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Commissioner John F. Ahearne
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U. S. Nuclear Regulatory Commission
Washington, D. C. 20555



Dear Members of the Commission:

Enclosed herewith are Governor Brown's technical comments on the scope and content of the reverification program for Diablo Canyon proposed by PG&E in its letter of December 4, 1981. The enclosed comments supplement the interim comments filed by the Governor on January 15, 1982, and summarize the principal technical points made by the Governor's representatives to the Staff on February 17, 1982, in San Francisco.

It is clear that to ensure credibility and public confidence in the Diablo Canyon reverification program mandated by the Commission last November 19, the audit must be performed by clearly disinterested, truly independent auditors who have no stake, either real or apparent, in the outcome of the audit. PG&E's current auditors were chosen unilaterally and exclusively by PG&E. Governor Brown has objected to this since October 9, 1981, when PG&E announced its self-audit program, and the Governor has written the Commissioners on October 30 and December 17, 1981, and on January 15, 1982, requesting that the NRC not acquiesce in PG&E's self-audit program. The Governor again reiterates his position that the public interest requires the Commission to order an immediate halt to PG&E's current self-audit and to institute a forthright process of selecting truly independent auditors who are acceptable to all parties.

Since October 30, 1981, the Governor and his representatives have consistently urged the Commission to direct the parties to this proceeding to agree upon a list of qualified, disinterested auditors who could perform the requisite audit of Diablo Canyon. Once that agreement is reached, the Commission itself should select

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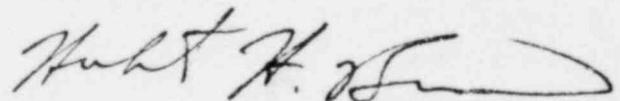
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the auditors. In this way, it would be clear to the auditors that they are being retained to work in the public interest and for the public good. The Governor submits that this process of selecting auditors would lay the basis for a credible audit of Diablo Canyon and for public confidence in the auditors' technical findings.

The Commission's failure to take timely action on this matter has resulted in PG&E proceeding with its own consultants to an advanced stage of PG&E's self-audit program. It is essential that the Commission not be influenced by the status of PG&E's efforts. In this regard, we refer the Commission to the Staff's letter to PG&E, dated January 28, 1982, in which the Staff made clear that PG&E is proceeding at its "own risk."

PG&E has the right, perhaps even the duty, to retain consultants for a wide variety of purposes. Indeed, the company's officials have multiple responsibilities to various state and federal regulatory agencies and to the shareholders of the corporation. However, for purposes of assuring the performance of a credible, truly independent audit of the safety systems at Diablo Canyon, it is the NRC, not PG&E, that has the ultimate regulatory responsibility. The NRC is publicly accountable for the safety of Diablo Canyon, and the NRC accordingly must ensure that the safety requirements of the Atomic Energy Act and the NRC's regulations are met. In short, the Governor is simply asking the Commission to end its continuing passivity on this matter and to regulate decisively in the public interest.

Sincerely,



Herbert H. Brown

cc: Harold Denton
William J. Dircks
Service List

GOVERNOR BROWN'S COMMENTS ON PG&E'S PROPOSED
DESIGN VERIFICATION PROGRAM FOR SEISMIC SERVICE
RELATED CONTRACTS PRIOR TO JUNE 1978

PG&E on December 4, 1981 submitted a letter setting forth its proposal for a design verification program. Governor Brown's interim comments on the technical adequacy of the PG&E proposal were provided by letter to the Commission dated January 15, 1982, and the attachment thereto. Further comments on the PG&E proposal were provided to Harold Denton and the NRC Staff during the meeting of the Governor's representatives with the Staff in San Francisco on February 17, 1982. In summary, we believe the proposal by PG&E does not comply with the Commission's criteria, as set forth in CLI-81-30, because the PG&E proposal fails to be specific in terms of what it is intended to cover, how the work will be accomplished, and the bases for decisions as to work scope and methodology. Such specificity is essential in order to avoid the potential for disagreement at a later date regarding whether the reverification program, as contemplated by the Commission, has in fact been completed. Critical deficiencies we have identified in the PG&E proposal include the following:

Multiple Unrelated Errors

- (1) Nearly 100 design and construction discrepancies have already been identified in the seven semi-monthly status reports which have been submitted by PG&E since the Diablo Canyon license was suspended. All aspects reviewed have exhibited these errors. The PG&E reverification proposal is not structured to address all of the errors and root causes thereof. Further, the size and technical qualification of the proposed review team, as described in Robert L. Cloud's February 10 letter to Frank Miraglia of the Staff, appear to be too limited to adequately address the widespread number and types of design and construction breakdowns already uncovered.

QA Breakdowns

- (2) In the limited reverification review conducted to date, breakdowns have been identified in PG&E's compliance with 13 of the 18 QA regulatory criteria set forth in Appendix B to 10 C.F.R. Part 50. In contrast, the PG&E proposal appears to focus on only 3 of the QA criteria: those concerning the development, distribution, and use of design data. The reverification program must be expanded to reflect the status of data now available by addressing all of the QA breakdowns relevant to design and construction activities.

Site QA Activities

- (3) Site QA activities, including QA procedures and requirements related to construction, were covered by the same PG&E QA manual as the design QA which has been shown to have been inadequately implemented. Thus, there is no objective evidence that site QA activities may not have experienced the same basic breakdowns as occurred in design QA. In fact, in the one site QA activity reviewed to date, the verification of the agreement between the "as built" and "as designed" plant configurations, numerous examples of significant differences have been identified which the PG&E inspection program had failed to detect and correct. The PG&E proposal must be altered to include a site-related physical reinspection of items important to safety.

Sampling Plan

- (4) The scope and size of PG&E's proposed sample of structures and equipment to be reverified are inadequate. In addition, the technical bases for the criteria to be used for the selection of a suitable number and types of samples to be included in the program have not been defined by PG&E. Where sampling is utilized, the sampling plan should be expanded to achieve at least 95 percent assurance of 95 percent reliability. Further, for reoccurring errors such as those related to weight estimates, use of superseded seismic spectra, electrical conduit and raceway support designs, and as-built verification, 100 percent reverification appears to be necessary.

Acceptance Criteria

- (5) The technical bases for acceptance criteria have not been defined by PG&E, as required by the Commission's November 19 Order. PG&E should document the bases for acceptance criteria at the outset of the verification program.

Program Extent and Depth

- (6) The depth and extent of important aspects of the PG&E verification program are ill defined. Examples include the role of Teledyne, the review of Westinghouse and General Electric activities, and the reanalysis of soil properties. PG&E has failed to explicitly define either the anticipated resources to be devoted to the PG&E program or the proposed schedule for the program. Clearly, PG&E should explicitly define the program plan as well as the anticipated resource application and time span for the program.

In light of the foregoing, the extent to which structures, systems, and components important to safety are designed and constructed in accordance with PG&E's application and NRC regulations is very uncertain. As a consequence of this uncertainty, the NRC should impose the additional requirements necessary to protect the public health and safety, as identified herein.

Furthermore, the Phase I/Phase II dichotomy that was adopted by the Commission in the November 19 Order does not now make sense technically in light of the multiplicity of errors disclosed since the time that PG&E's license was suspended. The Commission should now recognize the Phase I/Phase II dichotomy to be artificial, and should instead require the reverification program for Diablo Canyon to address all pertinent technical concerns before the Commission considers whether or not to reissue a low power license for Diablo Canyon.