# STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

#### THREE EMPIRE STATE PLAZA, ALBANY 12223

PUBLIC SERVICE COMMISSION

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JOHN J. KELLIHER

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August 30, 1983

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Bernard Bordenick, Esq. Office of the Executive Legal Director U.S. Nuclear Regulatory Commission Washington, D. C. 20555

> Re: New York Public Service Commission Shoreham Prudence Investigation.

Dear Mr. Bordenick:

Enclosed are the pertinent pages of LILCO witness Cordaro's testimony which claim that LILCO was unable to maintain normal communications with the AEC during the Shoreham licensing hearings. I would be happy to send other excerpts, or complete copies of this testimony, if you are interested.

I would like to discuss the so-called "black out" with you at your convenience. I can be reached at (518) 474-4535. I appreciate your assistance in this matter.

Very truly yours,

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JAMES W. BREW Staff Counsel

Enclosure

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2		In 1973 alone, 32 Regulatory Guides were issued by the
3		AEC. While regulatory guides identify what is required,
4		they do not identify the procedures or analysis necessary
5		for the implementation of the requirement. The AE must
6		determine the appropriate procedures and analysis. In some
7		cases, such as Regulatory Guide 1.46, concerning the effects
8		of pipebreak, and Regulatory Guide 1.75, concerning
9		electrical separation, the full impact took years to
10		determine.
11		
12	Q.	Why couldn't the Shoreham project team anticipate some of
13		these regulatory changes during the licensing hearings?
14	A.	LILCO was unable to anticipate fully these changes due to
15		certain AEC procedures, which resulted in reduced AEC
16		technical consultations relating to Shoreham. In order to
17		avoid the appearance of collusion and impropriety, as well
18		as any last minute changes in a plant's Safety Evaluation
19		Report, the AEC, during the licensing hearing, traditionally
20		communicated with a utility only through counsel. Due to
21		the highly publicized and unusually contentious nature of
22		the Shoreham proceedings, the AEC adhered more strictly to
23		traditional procedures. At all times, other than during
24		the hearing period, informal technical dialogues were held

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at which utilities and their AE's were informed of potential or imminent regulatory changes and oth ; AEC technical and engineering concerns. During Shoreham's licensing hearing only the most important licensing issues outstanding at the time, including the ECCS and environmental concerns, were discussed. The vital informal day-to-day technical dialogues, particularly regarding regulatory guides, were impeded at an extremely important time in the project's history. These circumstances had little or no effect on the engineering of most nuclear facilities because their licensing hearings were very short. At Shoreham, however, LILCO was unable to maintain continual informal technical contact with the AEC during its lengthy three-year licensing hearings.

Would you please explain the impact of the reduced AEC 17 Q. technical consultation on the Shoreham project? 18 To construct a facility as complex as a nuclear power plant, A. 19 engineering must be sequenced to ensure that necessary 20 information is available when needed by construction. This 21 engineering effort is called engineering support to 22 construction. Similarly, engineering must be available to 23 allow the timely procurement of equipment. The result of 24

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not exactly knowing what the AEC would require caused Shoreham's engineering to be less supportive to construction and procurement than engineering on other nuclear projects. Shoreham's engineering consistently was less advanced than planned and not always available when required. As a result, construction was rescheduled and equipment was delivered late.

When the Shoreham project was restarted in the Fall of 1972, Shoreham's engineering appears in retrospect to have been less advanced than the engineering of other plants when they received their CP. Shoreham's less advanced engineering began to become apparent only in late 1973 after SEW engineering activities had progressed.

The Shoreham project engineering had difficulty supporting construction throughout the project because of the continuous promulgation of new regulations by the AEC and NRC during Shoreham's construction. As engineering attempted to implement regulations, new regulations were issued that had to be simultaneously evaluated. At the same time, engineering was attempting to support construction by issuing a continuous series of engineering information to construction forces.

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Did LILCO experience any difficulty in implementing the new Q. 2 regulatory codes and requirements on the Shoreham project? 3 Yes. Part of the problem resulted from the fact that regu-A. 4 latory requirements were and are found not only in official. 5 regulations such as 10 CFR 50, but also in Regulatory 6 Guides, AEC branch technical positions, standard review 7 plans, NUReg documents, etc. While these guasi-official re-8 quirements do not have the force of regulations, they are 9 difficult to integrate into plant design since they may not 10 necessarily be required and may or may not enhance plant 11 safety. Moreover, in many instances, regulatory guides and 12 other similar guides do not provide specific information 13 needed for their implementation. The utility is left to 14 determine the method of compliance. 15

The difficulty of implementation of regulations and requirements to Shoreham was compounded by the extraordinarily long time needed to obtain a construction permit, the restricted flow of information from the AEC during the licensing hearing, and the project curtailment resulting from <u>Calvert cliffs</u>. Because of these unforseeable delays, the Shoreham project was forced to comply with many new regulations, and the applicability of many regulations could

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1	CORDARO DIRECT
2	not be fully determined until after LILCO filed its Final
3	Safety Analysis Report in 1975.
4	
5	Q. Did compliance with regulatory requirements result in
6	increases of Shoreham's cost?
7	A. Absolutely. LILCO's compliance with regulatory changes and
8	supplements contributed to cost increases. Design changes
9	necessitated by new regulatory requirements resulted in
10	changes on numerous systems with an accompanying increase in
11	cost.
12	Whenever feasible, LILCO took steps to minimize the
13	impact of regulatory changes. For example, after the Mark
14	II Hydrodynamic Load requirements were issued, LILCO
15	recognized the possible impact on Shoreham's piping and
16	equipment systems. As a result, LILCO worked with Stone &
17	Webster to increase substantially the design margins on all
18	pipe supports not yet designed and released for construction
19	even though the exact magnitude of the loads and final NRC
20	interpretation of the requirements were not available.
21	Because of LILCO's action, over one thousand large bore pipe
22	supports were upgraded. Four years later, when the final
23	design assessment was made, over ninety percent of these
24	pipe supports did not require additional modifications.

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