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UNITED STATES  
NUCLEAR REGULATORY COMMISSION

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DIVISION OF LICENSING

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UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION  
ENFORCEMENT INTERVIEW  
DIVISION OF LICENSING

Ace-Federal Reporters, Inc.  
444 North Capitol Street  
Suite 402  
Washington, D. C.

Wednesday, November 21, 1984

The telephone conference commenced at 11:00 a.m.

PRESENT:

- VINCE NOONAN
- DAVID TERAO
- SCOTT BURWELL
- NANCY WILLIAMS
- MIKE SHULMAN
- CRAIG KILLOUGH
- POS LUSNY
- BOB IOTTI, Representing Joe B. George
- JOHN BECK, Manager of Licensing,  
Texas Utilities
- JUANITA ELLIS, President, Citizens Association  
for Sound Energy, Intervenor
- BRUCE MILLAR, Fort Worth Star Telegram
- JACK BOOTH, Dallas Times Herald

P R O C E E D I N G S

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MR. NOONAN: This is Vince Noonan. In my office  
I have David Terao and Scott Burwell.

Can the other people on the line identify themselves?

MR. IOTTI: Bob Iotti here representing Mr. Joe  
B. George.

MR. NOONAN: Can you please identify yourselves  
again?

MS. WILLIAMS: Nancy Williams.

MR. NOONAN: The reporter can't hear you.

MS. WILLIAMS: We're going to have to make some  
adjustments on our phones. Our speaker box isn't going to  
be loud enough, but some other people are going to be  
picking up the phone. Involved will be Mike Shulman and  
Craig Killough.

MR. BECK: This is John Beck with TUCO, Manager  
of Licensing, Texas Utilities.

MS. ELLIS: Juanita Ellis, president of CASE,  
Citizens Association for Sound Energy, the Intervenor.

MR. LUSNY: Pos Lusny, with the TRT.

MR. MILLAR: Bruce Millar, of the Fort Worth Star  
Telegram.

MR. BOOTH: Jack Booth from the Dallas Times  
Herald.

MR. NOONAN: This is Vince Noonan. I'm the new

1 project director for Comanche Peak, and because of the  
2 intensity of our schedule, trying to make our commitments,  
3 I felt it necessary to have this conversation and talk to  
4 the CIGNA people so I could fully understand the work that  
5 CIGNA is doing, and we have some -- what I'll call some  
6 questions we generated here for clarifying purposes. If  
7 you and Mr. Shulman are on the line, I guess we'll  
8 basically ask our questions, and I guess you can come back  
9 and tell us exactly the scope of work you are supposed to  
10 do. This is strictly so I can understand what we're doing  
11 here.

12 We are now in the process of doing a full review on the  
13 Phase 1 and 2 CIGNA report and also the Phase 3, and we  
14 have people from Idaho involved, our consultants from  
15 Idaho doing the Phase 3 work. Mr. Tereo is the one  
16 basically responsible for the Phase 1 and 2, and Scott  
17 Burwell, the project manager, was also involved in this  
18 thing.

19 I think what I would like to show for the record in the  
20 future, particularly while the Phase 3 report is being  
21 looked at by the Idaho people, I want to set up a path of  
22 communication so the Idaho people can ask any questions  
23 that they have. I will follow the protocol procedure that  
24 we have identified for the CIGNA conversations, and we'll  
25 document the questions and answers we have to all the

1 appropriate parties.

2 With that, I'm going to turn it over to Mr. Terao here  
3 and let him talk because I think basically he's got down  
4 the so-called questions that we have.

5 MR. TERA0: This is David Terao. I would like  
6 to -- in the discussion today, we'll be addressing only  
7 the CIGNA Phase 3 independent of other programs for  
8 Comanche Peak. We briefly reviewed the CIGNA Phase 3  
9 report and would like to provide some of our preliminary  
10 comments and to discuss some of our initial concerns. We  
11 felt that we needed to discuss our initial concerns with  
12 CIGNA now in order to fully understand the purpose of the  
13 CIGNA Phase 3 program.

14 Today we do not intend to discuss any technical issues  
15 regarding the program.

16 MR. SHULMAN: I didn't hear that.

17 MR. NOONAN: Mike, this is Vince Noonan. I do  
18 have a plan to follow on. I'm going to have the Idaho  
19 people on the line in future conversations. I think I  
20 said earlier, this is strictly so I can understand what's  
21 going on because I'm basically new to the program, and  
22 we've had some conversation among the Staff, and we need  
23 to sit down and just ask questions, make sure we  
24 understand what CIGNA did or what they are doing.

25 MR. TERA0: This is David Terao again.

1           One of our principle questions that we wanted resolved  
2 as soon as possible is that in our review we're having  
3 difficulty in finding what the CIGNA Phase 3 report  
4 concludes regarding the validity of the technical issues  
5 of the Walsh-Doyle allegations. Although the CIGNA Phase  
6 3 report does address some of the Walsh-Doyle concerns,  
7 the CIGNA report as a whole provides the Staff with little  
8 information regarding the technical merit of the  
9 Walsh-Doyle allegations.

10           MS. WILLIAMS: The Phase 3 evaluation was  
11 performed on systems that supposedly exhibited the  
12 characteristics in the Walsh-Doyle concerns. I have a  
13 formal listing of what those concerns were; however, we  
14 had some guidance and some knowledge based on the CIGNA  
15 reports and previous testimony as to what some of these  
16 concerns were. We provided what we believe is a detailed  
17 assessment of the pipe supports on these systems which  
18 expose us to the adequacy of the design overall.

19           As to the design of the pipe supports on these systems  
20 which exhibited Walsh-Doyle characteristics, supposedly  
21 exhibited Walsh-Doyle characteristics, by Texas Utilities --

22           MR. TERAQ: Let me clarify. I understand what  
23 you're saying, Nancy. The CIGNA report appears to  
24 conclude that the pipe support design practices resulted  
25 in acceptable designs except for where you noted any open

1 issues. However, it wasn't clear to us on reviewing the  
2 CIGNA design review criteria that there was an explicit  
3 criteria to consistently review the design for the  
4 Walsh-Doyle concerns. From what you're saying, you did  
5 not specifically look at the pipe support designs from the  
6 Walsh-Doyle concerns but reviewed it for overall adequacy;  
7 is that correct?

8 MS. WILLIAMS: That is correct, with the  
9 exception that we did have some knowledge of what some of  
10 these concerns were. We, however, did not have a formal  
11 list of what everyone refers to as the Walsh-Doyle  
12 concerns. For example, I believe thermal expansion and  
13 neutron gas is one of the Walsh-Doyle concerns, and you  
14 will find some criteria associated with that issue in our  
15 design review documents.

16 MR. TERAQ: I guess one of our questions is, it  
17 appears that the Walsh-Doyle issues are primarily  
18 concerned with the allegedly poor design practices used at  
19 Comanche Peak for the pipe support designs. Many of these  
20 concerns are related to the fact that these designs are  
21 based on an inadequate or inappropriate engineering  
22 assumption and analytical techniques. But the fact that  
23 the support calculation may show acceptable stresses may  
24 not necessarily be acceptable criteria to conclude that  
25 the design is acceptable.

1           The Walsh-Doyle concerns appear to go down to a very  
2 basic level of design. It appears that the CIGNA review  
3 did not really go down to this and address this level of  
4 design but in some cases concluded that the design was  
5 acceptable based on Applicants' tests or analyses.

6           The Staff had previously envisioned CIGNA's role in  
7 Phase 3 to be that of an independent third party to review  
8 the pipe support design with respect to the technical  
9 issues raised in the Walsh-Doyle allegations and to  
10 address the technical merit of those Walsh-Doyle issues.  
11 The overall design review function usually associated with  
12 an independent design verification program was to have  
13 been in addition to a detailed response to each allegation  
14 of CASE regarding hardware design problems. This is at  
15 least what the Staff had previously presumed. CIGNA  
16 independently addressing the technical merits of the  
17 Walsh-Doyle concerns, the Staff foresaw that the licensing  
18 board would then have a technical basis to perhaps modify  
19 its conclusions in these proceedings; however, by CIGNA  
20 relying on the Applicants' tests and analyses and even on  
21 the NRC Staff evaluation, CIGNA appears to be shifting its  
22 responsibilities as an independent third party reviewer,  
23 and it will be avoiding the responsibility to submit  
24 rigorous, logical answers to these opposing views of CASE.  
25 That was one of our major questions here: What was the



1 purpose of this CIGNA Phase 3?

2 MS. WILLIAMS: I'm at a loss there, Dave. Let  
3 me address a couple aspects of what you said. I'm not  
4 sure I can pick up on all that without going back and  
5 re-asking some clarifying points.

6 Regarding the procedures that Texas Utility has  
7 employed in the design of pipe support at Comanche Peak, I  
8 believe that we did get in and do an assessment of the  
9 adequacy of their design process, both from the design  
10 control standpoint and from the technical adequacy  
11 standpoint. If you look at the checklists, there are a  
12 few elements associated with this. That data is  
13 considered that the correct design tools are used and then  
14 by example, just to make sure that the designs are  
15 adequate, having gone through this process that Texas has  
16 set up. Now we did not specifically address the  
17 Walsh-Doyle concerns in the report; however, we did go in  
18 and make the determination as to the product that is going  
19 through the design process which Texas Utility has  
20 established. That's, I believe, part of your question.

21 MR. TERAQ: Yes, that's part of it. I guess the  
22 other part in re-reviewing the Applicants' plan and our  
23 Staff comments on the Applicants' plan regarding the  
24 independent design review, it seems to imply at least at  
25 that time that the independent design review specifically

1 addressed the technical issues in contest and the concerns  
2 raised by the board.

3 MS. WILLIAMS: Can we take a couple of examples  
4 of these issues, because we're talking in such general  
5 terms that I'm at a loss to know what is not included at  
6 this point in time.

7 MR. TERAQ: For example, have you ever reviewed  
8 the record to establish all of the Walsh-Doyle concerns  
9 that led to the board memorandum and order of December 28,  
10 1983?

11 MS. WILLIAMS: Did we review the historical  
12 transcripts which CIGNA was not involved in? Is that  
13 correct, Dave?

14 MR. TERAQ: That's correct, but for what CIGNA  
15 apparently was intending to review.

16 MS. WILLIAMS: Okay, let me trace back in  
17 history a little bit. We requested this of Texas Utility  
18 because we did not have a good handle on what all the  
19 historical allegations were. The response there was that  
20 Texas was taking the responsibility of selecting a scope  
21 which had the characteristics, and it was CIGNA's job to  
22 go in and do a purely independent review without the  
23 intimate knowledge of all of the previous years' testimony  
24 on these allegations. We were not provided, nor was it  
25 defined to be within our scope by Texas Utility to review

1 all these historical transcripts. However, we feel that  
2 if we were going to go in and establish such a risk, that  
3 we'd have to do that. There were some conversations with  
4 Texas Utilities regarding CIGNA's need to do that, and the  
5 decision that was made by Texas Utilities was that we'd  
6 work on systems which their consultants had established  
7 had the characteristics of concern.

8 MR. NOONAN: This is Vince Noonan. I understand  
9 the necessity to maintain an independence between CIGNA  
10 and also the Applicants, but I think we have to make sure  
11 that CIGNA is aware of all the Walsh-Doyle concerns, and I  
12 guess, John Beck, I'm going to make a request that somehow  
13 we have to make sure that CIGNA is aware of all historical  
14 documents associated with this. I think it's necessary  
15 for them to do this.

16 MR. BECK: Vince, our understanding -- or my  
17 understanding of the scope that was given to CIGNA was not  
18 that they would provide the kind of detailed item-by-item  
19 response to Walsh-Doyle concerns. The response in that  
20 regard was our charge to Dr. Iotti, who is also on this  
21 line, and we have provided that testimony direct to the  
22 board in response to the December 28 order and our  
23 subsequent detailed addressing of all issues contained  
24 therein.

25 The CIGNA role, particularly in Phase 3, was not

1 intended ever to address item by item specific Walsh-Doyle  
2 concerns. That was simply not the scope of work that was  
3 given to them.

4 MR. TERAQ: Perhaps the Staff had envisioned  
5 that this was part of CIGNA's charter. When we reviewed  
6 the board memorandum and order of December 28, 1983, on  
7 page 74 under "Scope," where the board is discussing the  
8 independent design review, states: "In design review  
9 functions, the independent reviewers should respond in  
10 detail to each allegation of CASE concerning hardware  
11 design problems." And in fact even in the Applicants'  
12 plan it's reiterated that the technicalities that have  
13 been raised in these proceedings were to be addressed.  
14 In fact, as I recall from the board discussions, the board  
15 appeared to be concerned that the plan would only address  
16 the Walsh-Doyle issues and asked that the scope be  
17 expanded, and that was the reason why the applicants then  
18 proposed the Phase 4 multi-discipline review. So the  
19 Staff had always envisioned Phase 3 to specifically  
20 address the Walsh-Doyle concerns.

21 MR. BECK: John Beck again.

22 Dr. Iotti, would you care to respond to the specific  
23 charges that you and your organization were given with  
24 regard to December 28 and how that charge was intended to  
25 take care of the Walsh-Doyle concerns?

1 MR. NOONAN: Let me try to get hold of the  
2 operator. Hang on a minute, please.

3 (Discussion off the record.)

4 MR. NOONAN: Dr. Iotti, we have been missing you.

5 MR. BECK: Bob, this is John Beck speaking. How  
6 much of this conversation have you heard? You miss the  
7 whole thing?

8 (Discussion off the record.)

9 MR. NOONAN: This is Vince Noonan. Do we still  
10 have all the other parties on the line?

11 (Affirmative response.)

12 MR. NOONAN: I'm going to go ahead with this.  
13 Something happened to Dr. Iotti, but John, I'll talk to  
14 you. I think for our information, you probably clarified  
15 exactly what the CIGNA intent was. It clearly was  
16 something else than what we thought it was. We're going  
17 to go ahead with the review. At least we know what the  
18 CIGNA report doesn't include. I'm going to pursue this  
19 review and come back and talk to the Utility about the  
20 overall concept and how we're handling the Walsh-Doyle  
21 things because clearly at this end we must make sure all  
22 the Walsh-Doyle concerns are clearly addressed.

23 MR. BECK: Our intent has been from the  
24 beginning to have Dr. Iotti in support of us respond in  
25 direct fashion to the Walsh-Doyle concerns which we have

1 done before the board.

2 MR. NOONAN: I wanted to make sure that was  
3 understood. We were basically reviewing the Phase 3  
4 report, and the review we're looking for, you know, in  
5 reference to the Walsh-Doyle concerns, and we didn't find  
6 it.

7 MR. BECK: What the hearing record itself may  
8 contain with regards to commitments that could have been  
9 made beyond the contractual obligations that CIGNA has to  
10 us with regard to the Phase 3 report, and I say "caveat"  
11 in the context that I want to be darn certain that  
12 additional commitments beyond the specific contractual  
13 obligations may have been there or conceivably may have  
14 been implied. It appears pretty clear from Mr. Terao's  
15 earlier comments that he expected something that we didn't  
16 anticipate that would be in the report, so that may well  
17 be where some of it lies. But certainly its quotes of the  
18 December 28 board memorandum and our intent with regard to  
19 responding to that memorandum with our action plan and so  
20 forth even in as far as CIGNA was involved and played a  
21 role, it was not to have CIGNA provide a detailed  
22 item-by-item response or investigation of Walsh-Doyle  
23 concerns.

24 MS. ELLIS: Just for the record, this is Juanita  
25 Ellis. For the record, John, when you say that, you're

1 referring to the motions for summary disposition; correct?

2 MR. BECK: Yes.

3 MR. NOONAN: With that, we'll get off the line.  
4 I think that clarifies the point at this end.

5 MS. ELLIS: I would like to be clear from  
6 CIGNA's perspective so we know what's going on here too.  
7 Regarding the design QA issues, I wonder if we could get a  
8 clarification from CIGNA as to their understanding of the  
9 scope in that regard. Are they addressing the implementation  
10 of the design QA, quality assurance?

11 MS. WILLIAMS: This is Nancy Williams. I  
12 believe we are addressing portions of the overall design  
13 QA issue. Those portions are corrective action systems,  
14 the independent issue, the verification process, the input  
15 control. I know from reading the December decisions that  
16 are broad in nature and expanded to many technical areas,  
17 but these four issues were selected by Texas Utilities as  
18 part of the concern.

19 MS. ELLIS: Okay, and regarding the -- for  
20 instance, if you have a discrepancy in the field as  
21 compared to what's in the documentation, I believe you  
22 said something yesterday in an off-the-record conference  
23 call that CIGNA was relying on the inspections to see if  
24 such discrepancies existed; is that correct?

25 MS. WILLIAMS: That is correct. We're doing

1 walkdowns as part of the Phase 4 review.

2 MR. NOONAN: Could you give me an idea as to  
3 when the Phase 4 review will be completed, just a general  
4 idea?

5 MS. WILLIAMS: The schedule at this point in  
6 time is tied to the closure of issues associated with the  
7 cable tray and conduit support reviews, all other facets  
8 of the review, and no firm schedule has been established  
9 with Texas at this point in time to bring it to a close.  
10 There are some analyses currently ongoing, but I, however,  
11 do not know Texas Utilities' schedule for completion of  
12 all the necessary analyses.

13 MR. NOONAN: John Beck, maybe sometime in the  
14 future you can give me some kind of an idea what the dates  
15 look like.

16 MR. BECK: I got your question.

17 MR. NOONAN: Okay. Are there any other  
18 questions?

19 Ms. Ellis, do you have any other questions?

20 MS. ELLIS: I think that pretty well covers.  
21 There might be one more question. That is whether or not  
22 CIGNA has received copies of all the Applicants' motions  
23 for summary disposition or just the ones that have been  
24 specifically indicated in correspondence and so forth.

25 MS. WILLIAMS: No, we have not. We have



1 requested lawyers to receive copies of those, but to date  
2 have not received them.

3 MS. ELLIS: Okay. I would like to let everyone  
4 know that I think, you know, if you receive copies of  
5 those then you should receive copies of our answers  
6 probably also, and I wanted to be sure we had that covered.

7 MS. WILLIAMS: They are not on the service list,  
8 I believe, for yourself, Ms. Ellis, or Texas Utilities, so  
9 the only information we're receiving between the parties  
10 is that transmitted by the NRC.

11 MS. ELLIS: Okay, okay. Mr. Noonan, perhaps we  
12 should have some sort of a discussion as to what would be  
13 appropriate for everybody to provide to CIGNA in that  
14 regard.

15 MR. NOONAN: Ms. Ellis, let me defer that for  
16 the moment. I'll get back and talk with you personally  
17 about what items you're talking about, and I want to talk  
18 to my Staff lawyers over here and make sure that the  
19 proper information gets to them.

20 MS. ELLIS: We have not been sending them copies  
21 because we didn't want to, you know, send them something  
22 that might influence their looking at things independently.

23 MR. NOONAN: Let me talk to the Staff lawyers  
24 and make sure we pull the communication together.

25 MS. ELLIS: If they send the Applicants' copies

1 of theirs, they should also receive a copy of our answers.

2 MR. NOONAN: I'll talk to the lawyers as soon as  
3 possible.

4 MS. ELLIS: Great.

5 MR. NOONAN: Any other questions?

6 I thank everybody for being on the call and I apologize  
7 the way we lost Dr. Iotti. He can read the transcript and  
8 see what we said here.

9 With that, I'm signing off. Thank you very much.

10 (Whereupon, at 11:40 a.m., the telephone  
11 conference was concluded.)

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were held as herein appears, and that this is the original transcript thereof for the file of the United States Nuclear Regulatory Commission.

(sig) Kathie S. Weller  
(TYPED)

KATHIE S. WELLER

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