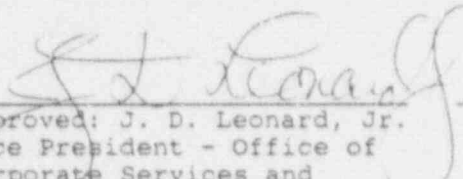
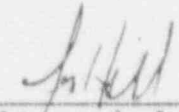


Joint Contingency Plan Of The
Long Island Lighting Company And
Long Island Power Authority Required
By NRC Order Approving Shoreham
License Transfer - February 29, 1992

	<u>3/7/92</u>		<u>3/7/92</u>
Approved: J. D. Leonard, Jr. Vice President - Office of Corporate Services and Vice President - Office of Nuclear, Long Island Lighting Company	Date	Approved: L. M. Hill, Resident Manager Shoreham Nuclear Power Station, Long Island Power Authority	Date

Joint Contingency Plan Of LILCO And LIPA

I. Purpose/Objective

This Joint Contingency Plan establishes the overall framework whereby LILCO shall retain and maintain adequate capability and qualifications to promptly take over the Shoreham NRC license in the event that LIPA either ceases to exist or is otherwise found to be unqualified to hold the license. This Contingency Plan fulfills the requirements of the NRC Order Approving Transfer of License that was issued to LIPA and LILCO on February 29, 1992. This Contingency Plan shall remain in effect until the Shoreham NRC license has been terminated.

The Contingency Plan was developed to ensure a safe, smooth and orderly transfer of control of Shoreham, including any ongoing physical activities, from LIPA to LILCO if required. The following sections of the Contingency Plan address how such a transfer of control would occur, including:

- 1) The immediate actions that would be taken at the time it is determined that transfer of control of Shoreham to LILCO is required;
- 2) The means whereby LILCO shall maintain adequate capability and qualifications to implement such immediate actions; and
- 3) The features in place and the enabling actions that have been or are being taken by LILCO and LIPA that will facilitate prompt implementation of such immediate actions.

II. Achieving A Safe, Smooth And Orderly Transfer

Achieving a safe, smooth and orderly transfer from LIPA to LILCO, with no lapses in attention to applicable safeguards, would entail the following immediate actions:

- a) Qualified LILCO personnel (or qualified contractor personnel under LILCO supervision) would assume the professional, technical, managerial, and administrative positions and functions of the LIPA Shoreham organization;

- o Essential functions provided by contractors, labor organizations, and offsite agencies in support of the Shoreham Possession Only License (POL) and Technical Specifications obligations would be transferred to LILCO;
- o Regulatory authorization to conduct activities essential for compliance with the Shoreham POL and Technical Specifications would be transferred to LILCO.

Each of these areas is addressed below.

- A) Assumption of the professional, technical, managerial, and administrative positions and functions of the LIPA Shoreham organization by LILCO or contractor personnel

LILCO or contractor personnel presently hold nearly ninety percent of the professional, technical, managerial and administrative positions in the LIPA Shoreham organization. These positions are largely identical to or similar to the positions held by such personnel under LILCO's previous ownership of Shoreham. LIPA requires that all personnel at Shoreham, including LILCO and contractor personnel, maintain suitable qualifications to hold their positions, and that appropriate qualification records be kept in the LIPA Shoreham Training and Qualification System. This administrative tracking system was developed by and is administered by LILCO's Office of Corporate Services (Training Department). Thus, as a practical matter, qualified LILCO and contractor personnel are inherently being maintained at Shoreham, and are available to assume nearly ninety percent of the LIPA professional, technical, managerial, and administrative positions on an immediate basis. It would therefore be LILCO's intent to have these LILCO and contractor personnel continue in their present positions if the Shoreham license were to revert to LILCO. (See Section below for details regarding how contractor personnel would be assigned to LILCO.)

The balance of the LIPA Shoreham professional, technical, managerial and administrative organization presently consists of seven upper management positions held by coemployees of LIPA and the New York Power Authority (NYPA); and sixteen management and technical staff personnel of NYPA. The LIPA/NYPA coemployee positions are: Executive Vice President of Shoreham Project; Shoreham Plant Resident Manager; Operations and Maintenance Department Manager; Decommissioning Department Manager; Nuclear Quality Assurance Department Manager; Licensing/Regulatory Compliance Department

Manager; and Radiological Controls Division Manager. The sixteen managerial and technical staff positions occupied by NYPA personnel (i.e. non-coemployees) consist of nine positions in the Decommissioning Department; 3 positions in the Finance and Administration Department; 3 positions in the Operations and Maintenance Department; and 1 position in the Nuclear Quality Assurance Department.

LILCO has available and will maintain available seven qualified LILCO personnel capable of assuming the positions of the seven LIPA/NYPA coemployee identified above. The LILCO individuals designated to fill the coemployees' positions will be required to establish and maintain their capability to assume these positions as follows:

- o LILCO position specifications have been created in the Shoreham Training and Qualification System which are identical to the LIPA position specifications for the LIPA/NYPA coemployees' positions.
- o The designated LILCO employees' qualifications shall be documented to establish how they presently meet the requirements of the coemployees' position specifications.
- o The designated LILCO employees shall maintain their qualifications for the coemployees' positions up to date for as long as the position is required under the Shoreham license. Should any designated LILCO individual leave LILCO or otherwise become unavailable to fulfill this commitment, another qualified LILCO individual will be designated, or if necessary, a qualified contractor will be engaged.

With regard to the other NYPA-occupied positions described above, nine of the sixteen positions are in the Decommissioning Department and, as such, are not essential to meeting the requirements of the POL and Technical Specifications. LILCO would therefore not necessarily seek immediate replacements for these personnel upon license transfer. Similarly, the remaining seven NYPA-held positions in the Finance and Administration Department, Operations and Maintenance Department, and Nuclear Quality Assurance Department are also not essential to meeting the requirements of the POL and Technical Specifications, i.e. they are not control room positions or otherwise associated with fulfilling specific license obligations. Vacancies in these positions would therefore also not

be required to be filled by LILCO on an immediate basis. LILCO would, however, take actions to fill these positions on a timely basis to the extent necessary.

B) Transfer of essential functions provided by contractors, labor organizations, and offsite agencies in support of POL and Technical Specifications obligations

Essential functions provided by contractors in support of LIPA's POL and Technical Specifications obligations, which would be required to be immediately transferred to LILCO, include:

- 1) LIPA staff contractors in the positions of Radwaste Engineer, Health Physics Engineer, Independent Review Panel members, and other professional and technical staff consultant positions;
- 2) General contractor support services such as security guard force, maintenance workers, health physics technicians and engineering support;
- 3) Task-oriented services such as laboratory analyses, radiation medical consulting, and specialized equipment maintenance.

LILCO would be capable of assuming the rights and obligations of LIPA contracts as identified above (as well as other LIPA contracts) by virtue of LIPA having secured the vendors' written concurrences to assign such rights and obligations to LILCO. LIPA has requested such concurrences from all vendors, and is expecting to receive acceptance within ten days. A copy of a typical LIPA letter requesting assignment rights to LILCO is provided in Attachment 1. A listing of contracted services for which LIPA has requested assignment rights is provided in Attachment 2. In order that LILCO is assured maximum flexibility to safely continue any ongoing decommissioning activities initiated by LIPA, all LIPA decommissioning-related contracts have been included, and any future LIPA contracts in support of decommissioning will include an assignment clause.

Similar consent for assignment is expected to be obtained shortly from offsite agencies holding agreements with LIPA for Shoreham, such as fire departments, police, ambulance services, and hospitals. With respect to labor organizations, no assignment of agreements would be required. Labor union agreements which support LIPA's

Shoreham activities are either with LILCO or with LIPA's contractors. LIPA has no agreements with any labor unions.

C) Transfer of regulatory authorization to conduct activities essential for compliance with the Shoreham POL and Technical Specifications

The following licenses, permits and easements were either newly issued to LIPA or transferred from LILCO in order to support LIPA's POL and Technical Specifications obligations. LILCO would secure these licenses, permits, and easements as described below:

- o There are four Federal Communications Commission (FCC) radio licenses which support radio control of the Reactor Building, Radwaste Building and Turbine Building cranes; use of portable radios by security, fire/safety, and other station personnel; and base station frequencies for offsite radio contact of emergency response services such as police, fire and ambulance services. These radio licenses are covered by an "involuntary assignment" provision in FCC regulations whereby the licenses can be automatically assigned to a new owner in the event that the license holder is "legally disabled" from utilizing the licenses. LILCO would exercise this provision should it become necessary.
- o There are four environmental permits from the New York State Department of Environmental Conservation (NYSDEC) covering overall discharges associated with station operations; specific discharges from operation of a welding hood; operation of three groundwater wells; and registration of hazardous substance bulk storage facilities (administered by Suffolk County). Three of these permits are assignable to a new owner upon notification to NYSDEC. The Suffolk County-administered permit would involve re-registering LILCO as the owner of the storage facilities in place of LIPA.
- o An underwater land easement from the New York State Office of General Services covers the ownership of the diffuser pipe which extends into Long Island Sound from the Shoreham intake canal. This easement requires prior agency approval for assignment. However, the Office of General Services was extremely prompt and supportive of LILCO's request to secure approval of assignment of this easement to LIPA, and is expected to be equally so in the event that LILCO is obliged to reobtain this easement.

- o There are two radwaste shipping permits which have been or will be issued to LIPA by the State of South Carolina and the State of Washington, respectively. These permits can not be transferred to LILCO until LILCO is in possession of the Shoreham NRC license. Based on LIPA's experience, however, the response time for transfer/reissuance of these permits ranges from three to five weeks. Thus, if the Shoreham license were to revert back to LILCO, all planned shipments of radioactive waste to either the Barnwell (South Carolina) or Hanford (Washington) burial facilities would need to be suspended until the appropriate permits were received by LILCO.

III. LILCO Administration of the LIPA Technical Specifications

As noted above, LILCO would utilize the bulk of the present Shoreham staff and designate seven LILCO personnel to assume the seven upper management positions within the LIPA organization that are currently filled by LIPA/NYPA coemployees, in the event that the Shoreham license was returned to LILCO. Thus, the organizational structure and nomenclatures as delineated in the LIPA Technical Specifications would be maintained by LILCO using LILCO or contractor personnel. In addition, LILCO would utilize the policies, programs, and procedures which are developed by LIPA to suit the LIPA Technical Specifications. Aside from organizational structure and nomenclature, these LIPA Technical Specifications are identical to the LILCO POL Technical Specifications, and the entire LIPA Technical Specifications are well known by the LILCO personnel at Shoreham. Thus, at the time the license is transferred back to LILCO, the principal change in administration of the LIPA Technical Specifications would be the change in the individuals holding the seven LIPA upper management positions. The duties associated with the positions themselves would remain unchanged.

In this way, no additional licensing actions would be needed to effect re-transfer of the Shoreham license back to LILCO in the event it becomes necessary. Should LIPA cease to exist, LILCO would immediately notify the NRC that it has assumed the license under this Contingency Plan. If there were a final determination that LIPA was no longer considered qualified to hold the Shoreham license, LILCO would immediately assume control of the Shoreham license in accordance with this Contingency Plan upon receipt of such information from the NRC.

IV. Indemnification Coverage

LILCO remains the policyholder for all insurance coverages at Shoreham, including nuclear liability, general liability, and property coverages required by 10 CFR Parts 140; 50.54(w); and 50.75(e). (LIPA is presently a named insured on all LILCO insurance policies at Shoreham.) Therefore, should the license revert back to LILCO, no immediate actions would be necessary to ensure proper insurance indemnification coverage.

V. Additional Considerations

Because the transfer of the Shoreham license to LIPA involved primarily a change in upper management personnel, the immediate impact of returning the license to LILCO in the middle of any on-going physical work would be limited. Essentially, the immediate impact would be limited to changes in the organizational reporting chain and other administrative changes. There would be no need to immediately disrupt physical work activities and, more importantly, no unsafe conditions would result. If necessary, activities other than those essential for complying with the POL and Technical Specifications would be temporarily suspended in a safe and orderly manner, much as they are on a twice-daily basis, at the end of the shift in progress.

On a general level, LILCO personnel at Shoreham are active in and informed of LIPA's Shoreham activities on a daily basis because of their direct involvement in LIPA's activities. LILCO personnel hold the majority of positions in LIPA's Shoreham organization, including many key supervisory and division manager positions, and membership on the LIPA Site Review Committee. Moreover, LILCO, under the terms of the Site Cooperation and Reimbursement Agreement between LILCO and LIPA, may designate site representatives to observe activities at Shoreham, and has access to LIPA records.



Long
Island
Power
Authority

Shoreham Nuclear Power Station
P.O. Box 828
North Country Road
Wading River, N.Y. 11792

ATTACHMENT 1
L-ENRC-1916

March 19, 1992

TYPICAL

Subject: Shoreham Decommissioning Project
Agreement No. C91L1154

The Long Island Power Authority (LIPA) has been directed by the NRC to prepare a contingency plan for return of the Shoreham Nuclear Power Station (SNPS) to the Long Island Lighting Company (LILCO) should unforeseen events prevent LIPA from completing the decommissioning activities at SNPS.

In the unlikely event that SNPS is returned to LILCO, LIPA's outstanding SNPS Agreements/Purchase Orders will be assigned to LILCO. For this reason we are including as an amendment to the subject Agreement/Purchase Order the following "Assignment Provisions".

"ASSIGNMENT BY LIPA

Notwithstanding any other provision of this Agreement, in the event that the NRC license for Shoreham reverts to Long Island Lighting Company ("LILCO"), all of LIPA's rights and obligations under this Agreement may be transferred and assigned to LILCO. The contractor shall receive written notice of any such assignment and transfer. Upon acceptance of the assignment by LILCO, LIPA shall be relieved of any further liabilities or obligations hereunder."

It is not our intent to revise the Agreement/Purchase Order at this time. Should the need occur to revise this Agreement/Purchase Order for other reasons, we will then add this provision.

Please acknowledge receipt and acceptance of this requirement by signing (below) and returning this letter within ten (10) days.

If you have any questions regarding this matter, please contact Mr. C.F. Ordille at telephone number (516) 929-8300, Ext. 2448.

Very truly yours,

R.J. Haggerty
Procurement & Contracts Administration
Division Manager

RJH:sf
cc: L. Hill
S. Maloney

I CONCUR:

Signature: _____

Print Name: _____

Title: _____

Date: _____

ATTACHMENT 2

List of LIPA awarded contract services for which assignment rights are included or have been requested

- o Site Security Guard Force
- o Consulting Services of Health Physics Engineer, Radwaste Engineer; and Staff Engineers in Health Physics Section, Nuclear Engineering Division, Quality Assurance Department
- o Health Physics Technicians
- o Radwaste Shipping
- o General (Maintenance) Services Contractor
- o Temporary Clerical Support
- o Independent Review Panel Members
- o Decontamination Consultants
- o Radwaste Treatment Services
- o Radiation Monitoring
- o Hazardous Waste Transportation, Disposal
- o Elevator Maintenance
- o Metallurgical Testing
- o Emergency Medical Assistance
- o Non-Nuclear Diving Services
- o Breath Test Program
- o Aquatic Sampling
- o Emergency Planning
- o Gamma Spectroscopy
- o Meteorological Tower Instrument Calibration
- o Radioactivity Studies
- o Uniform Rental And Laundry Services
- o Background Screening
- o Fire Extinguisher Servicing
- o Lab Equipment Calibration Services
- o Mobile Demineralizer
- o Fitness For Duty Consulting And Testing Services
- o Psychological Screening
- o Liquid Waste Removal
- o Dosimetry Software Maintenance
- o Card Reader Maintenance
- o Computer and Printer Parts and Servicing
- o Offshore Buoy Maintenance
- o Dosimetry Testing
- o Water Chiller Maintenance And Inspection

ATTACHMENT 2

- o Respirator/Regulator Maintenance
- o Photocopier Maintenance
- o Lube Oil Analysis
- o Miscellaneous Calibration Services
- o Halon Tank Refill/Recovery
- o Oil Sampling
- o Air Sampling
- o Technical Representative For Counting Equipment
- o Cleaning Services
- o Technical Representative For Laundry Facilities
- o Dosimetry Servicing
- o Wet Chemistry Cross-Check Calibration
- o Spectrophotometer Service/Repair
- o Chem Lab Balance Certificates
- o Torque Wrench Repair/Calibration
- o Chem Lab Certification
- o Well Water Testing
- o Title 10 Subscription
- o Fuel Oil Analysis
- o Industrial Waste Analysis
- o Air Monitoring

List of decommissioning-specific contracts that LIPA has or will request assignment rights for

- o Reactor Vessel Shell Segmentation
- o Reactor Internals Segmentation
- o Engineering Services
- o Radwaste Volume Reduction And Burial
- o Radwaste Transportation And Burial
- o Vendor Laundry Services