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MAY 02 1983

Docket No. 50-460

NOTE FOR: M. Thadani, Project Manager
 Licensing Branch No. 4, DL

FROM: Jim Petersen, Senior Licensee Relations Analyst
 Office of State Programs

SUBJECT: SAFETY EVALUATION FOR EXTENSION OF CONSTRUCTION COMPLETION:
 WNP UNIT NO. 1

In accordance with your request we have reviewed the draft SER that would support an extension of the construction completion date for WPPSS Nuclear Project No. 1 (WNP-1). WPPSS claims, among other things, that its contractual and financial arrangements with Bonneville Power Administration (BPA) require it to heed BPA's advice on the WNP units. BPA has advised WPPSS to delay construction on WNP-1 to the date requested by WPPSS (1991). According to the latest information available to us, BPA has a contract to purchase the WNP-1 output from WPPSS (as it also does for Units 2 and 3). Accordingly, we believe that WPPSS is reasonable in citing its financial, contractual, and advisory relationship with BPA as one reason for requesting the WNP-1 completion extension.

Jim C. Petersen
 Jim Petersen, Senior Licensee
 Relations Analyst
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REMARKS

Daniel Nash suggested that I send the attached to you to look over for the WPPSS and BPA financial set up regarding WNP-1. Please comment

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

Background

SAFETY EVALUATION FOR

EXTENSION OF THE LATEST CONSTRUCTION COMPLETION DATE

FOR WASHINGTON PUBLIC POWER SUPPLY SYSTEM'S NUCLEAR PROJECT NO. 1

DOCKET NO. 50-460

INTRODUCTION

Pursuant to 10 CFR 50.55(b), the Washington Public Power Supply System (WPPSS or permittee) requested an amendment to the WPPSS Nuclear Project No. 1 (WNP-1) Construction Permit No. CPPR-134. By a letter dated July 21, 1981, the permittee requested an extension to the currently specified latest construction completion date of January 1, 1982, to June 1, 1986. The permittee presented five reasons for the proposed amendment, and indicated that the stated reasons (1) caused delay which was beyond the permittee's control, and (2) involved no significant public health and safety or environmental concern.

Subsequently, by a letter dated January 11, 1983, WPPSS requested that its pending amendment request of July 21, 1981, be modified to reflect additional WNP-1 construction completion delays dictated by the Bonneville Power Administration (BPA) informing the WPPSS that the power from WNP-1 would not be needed until the early 1990s. The WPPSS has requested that the earliest construction completion date be modified to June 1, 1988, and the latest construction completion date be modified to June 1, 1991.

This evaluation examines the WPPSS reasons for construction completion delays to determine if the delays and deferrals were beyond the control of the permittee and if the requested amendment constitutes any significant safety or environmental concern.

EVALUATION

The staff has evaluated the reasonableness of the following factors which the permittee has cited in the requests for amendment of latest construction completion date:

- (1) Changes in the scope of the project including increases in the amount of material and engineering required as a result of regulatory actions, in particular those subsequent to the TMI-2 accident;
- (2) construction delays and lower than estimated productivity, which resulted in delays in installation of material and equipment and delays in completion of the systems necessitating rescheduling of preoperational testing;
- (3) strikes by portions of the construction work force;

- (4) changes in plant design;
- (5) delays in delivery of equipment and materials; and
- ✓ (6) recommendations of the BPA to WPPSS that the construction on WNP-1 be delayed for an additional period of two to five years (beyond June 1, 1986) due to load/response balance changes and economic factors identified in the BPA's report, "Analysis of Resource Alternatives" dated April 19, 1982.

In a letter, dated March 9, 1983, the WPPSS summarized the estimated delays contributed by the first five factors to range from about 40 months to about 66 months. (Delays attributed to these factors were; factor 1. 8-15 months; factor 2. 14-24 months; factor 3. 16-24 months; factor 4. delay included in the delay for factor 1; and factor 5. 1-3 months). These delay estimates are beyond the control of the permittee, and are comparable to the delays estimated by others for plants subjected to similar constraints (e.g. Vogtle Electric Generating Plant - Units 1 & 2).

Therefore, the first five factors constitute a reasonable delay and a "good cause" for the July 21, 1981, request for the extension of construction completion date from January 1, 1982, to June 1, 1986.

The sixth factor was cited in support of an additional extension of the latest construction completion date dictated by BPA's recommendation to WPPSS that the power from WNP-1 will not be needed until 1991. The staff has reviewed WPPSS's letter and its enclosure, dated April 30, 1982, providing the BPA analysis of resource alternatives and the conclusions derived from that analysis. The following discussion provides the summary of staff findings.

BPA, which is charged with the responsibility of providing electrical energy to the northwest region and is the designated recipient of all WNP-1 power output, has performed analyses of load/resource characteristics, conservation and renewable resources, economics of WPPSS Projects #1, #2 and #3 alternatives, and financial and rate analyses including evaluation of legal and political implications of available options. Based on the results of these analyses, the BPA advised the WPPSS to defer the completion of WNP-1 to the year 1991. WPPSS states, and the staff agrees, that BPA support is essential to financing of all three nuclear projects. Recognizing these realities the WPPSS Board on April 29, 1982, accepted the BPA recommendations and deferred the construction of WNP-1 by 2 to 5 years. The staff finds that the above circumstances were indeed beyond the control of WPPSS, the additional delay is reasonable and would adequately constitute a "good cause" for delay in completion of the construction of WNP-1.

The staff has considered the public health and safety significance of mothballing of WNP-1 which is more than 60 percent constructed and has reviewed (1) the WPPSS construction delay management plan (WPPSS transmittal dated December 29, 1982,

from R. W. Root, Jr. to Nuclear Regulatory Commission, Region V, for the attention of R. M. Engelken) and the proposed engineering considerations to adequately maintain the equipment/materials/structures in a licensable condition, and (2) a draft report issued by the Northwest Power Planning Council on "Regional Conservation and Electric Power Plan 1983" which states that its task force of nuclear experts has concluded that it would be difficult to mothball a nuclear plant for more than five years. The staff finds that the Northwest Power Planning Council's statement based on the Nuclear Resource Task Force Report was related to the consideration of economic and commercial risks and not the public health and safety risks associated with long term mothballing. The staff does not think that there is any basis for concluding that the proposed WNP-1 mothballing could result in any significant increase in the public health and safety risks.

The permittee, in a letter dated June 11, 1982, has made the commitment that the final WNP-1 designs will satisfy the requirements of present regulations and any requirements of future regulations promulgated between the date of docketing and the resumption of the construction. The staff, therefore, does not expect that the proposed delay in completion of WNP-1 construction would result in any significant public health and safety risk issues associated with the permittee's final designs.

ENVIRONMENTAL CONSIDERATION

The staff has also considered the environmental impacts of the extension of construction permit, and has determined that the proposed action does not entail any significantly different construction activities than those which were considered in the Final Environmental Statement for WNP-1 and 4 (NUREG-75/012), dated March 1975. The staff, therefore, concludes that the proposed action will not alter the conclusions reached in NUREG-75/012 regarding the environmental impacts and cost/benefit balances of construction of WNP-1. Having made this determination, we have concluded that the extension involves an action which is insignificant from the standpoint of environmental impact and, pursuant to 10 CFR Section 51.5(d)(4), that an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in connection with the issuance of this Order.

CONCLUSIONS

The staff, based on the above evaluation, concludes that the factors, which have prompted the permittee to delay the completion of construction of WNP-1, were beyond the control of the permittee, and constituted a "good cause" for the delay in completion of construction under 10 CFR §50.55(b). Therefore, the staff finds that the proposed amendment to the construction completion date is reasonable. The staff further concludes that the proposed delay would not result in any significant increase in public health and safety risks or environmental impacts. The only modification proposed by the permittee to the existing construction permit is an

extension of the latest completion date. The extension does not allow any work to be performed involving new safety information of a type not considered by a previous existing construction permit.

Therefore, the staff finds that: (1) the requested delay is reasonable and good cause exists for issuance of an order extending the completion date; (2) the proposed action does not involve a significant hazards consideration; and (3) there is reasonable assurance that the health and safety of the public and the quality of the environment will not be endangered by extension of the construction completion date. Accordingly, issuance of an Order extending the earliest construction completion date to June 1, 1988, and the latest construction completion date to June 1, 1991, should be authorized for WNP-1.

Principal Contributor: M. Thadani, Licensing Branch No. 4, DL

Date: