UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

In the matter of:

TEXAS UTILITIES GENERATING COMPANY, et al.

(Comanche Peak Steam Electric Station, Units 1 & 2)

Docket No. 50-445

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TELEPHONE CONFERENCE CALL

Location: WASHINGTON, D.C.

Pages: 5784-5854

Date: APRIL 25, 1983

TAYLOE ASSOCIATES

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NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY & LICENSING BOARD

: Docket Nos. 50-445

50-446

TELEPHONE CONFERENCE CALL

Monday, April 25, 1983

The telephone conference call in the aboveentitled matter was convened at 2:30 p.m., subject to notice, before:

> JUDGE PETER BLOCH, Chairman, Atomic Safety & Licensing Board

JUDGE KENNETH MC COLLOM, Member, Atomic Safety & Licensing Board

JUDGE WALTER JORDAN. Member, Atomic Safety & Licensing Board

APPEARANCES:

FOR THE APPLICANT:

NICHOLAS REYNOLDS, ESQ. WILLIAM HORIN, ESQ. Debevoise & Liberman 1200 17th Street, N.W. Washington, D.C.

FOR THE NRC STAFF:

STUART A. TREBY, ESQ.
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Washington, D.C. 20555

-and-

SPOTSWOOD BURRELL, NRC Project Manager

FOR THE STATE OF TEXAS:

BRIAN BERWICK, ESQ.
JAMES MATTHEWS, ESQ.
State Attorney General's Office
Austin, Texas

FOR TEXAS UTILITIES SERVICE, INC.:

HOMER SCHMIDT

FOR INTERVENOR CASE:

JUANITA ELLIS

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PROCEEDINGS

JUDGE BLOCH: This is Peter Bloch, Chairman of the Licensing Board for Comanche Peak. This is a scheduled, on-the-record conference call, and for the purpose of considering various scheduling matters in the Comanche Peak case.

With me today by telephone are Judge McCollom and Judge Jordan.

Would we please answer the role on the record, please.

For the Applicant?

MR. REYNOLDS: Nick Reynolds and Bill Horin in Washington, and Homer Schmidt in Dallas.

JUDGE BLOCH: For Staff?

MR. TREBY: Stuart Treby, and with me is Marjorie Rothschild and Spotswood Burrell, the Project Manager.

JUDGE BLOCH: For CASE?

MS. ELLIS: This is Juanita Ellis, President of

CASE.

JUDGE BLOCH: For The State of Texas?

MR. BERWICK: Brian Berwick.

JUDGE BLOCH: The matters for discussion today

have largely been discussed in advance with the parties, but there are two additional items that the Board will add.

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The first item will be discussion of a possible need for a reply to CASE's brief on the thermal expansion stresses, and the last item will be a brief discussion of Applicant's motion concerning the need for further witnesses concerning Atchison-related matters.

The matters that we have discussed with the parties in advance for inclusion in the conference include a legal question, the applicability or inapplicability of Part 50, Appendix E, Section V, to the issuance of Applicants in this proceeding of a materials license.

Second, the scheduling priorities for this hearing and the possible need for a second hearing possibly the second week in June, and the hearing priorities we asked to be addressed were the CAT report, the emergency planning issue, the Doyle matters, with special attention to the LOCA issue, and possibly the unresolved safety issues and Epard notification issues.

I would like the parties to speak very briefly at the outset on the Board's tentative conclusion that CASE's brief raises questions on page 10 and 18. This is the brief for consideration of LOCA and design criteria for pipe supports, and these questions on pages 10 and 18 and generally throughout its brief as well, relating to thermal expansion stresses would seem to require a reply by Applicant and Staff, with possible reply by the

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    State of Texas as well, primarily because Applicant does
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    not seem to have addressed directly thermal expansion
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    stresses by that name. They seem to be addressing thermal
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    stresses and not thermal expansion stresses and Staff
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    appears to be saying thermal expansion stresses, but I am
    unable to tell at this time whether they are directly
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    addressing the same issue that CASE is addressing.
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               Mr. Reynolds, would you like to comment on
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    the possible suitability of reply on this issue?
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                IR. REYNOLDS: We do think it is appropriate
    that we be afforded the opportunity to reply in writing.
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               JUDGE BLOCH: Would you comment on a likely
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    timetable?
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               MR. REYNOLDS: Let me look at my calendar. By
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    May 4?
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               JUDGE BLOCH: May 4 is your suggestion? Thank
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    you.
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               Mr. Treby?
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               MR. TREBY: The Staff also would like to reply
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    and May 4th is an acceptable date.
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               JUDGE BLOCH Mr. Berwick?
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               MR. BERWICK: Yes.
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               JUDGE BLOCH: Did you except to or want to reply
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    on this issue?
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MR. BERWICK: No, I wouldn't think so. No, sir.

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5789 MR. REYNOLDS: Mr. Chairman, there was a Ms. Riley identified by the operator. JUDGE BLOCH: She is the reporter. MR. REYNOLDS: Oh, I see. Okay. JUDGE BLOCH: Ms. Ellis, would you like to comment on the suitability of a reply? MS. ELLIS: Yes, sir. I had understood that everybody would file briefs and everyone has an opportunity to reply, anyway, within -- let's see, I think by the 2nd. Was I mistaken in that? JUDGE BLOCH: You may be correct in that. Mr. Reynolds, is that correct? MR. REYNOLDS: Yes, it is. JUDGE BLOCH: So we don't need to set a new date, do we? MR. REYNOLDS: Well, you asked me what I thought a reasonable schedule date was. I said the 4th. The 2nd is fine also. JUDGE BLOCH: Okay. Ms. Ellis, thank you for reminding us of having met this need previously. MS. ELLIS: All right. The 4th would be fine 21 22

with us also.

JUDGE BLOCH: Would you prefer to set it to the 4th, if everyone agrees on the thing? We can do that right now. Are there any objections to the 4th being the new date?

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I'd like to comment that the State of Texas served us with a paper that said it was served express mail, but I never received a copy express mail. I don't know what the problem was with the State of Texas, but we would like to receive that document on the 4th.

MS. ELLIS: Mr. Chairman?

JUDGE BLOCH: Yes, Ms. Ellis.

MS. ELLIS: In that regard it might be well to mention at this point that Applicant's brief was dated the 21st and we did not receive it until the 22nd, and apparently it was not mailed until the 21st, according to the Federal Express receipt deal.

JUDGE BLOCH: Mr. Reynolds, would you like to comment on that?

MR. REYNOLDS: The document, I believe, was due in the Board's hands on the 21st and it was received by the Board on the 21st.

MS. ELLIS: I believe that was to all parties.

MR. REYNOLDS: Mr. Chairman, this goes back to a long history of quibbling between CASE and the Applicants and the Staff on timely filings. Our understanding has consistently been that when you give us a due date, that

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means in your hands in Bethesda on that date, and that's what we did in this case.

JUDGE BLOCH: We wanted it on all the parties on that date. In fact, we didn't get it until the 2'nd, either, Mr. Reynolds. So we would appreciate getting it the date that it is promised.

MR. REYNOLDS: Okay. Well, it was delivered on the 21st. I don't know what happened there, but I will check that out to make sure it doesn't happen again.

MS. ELLIS: Mr. Chairman, for the record, I believe the transcript of the previous conference call on April 7th, at the bottom of page 57 and top of page 58. it reflects that it should be in the hands of all parties on the 21st.

JUDGE BLOCH: Mr. Reynolds, that is my recollection. Do you recall it differently now?

MR. REYNOLDS: I don't have that transcript in front of me, but I'll take your word for it.

MR. BERWICK: Mr. Chairman, you said that you never got your package or that it came by ordinary mail?

JUDGE BLOCH: It came by ordinary mail. It never came by express mail. We have read it and we do appreciate having received it. We just hope that a procedural error will not be made next time.

MR. BERWICK: I thought I sent it by express.

Let's see. This is the one that was addressed to 2 Bethesda, am I right? 3 JUDGE BLOCH: This is the collateral estoppel 4 brief. 5 MR. BERWICK: But you're speaking about the one 6 that came to yourself rather than to one of the other 7 panel members; am I right? 8 JUDGE BLOCH: Yes. 9 MR. BERWICK: There was -- well, I have an 10 express mail receipt and I sent them all by express mail, and if there was a slip-up in that, I'll apologize and 11 12 I'll try to make sure it doesn't happen again. 13 JUDGE BLOCH: Surely. 14 MR. REYNOLDS: Mr. Chairman, so that I am perfectly clear on this, the rule is that when you give us 15 16 a due date for a pleading, it is to be in everyone's hands on that date; is that correct? 17 JUDGE BLOCH: We will ordinarily approve that 18 procedure. On request we may be able to vary it. I just 19 want to have uniform methods of proceeding so we will all 20 know what is expected. 21 MR. REYNOLDS: Surely. 22 JUDGE BLOCH: Now, Mr. Reynolds, do you think 23 you could address the Appendix E, Part V question in five 24

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minutes?

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MR. REYNOLDS: Certainly. I would suggest that it is the Staff's first foot forward, since it is their regulation, but we will go first, if you prefer it that way.

JUDGE BLOCH: If you'd prefer Staff to go first and if there is no objection, we may do it that way. Mr. Treby?

MR. TREBY: Staff is here. I have no preference who goes first. I don't know about the five minutes. I will do my best.

JUDGE BLOCH: Will it take longer, sir?

If it will, just do it expediciously. I'll trust you on it.

MR. TREBY: All right. Do you want me to begin?

JUDGE BLOCH: Please.

MR. TREBY: What we need to go back to is a brief history of the rule. There were two proposed rules published by the Commission in 1979. One of them on September 9 -- September 19th, 1979 in the Federal Register as 44 Fed. Reg. 54308, and a second proposed rule on December 19, 1979 at 44 Fed. Reg. 75167.

The first proposed rule dealt with research reactors and facilities that were licensed under both Parts 50 and 70, such as reprocessing and fuel fabrication facilities, recovery facilities, and those types of facilities which are described in Section 70.22(i).

The second Federal Register notice dealt with power reactors and also set out Appendix E to Part 50. When the Commission published its final rule on August 19, 1980, it combined these two proposed rules. The final rule is found at 45 Fed. Reg. 55402.

If we look at the original Appendix E that was published in the September 19, 1979 Federal Register Notice, we notice that it is V of Appendix E entitled "Implementing Procedures." There was no such language as "for a license to possess nuclear material."

JUDGE BLOCH: One second. Off the record.

(Discussion off the record.)

JUDGE BLOCH: Back on the record.

MR. TREBY: In researching this, I found a SECY paper which is SECY paper 80-275-B, and that is dated July 2, 1980.

MS. ELLIS: Could you tell me what kind of paper that was? I didn't understand that word.

MR. TREBY: SECY. S-E-C-Y, all caps. For Office of the Secretary. This is the title that is given to all Staff papers that are presented to the Commission for action.

MS. ELLIS: And was that 80-275-D as in Dog?

MR. TREBY: No, B as in Boy.

It is in that document that the suggestion is made that the words be added to Appendix E, as well as a few

other cases, that the words added to Appendix E were "a "license to possess nuclear material."

The reason that is given in the SECY paper for adding the words was to make clear that the standards -- that is, the planning objectives for NUREG 0654 that are set out in Section 50.47(d) and the exercise requirement in Appendix E are applicable only to nuclear power reactors and not to other fuel cycle facilities or research reactors.

JUDGE BLOCH: I'm sorry, Mr. Treby, I don't understand how the addition of those words could possibly do that. Could you explain that?

MR. TREBY: Yes. They added the words not only to -- in that section under V, but they added language in a number of other places. Let me see. I had my papers here and I can say exactly where they were.

The first place that they added -- they made some changes to this clarification was in paragraph (q) of Section 50.54 which is entitled "Conditions of License," and what they did there was to clarify that a licensee authorized to operate a nuclear power reactor shall follow and maintain in effect emergency plans to meet the requirements of 50.47(d) and the requirements of Appendix E. They added the following words, "a licensee authorized to possess and to operate a research reactor or a fuel facility shall follow and maintain in effect emergency

plan which meets the requirements of Appendix E of this part."

They also amended that paragraph to include that a copy should go, if appropriate, to the Director of Nuclear Materials Safety & Safeguards, NMSS.

I think to shortcut this, what they did was they made a number of changes in various portions of the new regulations that are found in 50.54(q), (r), (s), (t) and (u), and in Appendix E to set out the different treatment that was going to be afforded power applicant reactors and those people who were licersees for a research reactor or for a fuel cycle facility such as described in Section 70.22(i)

JUDGE BLOCH: Mr. Treby, when you say different treatment, don't you really mean the same treatment?

MR. TREBY: No, I mean different treatment in that an applicant for a power reactor has to meet the requirements of both 50.47(d) and the various planning standards as well as the exercise requirement, while the licensees for a research reactor or fuel cycle facility does not have to meet those requirements.

JUDGE BLOCH: Okay. But at least in V, where what they were doing -- it was your argument they added a requirement that it was going to apply what previously was

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only for power reactors to these other kinds of reactors. Is that right? MR. TREBY: Well, they did add it to V, but my research to date has indicated that that was an error; that they intended to only amend the changes that related to 50.54 and the rest of the regulation did not intend to

make that change in V of Appendix E.

JUDGE BLOCH: But there is a natural presumption of the regularity of the regulation. I take it that your evidence this is a mistake is very clear?

MR. TREBY: Well, it is clear from looking at the SECY paper and also looking at -- there are two reg guides that shed some light on this. One is Reg Guide 3.15, which sets out the standard format and content of license applications for storage only of unirradiated reactor fuel and associated radioactive material.

JUDGE BLOCH. Was that preceded or was it simultaneous with or was it subsequent to V?

MR. TREBY: That reg guide date precedes V.

JUDGE BLOCH: How does it help us to interpret V?

MR. TREBY: Well, one way in which it might help to interpret it is it's true that it precedes -- there is a reg guide which relates to the emergency planning requirement of power reactors, which is Reg Guide 1.101. That reg quide --

JUDGE BLOCH: If I may interrupt you, you have persuaded me that this argument is sufficiently complex that it is better done in writing. Would you agree with me on that?

MR. TREBY: I guess so, yes.

JUDGE BLOCH: Mr. Reynolds, can you make it clearer orally, or do you agree that this also should be done in writing?

MR. REYNOLDS: Maybe the Board could help me by explaining where it's going with this. Unfortunately I wasn't here Friday to take your call, so I didn't have the benefit of the discussion with you. But could you, sir, just explain briefly why the Board is interested in this area?

the regulations in the course of looking over the emergency planning documents that are before us, and he happened to read into the regulation and he read V in Appendix E, and he realized that there had been a materials license issued already to Applicant. And when he brought this to my attention, I read that materials license and the accompanying evaluation, which does not appear to take cognizance of this V at all. There appears to be a breach of the technical requirement in the regulation and we are not sure where we ought to go with it, but it seems to us if there is a

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violation of the regulation that we must take an interest in it.

MR. REYNOLDS: Now that you have called it to the Staff's attention, isn't it something better left with the Staff, since it was the Staff that evaluated the application for the materials license, and on the basis of the material before it, issued that license to the Applicant? And now that you have called to their attention a matter which requires further inquiry on their part, isn't that where the Board should let it lie?

JUDGE BLOCH: I don't think so. I think the Zimmer case stands for the opposite, that if the Staff comes up with a serious problem, not relative to a pending issue, that the Staff should be permitted to pursue that issue and the Board doesn't need to.

In this case the Staff did not identify this issue and the Board would like to know that the Staff is pursuing it in an appropriate fashion.

JUDGE JORDAN: May I just interject? At the time I was wondering whether I had failed to receive the implementation plans, and because -- if those were in existence it might well change possibly some of my conclusions that I had arrived at tentatively, and so therefore I immediately said, oh, well, here is something that may help my understanding of the situation with respect to the

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emergency plans, and so therefore I immediately called and said have I failed to receive them? Because if they are out, I am very anxious to see them. And so if they should be out and are supposed to be out at this time, then I am anxious to have them in my hands before proceeding.

MR. REYNOLDS: I see.

Well, my understanding, sir, is that in mid-February a set of procedures was provided to the Staff.

Those are draft procedures. The final procedures are in the process of being sent to the Staff and they will be sent over a period starting next week through mid-May.

JUDGE BLOCH: I would think, to handle the operating timetable that you envisage for possible low power testing, our problem was with the existing materials license, and if Mr. Treby agrees that it is merely error in the regulations and is not applicable, the matter will rest there. If he does not, then we will have to decide what the conditions are.

MR. REYNOLDS: Mr. Chairman, Bill Horin has researched this point and he would like to add a few points.

JUDGE BLOCH: Okay, but I'd ask Mr. Horin, if he would, only to address matters that are only so clear that we might decide it based on your oral argument.

MR. HORIN: Yes, Mr. Chairman, I will do that.

If I might add just a brief note with respect to the history of the adoption of the regulation which Mr. Treby has already described, it is my view of reviewing the applicable SECY paper that the amendments that were made to the rule proposed by the Staff in response to comments from the Office of Nuclear Materials Safety & Safeguards were to clarify those provisions of, among other things, Appendix E which applied both to power reactors and other facilities and those provisions which applied only to one or the other.

I think that it is consistent with that interpretation if one realizes that absent that clarification there would have been no guidance in the regulation which would have directed Applicants for fuel cycle facility licenses and the timing of their submission of implementing procedures.

Those implementing procedures are described, or the requirements governing those implementing procedures for fuel cycle facilities, are described in Regulatory Guide 3.24 which Mr. Treby has also already discussed, or 3.42, excuse me.

So I think the regulation -- the amendment adding the phrase "or a license to possess nuclear material" provided that added guidance.

I might also add that --

JUDGE BLOCH: Mr. Horin, would you give me some

rationale for why the research react-or would have to do things 180 days before they possess nuclear material, that the operator of a nuclear power plant would not have to, 180 days before they possessed nuclear material?

MR. HORIN: Yes. In the regulations governing the application for receipt of unirradiated reactor fuel, the regulatory guide, while not providing any requirements governing emergency plans for those types of licenses, does require information to be provided with respect to the protection against criticality accidents for that material when it is received on site.

As part of that exercise -- and this is in Section 70.24 -- if necessary, the Staff may request some information regarding emergency procedures that would be taken in the event that a criticality accident might occur.

JUDGE BLOCH: Now that's a reg guide that predates Appendix E?

MR. HORIN: No, sir -- right, the reg guide that predates Appendix E. If you look at the more recent version of that reg guide, they mentioned the specific sections, Section 70.24 in particular, and in so mentioning they add that an applicant may request an exemption from those requirements if it makes the proper demonstration.

In this case, Applicants have made that

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demonstration that adequate methods have been employed and procedures in place so that there is not a reasonable possibility of such an accident that would require such procedures. And if you will look at the special nuclear materials license, you will see that Applicants were exempted from the requirements of 70.24.

Now I think that demonstrates that this type of activity is one that the Staff views as not envisioning such potential hazards that it is necessary to have the emergency plans in place at the time the fuel is on the site -- it's received on site.

JUDGE BLOCH: I'm not sure you addressed the question, which is, wouldn't that be equally true for the research reactors? Why is there a different rule for the research reactors than for the power plants?

MR. HORIN: I'm afraid I don't understand the question. It appears that in this -- Mr. Treby was arguing that Appendix E, V, requires that the research reactors, the other classes of reactors, would have to have their implementing procedures in 180 days before they received materials.

MR. TREBY: That's not what I was arguing.

MR. HORIN: I'm sorry. I misunderstood it, then.

MR. TREBY: I guess what I was arguing was that power reactors were required to have their implementing

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procedures in 180 days before they could get their operating license. Research reactors and other fuel elements -- or fuel cycle facilities were not required to meet the requirements of V of Appendix E.

JUDGE BLOCH: Oh, I see. You read the 180 days to apply only to the power reactor?

MR. TREBY: That is correct.

MR. HORIN: Okay. That had not even occurred to me. That had not occurred to me.

MR. TREBY: Let me also point out if you look at the regulations, Part 70, under Section 70.22, there is a footnote 3 which follows 70.22(i). That footnote reads as follows:

"Emergency plans shall contain the elements
that are listed in Section IV, the contents of
emergency plans of Appendix E to Part 50 of this chapter."

The reason I mention this footnote is I think that that was the cause -- the cause that led to the problem in V. The intention was to make this fuel cycle facility comply with IV and it unfortunately was carried over to V.

JUDGE BLOCH: I think that I am deriving some comfort from these mutual arguments.

Mr. Horin, have you completed your discussion?

MR. HORIN: Well, there are two other points

that I'd like to add:

One, if you would turn to Appendix E, the introduction thereto. The paragraph -- the third paragraph of the introduction specifically states that the potential radiological hazard to the public associated with the operation of research and test reactors and fuel facilities licensed under 10 CFR Parts 50 and 70 involve considerations different than those associated with power reactors.

Zone and the degree to which compliance with the requirements of this section and Sections II, III, IV and V as necessary will be determined on a case-by-case basis.

I think that illustrates that the Commission viewed a distinction between these different facilities and that in so amending Section V, they recognized that while there may be requirements for procedures, there would be a distinction between the handling of those procedures for power reactors and those for other facilities.

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Another point I would add is that I spoke with our radiation protection engineer at the site, and with this very question, and he indicated that at the time, to the application for the Part 70 license, we specifically asked this question of the staff in Region IV. And they returned to us with the response that, no, those words apply to other fuel cycle facilities; they were not applicable to the receipt -- to licenses for the receipt of new fuel on site.

JUDGE BLOCH: Have you completed?

MR. HORIN: Yes, sir.

JUDGE BLOCH: Ms. Ellis?

MS. ELLIS: Yes, sir. I think I am pretty thoroughly confused right at the moment.

JUDGE BLOCH: Okay. If you have nothing to say, it is probably best to say nothing.

MS. ELLIS: Am I correct in something that Mr. Treby said -- is it correct, Mr. Treby, that Appendix E, Roman Numeral V, does apply, as you understand it, to Comanche Peak and to their getting their materials license?

MR. TPEBY: No, that's not what I said. Roman Numeral V of Appendix E certainly applies to Comanche Peak as far as getting their operating license, and it provides that not less than 180 days prior to their operating license

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there must be implementing procedures. I am arguing that the next words are really there in error, that in the 3 process of amending the proposed -- the regulations, the final regulations in Appendix E, the staff inadvertently 5 added those words to Roman Numeral V because they believed that they were helping to make it consistent to show the 6 difference in treatment between research reactors and other fuel cycle facilities and power reactors. But if 8 you look at Part 70.22 -- 70.22(i) footnote, you will see that that really only applies to IV of Appendix E. 10

JUDGE BLOCH: Now, Mr. Treby, before Ms. Ellis continues, I thought I understood an interpretation of this that doesn't have to rely on it being an error, merely that it says that the operating license requires implementing procedures 180 days before the license to operate is granted, and the other reactors require it before a license to possess nuclear material is granted; is that not true?

MR. TREBY: I guess that is the interpretation, yes.

JUDGE BLOCH: Mr. Reynolds, was that your understanding of it?

MR. REYNOLDS: Yes, sir, it is. Let me add, sir, that if you read the provision as requiring -- requiring the procedures to be in place 180 days before a nuclear

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material license is received, then there is no need at all for a 180-day provision prior to an operating license because you have to have the one before the other.

In short, it would render the provision with regard to the operating license a nullity; certainly not a result that the Commission had in mind when it wrote the rule.

Do you understand my point?

JUDGE BLOCH: Yes, it is an excellent point.

10 Thank you.

Ms. Ellis?

MS. ELLIS: All right. Another thing that we are working on at the moment and we will get off as soon as we can while we are working on the other brief is a motion to stay the materials license based on specifically pages 51 and 52, items 311 through 313 of CASE's February 24th additional proposed findings of fact which has to do with certain requirements regarding pool buildings which the Applicants have not performed.

JUDGE BLOCH: We appreciate your telling us
that you plan to file that motion, but a discussion of it
at this time would be irrelevant. We are just discussing
Roman Numeral V. Do you have any more comments on
Roman Numeral V?

MS. ELLIS: No, I guess not.

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JUDGE BLOCH: Mr. Berwick, have you?

MR. BERWICK: Mr. Chairman, I don't at this time. However, I think that the various materials such as SECY papers are not materials that Texas has very free and easy access to. And it seems to me that to avoid unfairness, those materials ought to be supplied to us or we ought to be told where we can get them on our own and that this matter should be held in abeyance for a few days to give us an opportunity to review them and, if we see fit, to file some small piece of writing which could then be replied to.

I only note --

JUDGE BLOCH: I liked the contrast between a small piece of writing and a brief.

MR. BERWICK: Yes, that's right, Judge. I really meant perhaps just a brief informal letter, not a brief at all. And I think that -- I think, too, that I would agree with your suggestion that the panel ought to be very slow to go against the plain meaning and simple syntax of the first sentence of V.

This is a situation where the law was spread across the Federal Register and some unfairness would be worked, it seems to me, even if just a "technical unfairness" if there is such a thing, if that meaning were set aside in favor of a meaning that would reach out

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to documents that are not generally published or even reasonably researchable by the public.

JUDGE BLOCH: Mr. Treby, can you remedy this problem for the state of Texas and possibly for Ms. Ellis on the SECY paper?

MR. TREBY: I will be happy to send them the SECY paper.

JUDGE BLOCH: I have listened carefully to your argument, Mr. Berwick. I would like to ask my fellow judges whether they would object to my ruling on this issue at this time. Obviously, if I rule and they disagree with it, they can disagree after I state my opinion. But do either of the judges wish that I reserve judgment on this issue at this time?

JUDGE MC COLLOM: Go ahead.

JUDGE BLOCH: Judge McCollom and Judge Jordan, I am prepared to rule at this time, subject to the understanding that if the state of Texas or Ms. Ellis file a brief for reconsideration that we would be entirely open to reconsidering what we are about to do, if there are logical arguments presented.

On the other hand, this was a matter that the Board brought up itself, and I am persuaded by Applicant's argument that this section does not impose a 180-day requirement on operating license applicants.

I am particularly persuaded by Mr. Reynolds' argument that to interpret this section that way would be inconsistent with the fact that there are two requirements where there would only have had to have been one 180 days prior to the issuance of a license to possess nuclear material. I am persuaded by this that the 180 days applies only to the power reactors, to the license for a nuclear power reactor, and not to the license to possess nuclear material for the power reactor.

Consequently, I am persuaded that this concern of the Board's should no longer be pursued subject to the motion for reconsideration, should one be filed shortly by either the state of Texas or by CASE.

Have I any brief comments from my fellow judges?

All right. There being none, that is the ruling of the Board and we will pass on to the next matter.

The next matter is scheduling priorities and the need for a second hearing week. On this matter I would suggest, unless there is an objection, that the staff is the logical party to hear from first since it is the staff's witness's ability to testify on the CAT report and also their investigative report which may provide this. Is there any objection from the staff?

MR. REYNOLDS: Mr. Chairman, I am sorry.

A motorcycle just ran by and I lost your last sentence.

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JUDGE BLOCH: I just ruled that we would start with the staff on this priorities issue.

MR. REYNOLDS: No objection.

JUDGE BLOCH: Please, Mr. Treby.

MR. TREBY: As I understand the priorities, which matter do we take up first.

JUDGE BLOCH: Which matters to take up first and also whether we need the second week in June as a second hearing week.

MR. TREBY: Well, to answer your second question first, the staff believes that we do need the second week in June as a hearing week. The staff believes that it does need to offer into the record of this proceeding the CAT report and that we will not be able to do that until the second week in June because of the managerial difficulties in covering the week presently scheduled for May 16.

JUDGE BLOCH: Now, Mr. Treby, you don't want to discuss it in detail that week, but is it truly the case that you can't put it in evidence?

MR. TREBY: No, we can offer it into evidence.

JUDGE BLOCH: Okay.

In our earlier conversations about scheduling, I thought you indicated that you might be able to testify on some of it. Is that no longer true?

MR. TREBY: No, that is also true. I was going to get to that. I believe that we should cover the week of May 16 what is known as the Walsh-Doyle matter dealing with pipe supports. There is a brief section of the CAT report that also deals with piping. That portion of the CAT report dealing with piping, as well as the staff's investigation report on the Walsh-Doyle matters, can all be considered at the May 16 session.

I guess what I would propose is that the first subject that we take up at the session to be commenced May 16 is the Walsh-Doyle matter, together with that portion of the CAT report dealing with pipe supports.

And the second matter --

JUDGE BLOCH: Mr. Treby, on that, will the staff witnesses who prepared the investigation report be able to answer our questions about whether these were isolated incidents or were indications of systemic problems?

MR. TREBY: When you say the witnesses who prepared the report, are you talking about the --

JUDGE BLOCH: The investigation report. In other words --

MR. TREBY: We have two investigation reports here. One is the so-called SIT which was a special team that was put together into the Walsh-Doyle.

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JUDGE BLOCH: It's the SIT team that I have been calling the investigation team and the CAT team I have been calling the CAT report. We will call them SIT and CAT if you prefer.

MR. TREBY: All right.

JUDGE BLOCH: Will the people who prepared the SIT report be prepared to testify on the cause of the deficiencies that they found and whether they are specific or general? That was one of the questions that we raised with you on the telephone in the last conference.

MR. TREBY: Well, they will be able to address their findings. I guess -- could you elaborate on just what it is, Mr. Chairman?

MR. REYNOLDS: Mr. Chairman, perhaps I am confused. You were asking whether the SIT panel, which is the panel that directed the Walsh-Doyle investigation work, will be able to testify as to whether the problems reflected in that report are systemic. And my question is -- my reading of the report indicates there are no problems. So perhaps I am confused.

JUDGE BLOCH: Mr. Reynolds, I read that there were certain deficiencies that would have to be remedied. My problem is that we asked the last time, as I recall -- I would have to look back at the record -- that each time .

there was a deficiency that had to be remedied that the investigators who wrote the SIT report should think about how that deficiency arose. And I guess it is a similar point to one of the points that the CAT team made also, which is that when you find a deficiency, you should think about how it arose and how similar deficiencies can be averted in the future.

My question is whether the SIT team will have thought about how the deficiencies which they thought could be remedied did arise and whether they were specific isolated incidents or whether they could be part of a larger pattern of problems.

MR. REYNOLDS: I see.

JUDGE BLOCH: Mr. Treby, that means also, you know, in reflecting on their own SIT report, I would think that they will have read the CAT report so that they can reflect in their own mind on the possible significance of the deficiencies that they did find.

MR. TREBY: Well, the team members have certainly been advised of the Board's interest. I don't have any of them present right now to ask them that question, but basically they are prepared.

JUDGE BLOCH: I hope that you will try to get the staff witnesses to read the CAT report before they testify.

MR. TREBY: Yes, the witnesses certainly will do that.

JUDGE BLOCH: Mr. Treby, do you believe that those matters -- the Walsh-Doyle matters testified to by the SIT team, plus the portion of the CAT report dealing with the Walsh-Doyle matters will be sufficient to occupy our attention for the five days of the first hearing?

MR. TREBY: No. I think that we will also be able to discuss emergency preparedness matters.

JUDGE BLOCH: Oka; The Board hoped that with respect to the Board inquiries at least, the ones that we will be exploring, whether we wished to take up sua sponte issues, that we will be able to limit that to four hours. We will aim at that.

The other issue which we believe to be related to a pending contention is the identity of the coordinator. That is, whether the county judge is an appropriate person to be the coordinator of the emergency plan.

JUDGE JORDAN: That is all part of the question on the emergency plans included in the four hours.

MR. REYNOLDS: Mr. Chairman, are you suggesting that it will take the Board four hours to conduct its inquiry into whether it has preliminary cause to make a sua sponte finding?

JUDGE BLOCH: No more than four hours,

Mr. Reynolds.

MR. REYNOLDS: Are we going to get more specifics on the areas into which the Board will be inquiring before we go to hearing?

JUDGE BLOCH: Mr. Treby, would you like to have us interrupt your presentation to hear Dr. Jordan's response to that, or would you prefer to continue it now and have us get the answer to that problem later?

MR. TREBY: I think I am essentially done.

JUDGE BLOCH: Okay. So you think that those three matters would be sufficient to take up the week?

MR. TREBY: Yes. To recap, the Walsh-Doyle matters together with the relevant portions of the CAT team report, emergency preparedness matters and the Board's inquiries.

JUDGE BLOCH: All right. Dr. Jordan, is there any way that we could help to further clarify our preliminary interest in emergency planning for the benefit of the Applicant?

JUDGE JORDAN: Yes, I think so. I indicated, in our previous conference, some of the areas that I would be particularly looking at. And it will be focused laregly on the testimony that was presented previously in which they say -- and particularly the FEMA witnesses claim that their preliminary findings will demonstrate that

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their conclusion that the plans are adequate will be indeed shown as part of the preliminary findings.

Now, I have looked at the FEMA preliminary findings. I don't find that demonstrated. And so, therefore, I will be asking the FEMA witnesses, how did you arrive at that conclusion. And I will be taking them through the preliminary findings that particularly apply to the adequacy of the off-site plans because I said my concern with the adequacy of the off-site plans has to do with the determination by FEMA that even though the plans were being presented -- were being included in the plans, it was the county judge who had the important job of making the decision of what response would be required from the population, what broadcast messages would go out, and with the lack of training, in fact, in the plan by the State of Texas which had recommendations, there should be a professional in that spot rather than a county judge.

I wanted to inquire as to why FEMA did not address that recommendation; the basis for including the recommendation is wrong, and I want to ask the state why they included that recommendation, if they feel it -- feel it is not a necessary requirement. And so, therefore, there will be questions both to the state and to FEMA.

Now, there are with respect to the SER-3,

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I have some questions with respect to the staff partly as a matter of understanding what the staff concluded and how they arrived at the conclusions that they have reached in the SER-3. But I do not expect the questions for the staff to be very extensive.

Most of my questions would be with respect to the state and to FEMA, although there will probably be a few for the Applicant because the Applicant, after all, has to support the plan.

JUDGE BLOCH: Dr. Jordan, from what I understand, you are talking about perhaps less than two hours on the issues that are now related to the county judge; is that correct?

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JUDGE JORDAN: In a certain sense, all of the questions bear on that. Some of them not too directly.

JUDGE BLOCH: But the Staff and Applicant questions you plan to ask would be pretty limited in scope, in your opinion?

JUDGE JORDAN: Yes, they would be quite limited in scope and have to do with the assurance that the Staff has now that the Applicants' plans are indeed adequate and, of course, the lack of implementing -- the Staff is not able to reach such conclusions because they have not had the implementing procedures at hand. They have not been able to address them, and that is a good part of the problem, and that is why I came up with the question on the implementing procedures and why it is that they were not available.

JUDGE BLOCH: Mr. Reynolds, I think you had some explanation. I am not sure it's limited much in scope. Is there some other way we can try to assist you?

MR. REYNOLDS: Well, you have done the best you can, I guess, in the circumstances. I am trying to get a handle both on the time it will take to do this and on the scope and breadth of the Board's inquiry. I can understand that the Board would like to satisfy itself that emergency planning is not a problem here, but of course we have been here on emergency plannings since last

September and but for the fact the Board members are here, we wouldn't be inquiring into this at all.

Now, again, I recognize that each Board member has sua sponte authority to satisfy themselves and it is in that pursuit that you are conducting this preliminary inquiry, but along with that I believe goes the proposition that this is Board examination only and not cross-examination by the parties who, after all, have had the opportunity to conduct full cross-examination in September.

JUDGE BLOCH: I would add that Dr. Jordan is thoroughly familiar with the previous testimony, and partly because of some promises made in that testimony he is now interested in pursuing this matter further.

Now, Mr. Reynolds, would you like to address the scheduling priorities for the first week of hearing, and also whether we need a second week to be scheduled?

MR. REYNOLDS: Yes. Sir, could you respond to my question as to whether or not the Board will permit cross-examination into matters which are simply preliminary inquiries for sua sponte purposes?

JUDGE BLOCH: I think our ruling on that will be that since some of these matters are matters not relating to the county judge, that is since some of those matters are not part of the contention, we would not ordinarily

permit cross-examination, although we will permit a party to address us as to a specific function the party believes it could serve in advancing the Board's interests.

So it would only be as a matter of petition and not as a matter of right.

MR. REYNOLDS: Okay. With regard to the scheduling, in accordance with your instruction, we had discussed with the Staff the ordering of the issues and we had no problem with the Staff suggestions. That is, the pipe support design allegations first; emergency planning inquiries second; and then Board notification type questions on unresolved safety issues and the like third; and then the CAT report in its entirety fourth.

Our position is that we see no reason why we cannot complete all four items during the week of May 16th. The Board is well aware of the last evidentiary hearings we had in this case in September and one issue remained outstanding at that time, and that was the Staff's investigation into the pipe support design allegation.

Since that time, the Staff has completed its inquiry and issued its report, but also we have two new Board members, so we are not faced, as we expected, with a simple matter of completing the record on one issue but rather it appears that we are back-pedaling to address several issues. And again I recognize that new Board

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members must satisfy themselves on matters of concern to them.

JUDGE BLOCH: Mr. Reynolds, I would like to clarify the record. We will not be back-pedaling and we are not going to repeat anything that's already a matter of record. If there is merely redundant testimony, we urge you to inform us of that.

The matters that we wish to inquire into on these questions are not now in the record.

MR. REYNOLDS: I appreciate that, thank you, and we will call that to your attention if it does arise.

Now the point that I was leading to is that we would urge the Board to attempt to complete all matters during the week of May 16th and we would certainly be willing to continue over into Saturday, May 21st, and Sunday, May 22nd, if necessary, in order towrap up the hearing during that week.

In addition, we know that the Board chairman in the past has conducted night sessions and we would certainly endorse that notion, as well.

JUDGE BLOCH: Well, if we could expedite the hearing in that way and conclude it, I think we would be inclined to do so. But I heard Mr. Treby say that the Staff won't be prepared to testify on the implications of the CAT report during that week. How can we handle that?

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MR. REYNOLDS: Perhaps if the Board ordered it so, it would happen.

JUDGE BLOCH: Mr. Reynolds, is the Applicant prepared to testify during that week about its response to the CAT report?

MR. REYNOLDS: Yes, sir.

JUDGE BLOCH: Well, of course, my estimation is that if the Applicant can do that, that between the three items the Staff is prepared to go on, and the one you are prepared to go on, I don't understand how we could do it in less than a full week. But your judgment is that we could also have time within those five days and possibly those extra sessions that you are talking about to complete all of the Staff testimony on the CAT report?

MR. REYNOLDS: Oh, yes. I think so. I believe once we get into litigating the CAT report, we will find that really there aren't that many issues that require serious in-depth evidentiary hearings. I think it will fall out into a couple of issues that we could get done in a reasonably prompt fashion.

JUDGE BLOCH: Mr. Treby, is there a serious problem with the Staff being prepared for that week?

MR. TREBY: My understanding is that there might well be. I guess what I am envisioning is that there are two additional pieces of testimony, at least, additional

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pieces of testimony that need to be put on. One relates
to the CAT report itself; what was it, what was the
purpose of it, and what is the conclusion that the Staff
draws from it.

The second thing would be some additional

The second thing would be some additional testimony from Region IV personnel who are the people who previously testified for the Staff as to what their view of the applicants' QA/QC program is.

It would seem to me that for us to have a complete record, we would need to know from Region IV what is the status of their view on QA/QC now, in light of the CAT report and whatever actions may be taken by the Applicant as a result of the CAT report.

JUDGE BLOCH: Mr. Treby --

MR. TREBY: I'm not sure we'd be able to provide testimony on all those matters by May 6th, which I understand --

JUDGE BLOCH: May 16th.

MR. TREBY: The hearing is May 16th, but I understand the prefiled testimony is due on May 6th.

JUDGE BLOCH: That is correct. If that is your only problem, though, we might be able to arrange for an amended deadline for that purpose.

MS. ELLIS: Mr. Chairman?

JUDGE BLOCH: May I ask you a rela ed question

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now, Mr. Treby? If the Staff -- excuse me. Would the Staff be ready to cross-examine Applicant witnesses concerning their response to the CAT report?

MR. TREBY: Yes, the Staff would be prepared to do that, assuming that we saw their prepared testimony in advance.

MR. REYNOLDS: Mr. Chairman, my proposal was not that we handle this matter piecemeal by having the Applicants testify and be cross-examined during the week of May 16th, and then waiting until some time in the future to have the Staff evidence. I think that the more orderly course is to first have Staff put on its case since it is its report, and then have the Applicants respond to that report with testimony, and I was proposing that we do all of that in that order during the week of May 16th.

JUDGE BLOCH: I understand that, Mr. Reynolds, but my reading of Mr. Treby is that the Staff is not yet prepared to be able to explain the full implications of the CAT report at this time, so I was looking for an alternate way of expediting things. Is it unacceptable to you to suggest that Applicants' response might be a matter of discussion before the Staff formally presents its CAT report?

MR. REYNOLDS: I think it would be so out of sequence that it would be perhaps prejudicial. For example,

we don't know what the Staff's testimony will be. They may take different positions because, after all, the CAT report, I believe, was a draft, was it not? Or was it? But, in any event, we have seen testimony in the past from all parties that changed positions on previous submittals. So I would rather see what they are going to say before we present our case in effect responding to their position.

JUDGE JORDAN: I would strongly agree with Mr.

Reynolds. Expediting something like this is likely to

waste time, and as soon as the Staff is ready to go with

their fundamental testimony on the CAT report, what they

believe the implications are and what should be the

consequences, then we should go with that and not before.

JUDGE BLOCH: Dr. Jordan, I understand that is a preferable way. It occurs to me that I would like your response -- it occurs to me that in this situation it could be useful for the Applicant to explain what its response to this report is in fulfilling its independent responsibility to control its QA/QC program and how it can assure the Board, without first dealing with the Staff's Region IV problem -- how we can assure the Board that the QA/QC problem is working properly and give it an opportunity to put its best foot forward even before the problems are fully explained. They then have the

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chance to come back again, of course.

Dr. Jordan, would you respond to that?

JUDGE JORDAN: Yes, gladly. I gather from -- I rather got the feeling from hearing Mr. Reynolds that it was the Applicants' -- that the Applicants felt that the amount of time required on the CAT report would be small, and therefore that they felt perhaps that the number of items -- presumably a large number of items in the CAT report could be answered neatly and quickly. And I quess that it was my -- I just had considerable doubts that that would be indeed the actual situation.

It would be helpful to hear what the Applicants' position is going to be with respect to the CAT report. If we knew that as soon as possible, that would be helpful, but so far as starting to address the issues in the CAT report item by item, it is a very long report and to have them do that prior to the Staff -- and, in fact, as Mr. Reynolds said, the Staff may indeed change positions on some of them. So it could even be a waste of time for them to address all the items in the CAT report.

JUDGE BLOCH: Mr. Reynolds, could you continue? MR. REYNOLDS: Well, I would just reinforce what I said earlier, and that is that we feel very strongly that we follow the Staff on the CAT issue, even if that means waiting until some time in June to allow the Staff

time to present its case and then follow that with the Applicants' case.

I feel very strong that the order of presentation is appropriately Staff first, Applicant second.

JUDGE JORDAN: I agree.

JUDGE MC COLLOM: It seems to me if the Staff is going to need that much time to prepare for their presentation, it suggests that there might be some evolution to the material that is in the CAT report and indeed it seems appropriate for them to make their case first.

JUDGE BLOCH: Thank you, Dr. McCollom.

Mr. Reynolds, have you completed your discussion of priorities?

MR. REYNOLDS: Yes, sir. Thank you.

JUDGE BLOCH: Mr. Treby, I'm not sure if you had a chance to comment on the question in which the Board had some disagreement publicly here.

MR. TREBY: Judge, the Staff has no problems presenting its evidence first and then to be followed by the Applicant.

JUDGE BLOCH: Except it won't be able to the first week?

MR. TREBY: No, we will not.

JUDGE BLOCH: Ms. Ellis, would you comment on

priorities, please?

MS. ELLIS: Yes, sir. On discussing the Walsh-Doyle matter, there is one thing that we would like to ask and that is that we be given an opportunity to file rebuttal to the SIT report and also to the CAT report, possibly following discovery. It might not be necessary following discovery, I don't know, but we would like to have that opportunity.

JUDGE BLOCH: Well, in the event you wish further discovery, I would suggest you file a motion expeditiously, showing cause for why it needs to be filed at this time.

MS. ELLIS: All right.

JUDGE BLOCH: With respect to the right to file testimony, we have established a direct testimony filing date.

MS. ELLIS: And that will be in the hands of all parties on May 6th; is that correct?

JUDGE BLOCH: Correct.

MS. ELLIS: And when we were talking about the Walsh-Doyle information matter, were they thinking of --was Mr. Treby speaking of cross-examination of the Staff only, rather than rebuttal testimony as well?

JUDGE BLOCH: No, of course, you'd have an opportunity to present rebuttal testimony, if that issue is

on the agenda.

MS. ELLIS: All right. The matters that we were particularly concerned about having discovery in the face of the May hearing would be regarding the CAT report as it pertains to the Walsh-Doyle information. There could be some time, I think, saved if we had discovery on it rather than trying to present cross-examination questions to the Staff on the report without having had the benefit of discovery on it.

JUDGE BLOCH: You feel you might be handicapped in cross-examining Staff on the portion of the CAT report dealing with Walsh-Doyle?

MS. ELLIS: Right. It would be primarily Section IX and also I believe some items in III and IV.

JUDGE BLOCH: Are there any discovery requests that you can make expeditiously in the next couple of days?

MS. ELLIS: Possibly. We have not really gone through and made a listing of specific things or anything like that at this point. We'll do it as fast as we possibly can and get it in the form of a motion.

JUDGE BLOCH: If you would. Providing that you do your best at this stage, if you were to find the need for further discovery and were going back to hearing, you can file a motion on the reason why you need further discovery at that stage, too.

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MS. ELLIS: I believe it's III and IV. I'd have to go into that. As far as -- other than the crossexamination --

JUDGE JORDAN: What sections did you say?

JUDGE BLOCH: Ms. Ellis, I would urge as soon as you get those questions raised, that you serve them on the parties expeditiously, and if there is a problem about them, that the Board will need to resolve the difficulties as quickly as possible. So if there are any objections or problems in answering Ms. Ellis' interrogatories, the Board requests to be informed immediately.

MR. REYNOLDS: Mr. Chairman, I'm confused. At first I thought I understood you to say that Ms. Ellis was to file a motion to conduct further discovery, and now I hear you saying that she can file interrogatories directly on the parties. Now which is the course?

JUDGE BLOCH: The motion will be with the interrogatories, and your objection can be either to the motion or to the interrogatories. I just want to know as quickly as possible so we can help to resolve the problem.

MR. REYNOLDS: I see. Thank you.

MS. ELLIS: All right. This discovery will also, I take it -- will we be able to hear issues as well as

discovery?

JUDGE BLOCH: Yes, provided the motion is granted, that's right.

MS. ELLIS: I just wanted to be sure it wasn't limited just to interrogatories. And in the cross-examination of the Staff witnesses regarding Walsh-Doyle and the CAT report, it would seem to me to be the first order of priorities, as far as CASE is concerned, with discovery.

MR. REYNOLDS: Mr. Chairman, we can't hear.

JUDGE BLOCH: Would you speak up?

MS. ELLIS: It would seem to CASE that our first order of priorities would be Walsh-Doyle and the CAT report as it pertains to Walsh-Doyle matters and the cross-examination in regard to those two things follow -- the Walsh-Doyle and the CAT report cross-examination of the NRC Staff by discovery, as we discussed, followed by the emergency planning issues by the Board, and the Board's inquiry into the Board notification of unresolved safety matters.

And I would like the possibility to go ahead with rebuttal in May. Mr. Doyle has indicated he will be here for the May meeting. I don't know what his schedule might be in June.

JUDGE BLOCH: Do the other parties object to our

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1 providing some priority to make sure that we give CASE an opportunity to get its rebuttal testimony completed 2 during this week? 3 MR. TREBY: Actually I think what we are 4 talking about as far as CASE goes is surrebuttal. CASE 5 has already presented its direct case andthis is just 6 rebuttal back. We have no problems with combining time 7 as long as it is within the confines of surrebuttal. 8 JUDGE BLOCH: It's the next round, whichever 9 round it is. It's response round. 10 MR. TREBY: Right. But I would expect it is 11 going to be limited to the subject matter of our testimony 12 and not bringing in all new matters. 13 14

JUDGE BLOCH: That is correct, Ms. Ellis. You do understand that, that the testimony would have to be directed to the new matters that are raised by the Staff in its testimony?

MS. ELLIS: Which includes, as I understand it, the SIT report.

JUDGE BLOCH: That's correct.

MS. ELLIS: And will it include portions of the CAT report?

JUDGE BLOCH: That's also correct.

MR. REYNOLDS: Applicants would prefer to see CASE put on its surrebuttal during the week of May 16th

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for continuity of the record and so that we can close this matter out.

JUDGE BLOCH: Yes, that is what we were all discussing. In fact, they wanted a priority for that week because their witness may not be available in June.

MR. REYNOLDS: Oh, I see. Well, I think the logical way to handle it is to address the allegations of Mr. Walsh and Mr. Doyle with the Staff first, and then if there is surrebuttal by Applicants or CASE, then to take it right at that time. I would have no objection to that.

JUDGE BLOCH: We will keep in mind the possible subsequent unavailability of the CASE witnesses.

MS. ELLIS: All right. And in regard to that scheduling, if possible, we would like to proceed following the cross-examination of the Staff with perhaps at least one or both of the emergency planning and the Board's inquiries and notification to give our witness a chance to digest the cross-examination testimony of the Staff.

JUDGE BLOCH: May I ask, Mr. Treby, how much difficulty it would be for the Staff to have one or more people there to discuss the Board notification questions that the Board did raise?

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MR. TREBY: It's the staff's hope that on May 6th, -and I'm writing certain responses to the Board's questions --. JUDGE BLOCH: If those prove adequate that may be enough, but if it's witnesses, we might still continue to have a problem. MR. TREBY: That's correct. JUDGE BLOCH: That does seem a suitable way to proceed on those. Dr. Jordan, do you agree with that? JUDGE JORDAN: That's right. JUDGE BLOCH: Good. Mrs. Ellis, have you completed your discussion of priorities? MS. ELLIS: I believe so. MR. TREBY: Let me just qualify one point. When I indicated that there were certain portions of the CAT Report that were related to the Walsh-Doyle allegation, I was talking in terms of pipe supports. There are -- I'm not sure. Actually, the CAT Report looked into matters of construction practices, and as I understand it, most of Walsh-Doyle's concerns related to design problems. We just thought it would be appropriate all at one time to take care of pipe supports, be they design or construction problems. JUDGE BLOCH: I think the Applicant understood that. Did you understand it, Mrs. Ellis?

MS. ELLIS: I think so.

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JUDGE BLOCH: Okay, that's fine.

MS. ELLIS: However, there are matters other than just -- there are such things included in there as design problems, I understand. The interfacing is also covered in some areas.

JUDGE BLOCH: Yes, but the point, Ms. Ellis, is that in the first week, the Staff intends to limit its testimony to the pipe hangers -- the pipe support question.

MS. ELLIS: Rather than interfacing matters regarding Walsh-Doyle?

JUDGE BLOCH: Yes.

JUDGE JORDAN: I don't think that's quite right.

The Staff intends to go through the Walsh-Doyle testimony
mainly in their SIT Report. It does cover a little more, I
believe, what Mrs. Ellis is saying. It does cover more than
just pipe supports.

MS. ELLIS: Fine.

JUDGE BLOCH: But, Dr. Jordan, they're planning to submit that testimony, but to people to testify only on the pipe support question this first week.

JUDGE JORDAN: No, I don't understand the Staff to say that. I understood the Staff to say they would be willing -- that they were going to be there to support fully the CAT Report the first week, and certain matters of the CAT Report.

	JUDGE BLOCH: The SIT Report the first week, yes.
2	JUDGE JORDAN: But that covers more than just pipe
,	supports is what Mrs. Ellis is saying.
	JUDGE BLOCH: Yes, the whole SITReport covers the
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	CAT Report. Is that correct?
	MR. TREBY: Correct.
'	JUDGE BLOCH: Mrs. Ellis, do you understand?
3	MS. ELLIS: Yes. The point I was trying to make is
,	that the CAT Report covers more things relating to Walsh-Doyle
,	than just the pipe supports per se.
	JUDGE BLOCH: Yes, but we will not go into those in
2	the first week if the Staff's suggestion is adopted.
	MS. ELLIS: All right. So will we still be able
	to get discovery on those matters so that our witness can file
	his rebuttal or sur-rebuttal or whatever it is?
	JUDGE BLOCH: You may move to obtain that rapidly,
	please, so that we can try to resolve that matter. And you
3	may attach the discovery request.
	MS. ELLIS: All right.
	JUDGE BLOCH: You may, if necessary, do that in more
	than one phase, also.
	MS. ELLIS: All right.
	JUDGE BLOCH: Mr. Berwick?
	MR. BERWICK: I don't think I have anything to add,

Mr. Chairman, on the subject of scheduling priorities.

JUDGE BLOCH: That being the case, the Board accepts the Staff's suggestion that the May 16th hearing will concentrate on the SIT Report, and on those aspects of the CAT Report related to pipe support; that it will also include the emergency planning issues which have been discussed during this conference call by Dr. Jordan; that it may include unresolved safety issues and Board notifications providing that the Board first inform the Staff prior to hearing that it is not completely satisfied with the Staff's responses soon to be filed.

We will reserve decision to be communicated to the parties later about whether the Staff -- excuse me, -- about whether Applicant's testimony might be taken out of order. The present standing of the Board on that question is clear on the record. There are two individuals who are opposed to taking it out of order, and one who is interested in taking it out of order. That is, the order on the timetable for the hearing. We understand that.

This indicates a partial response to the Applicant's motion concerning the irrelevance of further testimony related to the Atchison issue. The reason it's a partial response is that the Board, at the present time, believes that there are other ways of inquiring into the non-conformance report issue, and that to some extent, additional testimony from witnesses may be merely cumulative considering Applicant's

non-conformance report practices. This does not mean that at some later date, witnesses concerned with the Atchison question would not be relevant, but at the present time they have no high priority in the Board's time.

Are there any comments on that? Mr. Reynolds?

MR. REYNOLDS: Does that, sir, imply that we may be faced in July or August with another hearing resurrecting these issues?

JUDGE BLOCH: Depending on how the evidence on

JUDGE BLOCH: Depending on how the evidence on non-conformance reports goes before that, and whether at that time it seems to be relevant or not.

MR. REYNOLDS: What do you mean by evidence on non-conformance reports?

JUDGE BLOCH: A portion of the CAT Report deals with practices of the Applicant in discouraging the filing of non-conformance reports, and there is some possible relevance to the Atchison testimony on non-conformance reports.

Well on attempts to discourage non-conformance reports.

Testimony by individuals such as Mr. Steiner. So the Board has not reached any conclusions on this problem, but there is other evidence about it that may make it unnecessary to go back and talk to further individual witnesses to corroborate matters that were raised in the Atchison context.

MR. REYNOLDS: That seems to be clear to me.

1 JUDGE BLOCH: Mr. Treby, do vou have any problems 2 with that? MR. TREBY: No, I have no problems with that. Let me just ask one question, though, with regard to the Board inquiry, the order that you just stated. You indicated that the Staff was going to be sub-7 mitting written responses, and that's true. But my recollec-8 tion is that one or two of those matters might have been appropriate for the Applicant to file responses to as well. 10 JUDGE BLOCH: That's correct, and we would consider 11 both filings before deciding that we were dissatisfied. That 12 is correct. 13 MR. TREBY: Okay. 14 JUDGE BLOCH: Ms. Ellis, have you any comments? 15 MS. ELLIS: Would it still be appropriate to file 16 an answer to the Applicant's brief? 17 JUDGE BLOCH: Which brief, Ms. Ellis? 18 MS.ELLIS: Rather, the motion. I'm sorry. The 19 motion --20 JUDGE BLOCH: If it's timely, it would still be 21 feasible to file an answer. We have made a partial ruling on it. 22 It may be wasteful of your time to file. 23 MS. ELLIS: All right. I'm not sure that we want to 24 at this time.

JUDGE BLOCH: Mr. Berwick?

1 MR. BERWICK: I have no comment on any of that, Mr. Chairman. JUDGE BLOCH: Do either of my fellow judges have a comment to make at this time? JUDGE MCCOLLOM: No. JUDGE JORDAN: No. JUDGE ELOCH: Are there any other matters, that must be considered at this scheduling conference? MS. ELLIS: Just a moment. I want to be sure I 10 understand the scheduling. On May 16th, the SIT Report and 11 the CAT Report, as it regards pipe supports, emergency planning 12 and perhaps Board notification of unresolved safety issues. 13 JUDGE BLOCH: That's correct, and that would include 14 an opportunity for you to file responsive testimony. 15 MS. ELLIS: All right. And would that have to come 16 in any particular order in this? 17 JUDGE BOCH: We will attempt to make it come in 18 logical order. 19 MS. ELLIS: All right. Would that be immediately 20 following the CAT Report or the SIT Report? JUDGE BLOCH: Logically, it would come either 21 immediately following the SIT Report or following the CAT 22 23 Report, depending on the nature of the testimony. We will 24 consider that after we have seen the direct testimony you're 25 filing.

MS. ELLIS: All right. 2 MR. REYNOLDS: Mr. Chairman, what have you ruled 3 with regard to the week of May 16th, completing everything or scheduling a week in June? And if a week in June, which week? JUDGE BLOCH: Thank you very much. We'd like to schedule the second week in June, which is the first week that I am personally available. I'll explain off the record. (Discussion off the record.) JUDGE BLOCH: Back on the record. Are there any 10 problems with the week of June 6th for the second week of 11 hearings? JUDGE MCCOLLOM: I have the week of June 13th laid 12 aside. Did I misunderstand you? 13 JUDGE BLOCH: One moment, let me consult my calendar. 14 15 (Pause.) MR. REYNOLDS: My understanding agrees with Dr. 17 McCollom's. 18 JUDGE BLOCH: Off the record. (Discussion off the record.) 19 20 JUDGE BLOCH: Back on the record. DR. JORDAN: Could we stay off the record for one 21 second? JUDGE BLOCH: Okay. Off the record. 23 (Discussion off the record.) 24 JUDGE BLOCH: Back on the record. In our off the 25

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record discussion, we established that the second week of hearing will be the week of June 13th, so we will meet from June 13th through June 17th, as the second week of hearing. Are there any further matters that must be covered at this time? MS. ELLIS: Yes, sir, Mr. Chairman. There's one thing that we were a little concerned about, and that is if the witnesses regarding the CAT Report will be these specific ones who have prepared each section of that report.

JUDGE BLOCH: Mr. Treby, could you comment?

MR. TREBY: We intend to provide a team leader. I'm not sure that we were planning to bring each and every member of that team to the hearing. We need to determine their availability and, you know, whether they would just be cumulative, or whether they are necessary to supplement the knowledge of the team leader.

JUDGE BLOCH: Mr. Treby, is it your understanding that the team leader has direct knowledge of each of the findings and each of the separate portions of that report? MR. TREBY: That was my understanding, but I will

verify it.

JUDGE BLOCH: I think it would be helpful because given the importance of the findings of that report, I think we would like to know very clearly whether some of the findings appear to be less important than they are in the document,

whether some of the findings might be important and that might require direct knowledge of the people who reached the conclusion. If the team leader has enough knowledge to go into each of those areas, it might be possible to do with his knowledge. But if we reach impasses where he cannot answer questions because he has not seen the evidence directly or is unable to follow the questioning, that would obviously delay the proceeding a great deal.

MR. TREBY: All right, I understand. We'll make sure that we have the appropriate people.

JUDGE BLOCH: Mrs. Ellis?

MS. ELLIS: Yes, sir. If it's determined that the team leader will be the one, we'd like to have the possibility of taking depositions from the specific ones who prepared the individual sections and especially, Section 9.

JUDGE BLOCH: You understand the standards for discovery against specified staff members are very stringent, but a motion of that sort would be in order if you wished to follow it. Mrs. Ellis, have you completed your concerns?

JUDGE JORDAN: We should get a commitment from Mr. Treby to be certain that in addition to the team leaders, that the people who prepared Section 9 would also be there. It might allay Mrs. Ellis's problems.

MR. TREBY: Well, I will look into that.

JUDGE JORDAN: All right.

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JUDGE BLOCH: I think you should work that out with Mrs. Ellis.

MR. TREBY: Also, I assume that the same rules would apply, and that is that pre-filed testimony would be 10 days before the hearing and that any documents which are going to be relied upon at the hearing are exchanged among the parties 48 hours ahead of time.

JUDGE BLOCH: That's for the second set of hearings.

That's correct. And I think as we get to the close of the first week of hearings, that would be true for the second week.

Mrs. Ellis?

MS. ELLIS: All right. One further thing. We still have not received everything on discovery. We have just this morning finally received from ITT Grinnel -- we have just received what is a protective agreement, apparently. We haven't really had time to look at it, but we received that in the mail just this morning. So thus far, we've received nothing about the design criteria from ITT Grinnel.

JUDGE BLOCH: Will you please review that rapidly, and if you have any problems with the protective agreement, will you please notify the parties and the Board rapidly so we can help to resolve those problems and get the information in your hands rapidly?

MS. ELLIS: All right. And there's another item on the NPSI design criteria. We understand that there are

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certain things that we don't have anything in writing on and we'd like to have something in writing. We received three pages from the NPSI design criteria. JUDGE BLOCH: All right. What is the inadequacy of that? MS. ELLIS: There are two matters which we asked for information on, which we were told verbally from the Applicant that they were using, but we have received nothing in writing to confirm that, either from the Applicant or NPSI. We would like to have something in writing. JUDGE BLOCH: Can you tell us what those two items are? MS. ELLIS: Just one moment. JUDGE BLOCH: Mr. Reynolds, can you clarify that, or shall we wait for Mrs. Ellis? MR. REYNOLDS: I suggest we wait to hear what the items are. JUDGE BLOCH: Okay. MS. ELLIS: All right. There are three pages from NPSI which we have received. We had asked for three specific things. One was from the SIT Report, on page 22, the second paragraph, first two sentences. We wanted the STRUDL. That's

NPSI which we have received. We had asked for three specific things. One was from the SIT Report, on page 22, the second paragraph, first two sentences. We wanted the STRUDL. That's Structural Design Language guidelines, from the NPSI guidelines. And specifically, -- even more specifically, we want all of those, but specifically, -- we wanted the STRUDL guidelines from the NPSI guidelines, including what moment to retain within the

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two -- within the tube steel at the Richmond inserts. 2 JUDGE BLOCH: Those are quidelines, or is that the 3 entire STRUDL model? MS. ELLIS: The wording that I have here is STRUDL 5 guidelines. I would assume it's the model, specific portions of that model or whatever they have in writing regarding the 7 specific matter. What we received in that regard was one page of a STRUDL guideline which did not include all the methods of modeling, all of the tube steel for the Richmond inserts, the 10 insert connection details and the method of modeling the 11 connections into tube steel member intersects. 12 JUDGE BLOCH: Mr. Reynolds, would you respond? 13 MR. REYNOLDS: Yes. With regard to the first item, 14 15 my understanding is that NPSI provided Mrs. Ellis with the information that was responsive to that question. 16 With regard to the second point, that is new to us. 17 That appears to be a new request that's being made at this time. 18 MS. ELLIS: No, sir, that's not new. That was 19 requested -- just a moment -- I think that was requested on 20 April 6th, according to my notes here. 21 JUDGE BLOCH: Was it discussed at our last telephone 22 conference, Mrs. Ellis? 23

I don't know in how much detail. I don't recall now.

MS. ELLIS: Yes, it was one of the things discussed.

1 JUDGE BLOCH: But we ordered at that time that a response should be made? MS. ELLIS: Yes, sir. JUDGE BLOCH: Mr. Reynolds, could you just confer 5 with Mrs. Ellis after the conference today and find a reference in the transcript, and if it was requested, could you please 7 make a good faith answer to it? If it wasn't, if it has not 8 been requested to this point, then discovery on that matter has been closed. 10 MR. REYNOLDS: Would you inquire of Mrs. Ellis as 11 to whether she told NPSI about this directly? 12 JUDGE BLOCH: Have you done that, Mrs. Ellis? 13 MS. ELLIS: I have talked with NPSI and with the 14 Applicants back and forth about this matter, and it's my under-15 standing from the Applicants that these three pages are all 16 the NPSI intends to provide. 17 JUDGE BLOCH: Mr. Reynolds, I think it would be more 18 expeditious, since you are Applicant's counsel, at this stage 19 for you to handle these few remaining discovery matters and 20 to make sure that they're properly handled. If you would do 21 that, please. MR. REYNOLDS: We will talk to Mrs. Ellis. 22 23 MS. ELLIS: All right. There are a couple of other 24 items along that regard, regarding NPSI items.

JUDGE BLOCH: Okay. I understand there are about

three matters you'll be discussing with Mr. Reynolds that relate to NPSI discovery matters, and you'll be showing him where we ordered that they be turned over, and then he will attempt in good faith to comply with our orders and comply with the discovery request.

MS. ELLIS: All right.

JUDGE BLOCH: If there's a hang-up on that, we do expect to be informed so that we can resolve it between the two of you.

MS. ELLIS: All right.

Another matter is it's our understanding from the Staff in a call from them this morning that they are sending additional information on item 84 to the Applicants who, in turn, will review it for proprietary information and then it will be provided to CASE.

JUDGE BLOCH: Okay. You've noted that for the record.

MS. ELLIS: Yes. One other thing about the Staff.

We had received a phone call sometime ago regarding stipulations and there were some which the Staff would stipulate to, and this was in regard to some admissions which we had requested during the last conference call.

JUDGE BLOCH: I don't understand why we need to know that.

MS. ELLIS: There's been nothing further on these and we'd like to know whether we're going to be able to get a

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response on the rest of them.

JUDGE BLOCH: Mr. Treby?

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MR. TREBY: Mrs. Ellis is correct that we did have a telephone conversation, she and the Staff counsel. I believe that she submitted something like 230 admissions, and we told her during that phone conversation that we would be willing to stipulate to close to 100 of them.

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JUDGE BLOCH: And I take it that what she is requesting is that that be in writing.

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MR. TREBY: And we are going to send that in writing.

We noted that there were a few additional ones that we might

be willing to stipulate to but for the fact that they had some

misinformation. One example would be an admission that all

14 members of the SIT committee had read a certain piece of

testimony. But all members of the SIT committee have read that

testimony, but there are only five members on the SIT committee.

JUDGE BLOCH: All right, so you will answer in good faith those that have factual errors in the premise, and will stipulate to what you can.

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MR. TREBY: Right.

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JUDGE BLOCH: Mrs. Ellis?

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MS. ELLIS: That was the part I just wanted to clarify to be sure that we were going to get additional

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information.

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Just to be sure that I do understand at this point,

the door has not been closed on the possibility of other witnesses later regarding Atchison and related matters.

JUDGE BLOCH: Not entirely. We've expressed our opinion that it could become merely cumulative and, therefore, not admissible.

MS. ELLIS: And in particular, I refer to the Board order of January 4th, 1983, the bottom of page 4 continued onto the top of page 5, regarding the statement, "The Intervenor has challenged the NRC Staff's competence in handling and investigating QA allegations by whistleblowers, and has questioned the Staff's alleged bias in favor of the Applicant. Clearly, further evidence on these issues will be required when the evidentiary hearing resumes."

In other words, not -- I think the Board's rulings in the past have been consistent that the Atchison matter, when they were discussing it, did not relate wholly to Atchison himself, but perhaps to other instances along this line.

JUDGE BLOCH: We believe that the ruling we already made should stand; that you haven't provided grounds for reconsideration of that. I think when you receive the record you will be able to review it, and if you want to file a formal motion for reconsideration, you may.

It seems to me that the priorities which we set now are appropriate. Mrs. Ellis, would you like about a three-minute recess, after which you will attempt to expeditiously

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complete your point?

MS. ELLIS: That would be fine, thank you.

JUDGE BLOCH: We'll take a three-minute recess and we'll resume promptly at that time.

(A short recess was taken.)

JUDGE BLOCH: Okay, back on the record now.

MS. ELLIS: All right. There's one other matter

that I might mention and that is regarding the meeting place.

As I've indicated before, it was much easier for I think

everyone concerned when we had it at the hotel. But I'd like

to throw out another suggestion for discussion by everybody.

That the Board consider having the June hearing in Dallas. The

Applicants and CASE are all in Dallas and the Staff, any of them

that would be coming from the region, would not be -- I don't

think it would be any further one way or the other for them.

JUDGE BLOCH: I think at this point we might have trouble and know these problems. We have noticed the hearing in Ft. Worth and we're supposed to notice our hearings 30 days in advance.

MS. ELLIS: I meant for the June hearing.

JUDGE BLOCH: Oh, for the June hearing. Are there any comments on whether the June hearing should be in Dallas?

MR. REYNOLDS: Well, Mr. Chairman, there is a general guidance that the Commission has given to licensing boards that hearings should be in close proximity to the site

of the facility, recognizing that there is no accommodation down in the vicinity of the site. We have always maintained 3 that the closest metropolitan area to the site is the most appropriate place to have the hearing, and that is Ft. Worth. 5 JUDGE BLOCH: Mr. Treby? MR. TREBY: The Staff agrees that that is the general guidance, but I'm not sure that Dallas is substantially further away than Ft. Worth. I guess the Staff doesn't have a position. JUDGE BLOCH: Mr. Berwick? 10 MR. BERWICK: Oh, it doesn't make much difference to me. Dallas would probably be better, by a small degree. 11 JUDGE BLOCH: Off the record. 12 (Discussion off the record.) 13 JUDGE BLOCH: Back on the record. We've heard 14 the comments of the parties and we will attempt to get better 15 accommodations in Ft. Worth, since Ft. Worth is closer to the 16 site. We will try to hold the hearings in Ft. Worth with better 17 accommodations the next time. Are there any other matters that must be considered 19 at this time? 20 MR. REYNOLDS: No, sir. 21 JUDGE BLOCH: Okay, the meeting, then, is adjourned. 22 (Whereupon, at 4:30 p.m., the pre-hearing conference 23 in the above-entitled matter was adjourned.) 24

CERTIFICATE OF PROCEEDINGS

This is to certify that the attached proceedings before the NRC COMMISSION

In the matter of: Texas Utilities Generating Co.

Date of Proceeding: April 25, 1983

Place of Proceeding: Washington, D.C.

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

Official Reporter - Typed

Official Reporter Signature

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