Q Okay. What I am interested in -- and this was
6 alluded to in many of the answers; I am just trying to
7 pull it altogether in one place -- and I am interested
8 in whether you can describe in some detail how
9 specifically the LILCO quality assurance organization
10 went from the commitments made in the FSAR regarding
11 these quality-related guides and standards, how you
12 actually went from the FSAR commitments to implementing
13 those in your QA manual and procedures? I don't think
14 that the record is clear on that.

15 (Witnesses conferred.)

16 Q Let me give you one further clarification on
17 my question. What I am really interested in is more or
18 less how did you translate the commitments made in the
19 FSAR into the manual and the procedures? What was the
20 procedure you used to do this, or whoever wrote the
21 manual, the procedures used to do this?

22 A (WITNESS MULLER) Okay. The first thing we
23 have to do is review the reg guides. And many
24 departments are responsible for reviewing the reg
25 guides. We review them and determine the commitments

1 that we can make. And I am just trying to find a good
2 starting point, that's all.

3 We have our procedures for writing
4 procedures. We have to follow those procedures, which
5 includes reviewing reg guides and FSAR commitments. The
6 initial procedure is used to introduce our commitments
7 into the manual and the other procedures.

8 A (WITNESS YOUNGLING) Basically, what we did
9 was we took our commitment to Reg Guide 1.33 and ANSI
10 18.7, and we translated the guidance in there which
11 talks about the need for procedures that affect safety
12 activities within the power station that require
13 procedures to have procedures be in place for those
14 activities and that the procedures have to be
15 commensurate with the activity that you are doing the
16 level of procedure.

17 We took the guidance in the ANSI standard and
18 developed in the case of the plant staff a procedure
19 that tells us how to write procedures, how to review
20 procedures, how to control procedures, and how to
21 approve procedures.

22 The guidance in the ANSI standard tells us the
23 procedure content, the applicability, the title, the
24 format; and then within each of those areas, what has to
25 go in, what kinds of attributes have to go in.

1 We translated this guidance into this station
2 procedure, and as I remember, it is 12.00601. That
3 procedure tells us then exactly what the plant staff
4 organization have to do in writing the procedure.

5 Part of the procedure deals with, as I
6 mentioned, preparation, review, and approval, statements
7 on adherence to station procedures, revisions, temporary
8 changes, and periodic review. All of those attributes
9 are discussed in the regulatory guide and the endorsing
10 ANSI standard.

11 In reviewing the procedures or developing the
12 procedures, there are requirements that the procedures
13 are reviewed by applicable people in the organization
14 such as the responsible section head, the chief
15 engineers or plant manager, and that when they make
16 those reviews that they ensure compliance with technical
17 specifications, safety analysis reports, NRC regulatory
18 requirements, conformance to other station procedures,
19 if applicable, and of course technical accuracy.

20 So we have a program and a procedure that is
21 quite lengthy, about 30 pages long, that discusses all
22 of those attributes talked about in the standard.

23 Q Mr. Muller, how were you able, or are you
24 able, to assure yourself that your JQA manual and
25 procedures have in fact covered all of the various NRC

1 reg guides or industry standards that they had to? Did
2 someone keep a scorecard or a punch list?

3 I guess I would like to know what is your
4 level of confidence that you have in fact addressed
5 everything you are supposed to have addressed in the
6 manual and procedures, and if you are so confident, what
7 is your basis for that confidence? How did you assure
8 yourself that this was done?

9 A (WITNESS MULLER) This was done through the
10 review cycle for the procedures. For the OQA procedures
11 we have a similar procedure that tells us how to write
12 procedures, it tells us what content to be in it, it
13 tells us how to review it, who has to review it, look
14 for comments. And this is how we assure through the
15 review cycle that our commitments are made.

16 We go back to, for OQA procedures, they are
17 reviewed by our quality assurance department, they are
18 reviewed by the plant staff. This review cycle provides
19 that assurance that we have made, we have met our
20 commitments.

21 And if you are asking how we review other
22 procedures, that is one of the requirements we have,
23 that specifically the station procedures that we review,
24 we have to make sure that they meet the applicable reg
25 guides, and we do look at the FSAR for the commitments,

1 and we go through the reg guides and make sure the
2 commitments are met during our review of specifically
3 station procedures. And that specifically is QAPS 5.4.

4 A (WITNESS KELLY) Also, the quality assurance
5 department would perform similar review of all the
6 organizations' procedures, departments not located at
7 the station, similar to the review that the station
8 performed, the station QQA organization performs of the
9 station procedures.

10 A (WITNESS MULLER) And I would also like to add
11 that we have one additional check. We have the audit
12 system. We perform program audits and go back to the
13 FSAR, the reg guides, and we reassure ourselves that all
14 of the procedures meet the requirements in the reg
15 guides and the FSAR.

16 Q I wonder if you could describe briefly in a
17 little more detail what the audit consists of? I think
18 that is a word that has different meanings to different
19 people.

20 A (WITNESS MULLER) The audit, as far as the QQA
21 section is concerned, is noted in QAPS 18.1. It is a
22 preplanned audit, using preplanned checklists by
23 qualified personnel that would look into the matters.
24 First, they would spend time drawing up the checklist.
25 They would have to go to the FSAR, to the reg guides, to

1 determine the requirements, to note those requirements
2 on the audit checklist.

3 And during the audit they would verify that
4 these commitments have actually been made by reviewing
5 the procedures. And this audit would be a documented
6 activity that would be reviewed by the OQAE. Once
7 again, it would be done by qualified personnel.

8 Q Okay. Making the assumption now that -- I am
9 changing the direction of my focus now -- making the
10 assumption that the plant is operational, now
11 operational, and there is a change made in, let's say, a
12 technical specification or some maintenance procedure or
13 some similar modification in the plant, how will the
14 personnel at the site know whether that given change
15 affects a structure, system, component or activity that
16 is safety related or not safety related?

17 How would they be able to make determination
18 based on the manual and the procedures? Or will they be
19 able to make such a determination? Or will the
20 determination be made for them by someone else?

21 A (WITNESS YOUNGLING) You mentioned technical
22 specification change and modification. A technical
23 specification change would have a certain review cycle.
24 That review cycle would also include going through the
25 Review of Operations Committee. The Review of

1 Operations Committee would have to pass judgment on the
2 change and the applicability of the change.

3 The Review of Operations Committee, in making
4 that determination, would seek out the review by
5 responsible, the responsible section heads involved, the
6 responsible people at the plant for the change. For
7 instance, if it was in the operations area or if it was
8 in the INC area, those people would be the primary
9 reviewers in the change along with the remainder of the
10 Review of Operations Committee.

11 So by being involved in the review, those
12 people would be aware of the change and the applicable
13 documents that had to change, the supporting procedures
14 that had to change as a result. For instance, an
15 example might be changing the surveillance interval on a
16 particular piece of equipment in the technical
17 specifications. We make the change; then the
18 responsible organization would go back and change the
19 procedure that performed that surveillance.

20 As far as modifications are concerned, there
21 are two very detailed modification procedures in the
22 plant staff that deal with modification activities where
23 the engineering is done by the on-site people and
24 modification activities where the off-site people are
25 involved. There is a detailed flow chart in there that

1 calls for modification to be identified and a package to
2 be put together, and then that package to be engineered
3 and reviewed by responsible organizations, safety
4 analyses have to be performed and so forth.

5 As part of that package again, the responsible
6 organizations involved look at the package, review the
7 package, comment on it, and decide upon its effect. The
8 package is then carried out and completed.

9 There is a final step in that whole cycle on
10 the modification of flow chart which says: Have all of
11 the appropriate procedures and documentation been
12 updated, the drawings, the implementing procedures, the
13 operating procedures, the surveillance procedures and so
14 forth? So there are checks and balances in place to
15 assure that that happens.

16 In addition, the OQA organization is watching
17 all the time and performing surveillance and audits of
18 these activities in the modification area.

19 I don't remember your third example.

20 Q I think it was just a general reference to
21 modification of the plant. It was a very general type
22 example, and I think you have addressed it, unless there
23 is anything you want to add to it.

24 (Witnesses conferred.)

25 Q I am sorry, were you finished with the answer?

1 A (WITNESS YOUNGLING) Yes.

2 MR. BORDENICK: I believe that concludes the
3 questions I had, Judge Brenner.

4 JUDGE BRENNER: Well, it is 5:00 o'clock.
5 What about tomorrow?

6 MR. DYNNER: Judge Brenner, with the
7 assistance of Mr. Cook, I have had some arrangements
8 made with my responsibilities in my office, and I can go
9 until 2:30 tomorrow. I realize that that is not the
10 best of all possible worlds, but given my commitments, I
11 pushed them back to the extent I could.

12 JUDGE BRENNER: I don't think that makes a
13 difference because if we go to 2:30 we will have to
14 break for lunch, and we will have the same with the
15 exception of perhaps an extra half-hour. At most, we
16 would have the same hearing time as if we ran straight
17 through until 1:00. So I guess that is it. We might as
18 well just run straight through until 1:00 then, unless
19 the extra half-hour is that important. But we can do it
20 either way.

21 MR. ELLIS: Judge, unless we can finish, I
22 don't know that it makes that much difference whether we
23 go early or go late. My objective is to finish so these
24 people can return and not have to come back. If we
25 can't, then I don't see that 15 minutes or half an hour

1 makes a big difference. But I am prepared to do
2 whatever the Board thinks it wants to do.

3 JUDGE BRENNER: Well, whatever the parties
4 want to do in the morning they can tell us. If we run
5 until 2:30, we will in addition to the normal breaks, we
6 will take an hour lunch break. Otherwise, we will run
7 until 1:00 o'clock without a lunch break. So you all
8 mutually decide that question.

9 In the future, if parties want to go later on
10 Friday, raise it earlier in the week, and we will take a
11 look at our own schedules and other parties will have a
12 chance to adjust.

13 And I appreciate the fact that it has not been
14 for reasons of counsel schedule that we adopted the
15 procedure, for reasons of the witnesses' schedules, and,
16 in fact, varied that procedure somewhat to the detriment
17 of people wanting to get out sooner to finish up certain
18 things when we wanted to make up some time that we felt
19 the County should have for 2 weeks, some time which we
20 had promised them.

21 And let us know. We schedule commitments also
22 for Friday afternoons, commitments in the office to
23 meet. We would have been able to alter our commitments
24 this week, but that may not be the case in future
25 weeks. So we should hear about it earlier in the week,

1 not later, and then we won't have the problem we just
2 had.

3 All right, we might as well adjourn for the
4 day. When we return, we could, since we did break
5 before LILCO's redirect, in any event, we could start
6 off with LILCO's redirect on all matters other than the
7 staffing or we could start off with the County's
8 cross-examination on the staffing first thing in the
9 morning. And I will leave that up to the parties also.
10 So figure it out among yourselves.

11 Are there any miscellaneous matters we need to
12 consider today?

13 (No response.)

14 JUDGE BRENNER: All right, hearing none, we
15 will adjourn until 9:00 o'clock tomorrow morning.

16 (Thereupon, at 5:00 a.m., the hearing in the
17 above-entitled matter was adjourned, to reconvene at
18 9:00 a.m. on Friday, November 19, 1982.)

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NUCLEAR REGULATORY COMMISSION

This is to certify that the attached proceedings before the
BEFORE THE ATOMIC SAFETY & LICENSING BOARD

in the matter of: Long Island Lighting Company (Shoreham Nuclear Power
Station)

Date of Proceeding: November 18, 1982

Docket Number: 50-322 OL

Place of Proceeding: Bethesda, Maryland

were held as herein appears, and that this is the original transcript
thereof for the file of the Commission.

Ray Heer

Official Reporter (Typed)

Ray Heer

Official Reporter (Signature)