

JULY 2, 1984

MEMORANDUM FOR: Darrell G. Eisenhut, Director
Division of Licensing

FROM: Karl Kniel, Chief
Generic Issues Branch
Division of Safety Technology

SUBJECT: LICENSING ACTIONS REQUIRED FOR A WOLF CREEK
OPERATING LICENSE

Summary and Recommendations

The Regulatory Actions necessary for a decision on an operating license for Wolf Creek have been established (Appendix A) and reviewed with respect to completeness, resources and schedule. The need to complete the prescribed inspections for both the construction program and the preoperational test program has been identified as the principal work which needs to be emphasized in completing the necessary actions for licensing. Region IV which has been heavily impacted by demands in the Comanche Peak and Waterford cases is beginning to establish a project organization to identify, schedule, and complete the inspection work on Wolf Creek with defined assistance from Region III and contractors. Some initial progress has been made in establishing a project organization but the period immediately ahead will determine if this effort is successful.

Only a limited number of SER open items remain which require resolution. The hearing has been completed but the ASLB has not issued their initial decision which is expected in July. Two adverse decisions on NRC regulations regarding financial qualifications and emergency planning handed down in May by the U.S. Court of Appeals do not appear to threaten a potential delay in completion of licensing actions for Wolf Creek at this time. Only a modest number of allegations have surfaced and the applicant has established an onsite "Quality First Program" which is actively seeking out worker concerns regarding construction adequacy and quality.

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It is recommended that:

- (1) The establishment of the project organization for Wolf Creek at Region IV be completed and verified as functional.
- (2) A tracking system for completion of all licensing actions established which is easy to update and understand and with input available from both Region IV and NRR should be initiated. Specific characteristics of such a system have been identified in the text. A trial effort using the Harvard Project Manager Program should be undertaken.
- (3) Approximately biweekly combinations of in person meetings and telephone meetings should be maintained between NRR and Region IV to assure that all incipient problems can be surfaced and addressed promptly or elevated to higher level management.

Licensing FSAR Review

Wolf Creek is the second of two standard plants of the SNUPPS (Standard Nuclear Unit Power Plant System) design. The first such plant is Callaway which received a low power operating license on June 11, 1984. With respect to the safety review, the plants are the same except for essential service water pumphouse and ultimate heat sink; switchyard and offsite power sources emergency operations facility and security facilities. The Wolf Creek review which has been conducted in parallel with the Callaway review is essentially complete. The SER and Supplements 1 through 4 inclusive have been issued. Supplement 5 which will document resolution of the outstanding items is planned to be issued in October 1984 to support a license issuance date of November 1, 1984. The SER outstanding items which require resolution prior to issuance of the operating license are listed in Appendix A.

All of these items appear to be resolvable by the NRC line organization in normal fashion prior to the scheduled fuel load date. No contractor assistance or other special measures have been identified as necessary to complete this work on schedule. The present schedule is presented in Attachment A.

Hearing

Litigation on the 32 admitted contentions which all relate to offsite emergency planning has been completed. Proposed findings have been filed by all parties. The ASLB is scheduled to issue its decision on or about July 1984.

A late filed petition for a hearing on quality control/quality assurance was filed by the Nuclear Awareness Network (NAN) on January 5, 1984. On March 26, 1984 the ASLB issued a Memorandum and Order denying NAN's petition for leave to intervene.

On February 22, 1984 Kansans for Sensible Energy (KASE) petitioned the ASLB to reinstate KASE as an intervenor in the proceedings before the Licensing Board and to reinstate KASE's contention regarding the financial qualification of the applicant. In its new Policy Statement affecting litigation of financial qualifications the Commission directed that the old rule dated March 31, 1982 which eliminated financial qualification as a requirement will continue in effect until finalization of the Commission's response to the Court's remand. On this basis EOLD filed a response to the KASE motion requesting the ASLB to deny reinstatement of the KASE contention. It is anticipated that the new rule in preparation will not require consideration of financial qualification at the operating license stage. Therefore, assuming no further action by the Court of Appeals it would appear that there will be no litigation of this issue at Wolf Creek.

In a decision dated May 25, 1984 the U.S. Court of Appeals ruled invalid the Commission's rule which provides that an Atomic Safety and Licensing Board need not consider the results of emergency preparedness exercises in a licensing hearing before authorizing a full power license for operation. In a 2-1 decision the court found that because the rule denies a right to a hearing on a material factor relied upon by the Commission in making its

licensing decisions the rule was issued in excess of the Commissions authority and must be vacated.

As noted above all of the hearing conducted at Wolf Creek was concerned with Emergency Preparedness and involved the litigation of 32 admitted contentions. However, none of the contentions proposed by the intervenor was disallowed on the basis of the rule vacated by the court. It would appear therefore that there is no substantive basis for a request to reopen the hearing based on the courts decision and no such request has been filed to date. If the emergency preparedness exercise scheduled for September should indicate that the emergency plans were inadequate, that may serve as a basis for a request to reopen the hearing. If such a request were filed and granted, a delay in the operating license could be expected since the hearing would have to be held sometime after the emergency plan exercises had been completed and evaluated.

Inspections

Inspections of Wolf Creek are conducted by Region IV. Because of illness and other personnel problems there have been periods of many months during the past two years when there was no resident inspector at the site. In order to compensate for this, additional inspections have been initiated from the Region IV office in Arlington, Texas. The more recent drain of Region IV inspectors for Comanche Peak and Waterford has impacted very significantly on the availability of qualified people to perform inspections on the Wolf Creek plant. However, inspections at Wolf Creek although at ~~pr~~ a reduced level have continued during this period. X

The present status as represented by Region IV is that the plant construction is now 95% complete and the construction inspection under the 2512 Conspection Inspection Program Modules is about 85% complete. The preoperational testing program at the plant is about 35% complete and the inspection modules under the 2513 Preoperational Inspection Program is also roughly 35% complete. Inspections under the 2514 Start-Up Test Program have not yet been initiated.

In addition to performing the inspections by modules the Region also needs to closeout violations, closeout I&E Bulletins, Follow-up of NUREG-0737 items (TMI action plan implementation items), Followup of 50.55(e) reportable items, Perform confirmation of SER items, Complete followup and closeout of all items not complete in the inspection process. All this work has been itemized in Appendix A.

Region IV is establishing a project organization (task force) to complete the inspections necessary for licensing and startup of Wolf Creek. After July 5 a designated full time Section Chief will begin supervising selected personnel to

complete the inspection modules under the 2512 Construction Program, 2513 Preoperational Testing Program, and 2514 Start-Up Program with the latter not needed for low power licensing. Richard Denise is the designated SES level individual responsible for Wolf Creek inspection in Region IV.

At our meeting with Region IV on June 9, 1984, Region IV projected a need for the following resources to complete their work as detailed above.

<u>Region IV</u>		<u>Region III</u>	
2512	40 man weeks	2512	6 man weeks
2513	20 man weeks	2513	30 man weeks
2514	<u>50 man weeks</u>	2514	<u>0 man weeks</u>
	160 man weeks		36 man weeks

CONTRACTOR

Closeout of I&E Bulletins)	
Followup of NUREG-0737 items)	\$110,000
Followup of 50.55(e) items)	

Also during our meeting Region IV identified by name 19 individuals with an appropriate mix of background and experience from which they could obtain the estimated 8 full time equivalents needed to complete the 160 man-weeks of time prior to the projected fuel load date of about November 1, 1984. The experience and present assignment of these individuals many of which are working on Comanche Peak and Waterford was presented. Region III has confirmed a commitment of 36 man-weeks with personnel who have performed similar inspection work at the Callaway plant which is the first of the two SNUPPS plants. The \$110,000 required to fund contractor assistance needs to come from NRC headquarters.

At the time of the meeting it was projected that the Wolf Creek project group in Region IV would be assembled during June. As of June 26 there has been progress. A resident inspector (H. Bundy) has been assigned and has been at the site since June 11. An employment offer to an individual from TVA to serve as the second resident inspector (Bruce Bartlett) has been accepted and he is expected to report onsite within about one month. Bob Taylor of Region IV is on the job coordinating inspections under the 2513 preoperational test program. About six man weeks + resident inspector time which include Les Gilbert and Al Johnson have been performed since June 8. Larry Martin has been appointed Section Chief to manage the project group starting on July 1. Individuals who will provide assistance from Region III have not been identified. Contractor personnel from EG&G who will do the work at Wolf Creek are being identified.

Clearly completion of the inspection work is the principal concern in completing the regulatory actions required for licensing Wolf Creek. The project group must be assembled and the work itemized in Appendix A completed. In order to do this with assurance a good management tracking system and schedule showing interdependencies needs to be established. The characteristics of such a tracking system are as follows:

- (1) should be able to update promptly and easily
- (2) provide for input from both Region IV and NRR
- (3) should alert management of potential delay from a changed critical path
- (4) should be able to sort out work items that are complete
- (5) should be able to sort out work items that are incomplete
- (6) content should be a balance between completeness and efficiency of use
- (7) detailed work and results should be elsewhere but available.

We are working with Region IV to detail the work and the interdependencies using the Harvard Project Manager program now being used in the Division of Licensing.

Region IV is having some difficulty in assembling their project group but significant progress has been made. This project group needs to be completed promptly and the completion of the inspection program needs to follow.

An agreement with the applicant to provide a biweekly progress report in the form of a detailed bar chart of itemized work items with milestones has been made and several of these reports have already been received by NRR and Region IV. It is important to judge the adequacy of progress on the Region's inspection program against the work completed by the applicant as presented in these reports and not against a "fictional" fuel load date that may be inconsistent with the progress reported by the applicant. Progress on the inspection program must necessarily follow the applicants progress on completion of construction and operational testing.

Allegations

A compilation of twelve allegations as of the present is provided in Appendix A. There are three additional allegations being reviewed by the Office of Investigations. None of the allegations appear to be of a sweeping character with very high potential impact.

It is expected that more allegation will surface as construction is completed and employees are discharged. In this regard the applicant Kansas Gas and Electric has instituted a "Quality First Program" which has apparently received worker acceptance. Under this program workers are encouraged to report their views on potential deficiencies and are specifically interviewed for such information upon completion of their employment. It appears that this new procedure will result in the applicants resolution of many concerns which will then not reach the allegation stage. At this time the regulatory work load appears modest and hopefully it will not increase significantly but it needs to be tracked.

Investigations by the Office of Investigations which reports directly to the Commission could potentially surface important delay if not done on a schedule consistent with plant completion progress. Past performance of the OI staff assigned to Region IV indicates that they have attempted to complete their work in a manner consistent with the schedule for plant completion.

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Wolf Creek Work Remaining

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Wolf Creek Work Remaining

<u>Item</u>	<u>Responsible Organization</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>
All Open Allegations	RIV T. Westerman											
4-83-A-75 Intimidation of Craft and Workmanship Problems												
4-83-A-78 Allegation of Intimidation												
4-83-A-79 Intimidation of Craft and Workmanship Proglsm												
4-84-A-07(**) Intimidation of QC Inspection												
4-84-A-08 Improper Construction Practices												
4-84-A-10 Allegation of Improper Construction												
4-84-A-14 Documentation and Construction Deficiencies												
4-84-A-15(**) Harrassment of QC Inspectors												
4-84-A-19(**) Sensitive												

**Schedule is the responsibility of OIED RIV

