

# ORIGINAL

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the matter of:

COMMISSION MEETING

Discussion/Possible Vote on Full  
Power Operating License for Diablo Canyon-2

(Public Meeting)

Docket No.

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UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

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DISCUSSION/POSSIBLE VOTE ON FULL  
POWER OPERATING LICENSE FOR DIABLO CANYON-2  
(PUBLIC MEETING)

- - -

Nuclear Regulatory Commission  
Room 1130  
1717 "H" Street, N.W.  
Washington, D.C.

Thursday, August 1, 1985

The Commission met in open session, pursuant to  
notice, at 10:37 o'clock a.m., NUNZIO J. PALLADINO, Chairman  
of the Commission, presiding.

COMMISSIONERS PRESENT:

- NUNZIO J. PALLADINO, Chairman of the Commission
- THOMAS M. ROBERTS, Member of the Commission
- JAMES K. ASSELSTINE, Member of the Commission
- FREDERICK M. BERNTHAL, Member of the Commission
- LANDO W. ZECH, JR., Member of the Commission

## 1 STAFF AND PRESENTERS SEATED AT COMMISSION TABLE:

2

3 S. CHILK

4 W. DIRCKS

5 H. PLAINE

6 M. MALSCH

7 J. MARTIN

8 H. DENTON

9 N. JENSEN

10 T. NOVAK

11 N. BELL

12 G. MANEATIS

13 H. FRIEND

14 B. NORTON

15 J. SHIFFER

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## 17 AUDIENCE SPEAKERS:

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19 D. BECKHAM

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## P R O C E E D I N G S

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CHAIRMAN PALLADINO: Good morning, ladies and gentlemen. The purpose of today's meeting is to discuss and decide whether or not a full-power license should be granted for the Diablo Canyon nuclear plant unit "2."

On April 26, 1985 the NRC issued a low-power license for the Diablo Canyon nuclear plant, unit "2" authorizing fuel load pre-criticality testing and low-power operation for power levels up to five percent of full power.

By letter dated July 16, 1985 the licensee, Pacific Gas and Electric, indicated that initial criticality is scheduled for August 6 and completion of low-power testing is scheduled for August 16, 1985.

Therefore, the Commission will decide today whether to authorize the staff to issue the full power license given satisfactory criticality and continued low-power testing.

The NRC staff has prepared a presentation. I understand that other members of the NRC staff as well as representatives of Pacific Gas and Electric are available in the audience to answer any questions we might have.

A representative of the Government Accountability Project has requested an opportunity to speak at today's meeting and the Commission has decided to grant this request. We also will provide the licensee an opportunity to speak.

Therefore, at the completion of the staff's

1 presentation, five minutes will be allotted to GAP and to the  
2 licensee.

3 I note that there are two adjudicatory items pending  
4 before the Commission on Diablo Canyon. These are the joint  
5 intervenors petition to review ALAB-811 and their request for  
6 a stay of effectiveness of a full-power license authorization.

7 Our normal practice is to discuss adjudicatory items  
8 in a closed meeting. However, in this instance I propose that  
9 we take up the adjudicatory matters as the last item of the  
10 public meeting.

11 If we get into significant detailed discussion on  
12 this issue, and the Commission wishes to close the meeting, we  
13 will take that up at that time.

14 At the completion of discussion, the Commission may  
15 wish to recess for ten minutes to deliberate on the pending  
16 decision.

17 Upon reconvening, I would poll the other  
18 Commissioners to determine whether or not we should authorize  
19 the staff to issue Diablo Canyon Unit "2" full-power license  
20 given the staff's finding of satisfactory criticality and  
21 continued low-power testing.

22 If the Commission decides to authorize issuance of a  
23 license, then I will ask for the Commission to vote on the  
24 draft order to address any adjudicatory matters and other  
25 contested issues.

1 Today's meeting was originally scheduled for ten  
2 a.m. The Commission apologizes for any unavoidable delay. We  
3 postponed it to accommodate travel plans from our  
4 Commissioners. I understand Commissioner Asselstine has been  
5 delayed but should be here shortly.

6 Let me ask at this time if other Commissioners have  
7 any opening comments?

8 (No response.)

9 CHAIRMAN PALLADINO: Then let me turn the meeting  
10 over to Mr. Dircks.

11 MR. DIRCKS: As you mentioned, Mr. Chairman, we will  
12 be picking up from the last briefing in April. We have a very  
13 summary update type of briefing since the April briefing. So  
14 we won't be covering everything we covered in April but this  
15 will be an update since April.

16 Tom Novak is the briefer today and Jack Martin is  
17 here to cover the operational readiness of the plant.

18 CHAIRMAN PALLADINO: Let me ask the Secretary, is  
19 somebody from Region V listening in on the telephone?

20 MR. CHILK: Yes.

21 CHAIRMAN PALLADINO: Who is that, the resident  
22 inspector?

23 MR. CHILK: I believe so.

24 CHAIRMAN PALLADINO: One-way?

25 MR. CHILK: One way.

1 CHAIRMAN PALLADINO: All right. Thank you.

2 MR. NOVAK: Thank you, Bill. May I have the first  
3 slide, please?

4 (SLIDE.)

5 MR. NOVAK: We plan to give you a very brief update  
6 of the status of the Diablo plant and mention a few other  
7 items and primarily ask Jack Martin to discuss the operational  
8 readiness of the plant.

9 May I see slide two, please?

10 (SLIDE.)

11 MR. NOVAK: As the Chairman noted, the plant has  
12 completed much of the work in preparation for fuel load. It  
13 was completed on May 15. A certain number of pre-op tests are  
14 continuing and the target date is still for initial  
15 criticality next Wednesday.

16 With regard to Unit "1," we have noted that the unit  
17 did go commercial on May 7 and since that time through about  
18 the middle of July, the availability and the capacity of the  
19 unit is reflected by these numbers which would indicate a  
20 rather good availability of this unit and it is continuing to  
21 operate at this time with this similar type of performance.

22 With regard to emergency planning, since our last  
23 discussion we do have a commitment from the licensee to in  
24 effect abide by the GUARD decision. That is, he will comply  
25 with any Commission requirements in response to the GUARD



1 remand.

2 He has identified that the local and regional  
3 medical facilities, he has indicated that those in his  
4 emergency plans as to where a treatment for radiation exposure  
5 is available. We are satisfied and we will be identifying  
6 this commitment as being acceptable in a supplement.

7 May I have the next slide?

8 (SLIDE.)

9 MR. NOVAK: One of the things that we have done on  
10 Diablo Canyon is, in effect, combined the technical  
11 specifications. These plants are very similar. The unit "1"  
12 tech specs were issued late in 1981. There has been a  
13 substantial amount of work done since that time on  
14 Westinghouse type tech specs.

15 Unit "2" represents what I would call the latest  
16 version of those technical specifications and during the  
17 period of time in the last few months, the licensee has  
18 proposed really to update the unit "1" tech specs to unit "2"  
19 so that we would have a common set of tech specs and then just  
20 identify those small differences in the design of the plant.

21 It has been done by a number of utilities who  
22 operate dual unit stations and they see it as an advantage and  
23 the staff is supportive of it.

24 CHAIRMAN PALLADINO: Do we have a set of tech specs  
25 that apply to unit "2" for full-power?

1 MR. NOVAK: Yes, sir. When we are authorized to  
2 issue the full-power license, we would be issuing these common  
3 sets of tech specs. So, in effect, very small change has  
4 occurred to the unit "2" tech specs that are in existence  
5 today.

6 Our procedure is with Commission authorization to  
7 issue a full-power license, we would then issue a net set of  
8 tech specs for both units representing, in effect, mostly the  
9 same tech specs that apply to unit "2" with some small  
10 changes, but the majority of the changes would reflect unit  
11 "1" changes.

12 CHAIRMAN PALLADINO: I guess I am still not clear.  
13 You are going to have a combined common set of tech specs.

14 MR. NOVAK: Yes, sir.

15 CHAIRMAN PALLADINO: But then you said that there  
16 are changes between unit "1" and unit "2."

17 MR. NOVAK: Unit "1" tech specs are typical of the  
18 tech specs that we issued for Westinghouse plants in 1981.  
19 They continue to be applied.

20 The applicant wants to combine and operate from a  
21 common set of tech specs. So he proposed, in effect, to  
22 update the unit "1" tech specs to more reflect what unit "2"  
23 is operating at today.

24 We agree and we have done this on other units. So  
25 what we are proposing to do then is issue a common set of tech

1 specs. With the authorization to issue a full-power license,  
2 we would then issue a NUREG which has the technical  
3 specifications applicable to units "1" and "2."

4 For unit "1," however, we are required to issue an  
5 amendment to that license but the mechanics are, you operate  
6 from a single --

7 CHAIRMAN PALLADINO: Is there any difference between  
8 the two tech specs when they are done?

9 MR. NOVAK: Just to reflect only the slightest  
10 detail differences.

11 CHAIRMAN PALLADINO: And what will be covered?

12 MR. NOVAK: They are identified really by spelling  
13 it out.

14 MR. DENTON: We think this offers a number of  
15 advantages in operator training and familiarity with the plant  
16 and so we have already noticed the proposed amendment of the  
17 unit "1" license and following our usual practice, whenever  
18 the Commission would approve the issuance of a full-power  
19 license, that is when the unit "2" tech spec full-power tech  
20 specs would go into force.

21 Now they are operating under the low-power set of  
22 tech specs so this, in effect, gives them a set of tech specs  
23 which is nearly identical for most aspects of th plant for  
24 both units and identifies the slight differences between the  
25 two of them.

1           CHAIRMAN PALLADINO: That is what I was interested  
2 in. Thank you.

3           MR. NOVAK: The only other item I would point out is  
4 with the exception of just two recently licensed reactor  
5 operators, all of the operating staff today are licensed for  
6 both plants and they will be operating on a five shift  
7 rotation.

8           The staffing is there and the experience is there.  
9 With the issuance of a full-power authorization, for example,  
10 there are no shift advisors required. They have all of the  
11 operating experience they require.

12           CHAIRMAN PALLADINO: Even though these people are  
13 cross-licensed, do you have shifts dedicated to each unit?

14           MR. NOVAK: Yes. I think Mr. Martin can speak  
15 further to that and we have dedicated crews. In a sense if  
16 you were to into the control room, there are operators that  
17 are working on unit "1" versus unit "2" but all of the  
18 personnel that are operations can operate either unit.

19           CHAIRMAN PALLADINO: But the assignments are made  
20 per unit?

21           MR. NOVAK: Per unit.

22           MR. NOVAK: Jack, maybe you would like to amplify  
23 how the utility is actually operating in that regard?

24           MR. MARTIN: Although the crews as I understand it  
25 stick together, they have a rotation scheme to where they

1 periodically not only rotate which shift they work, but they  
2 also rotate among the two units periodically.

3 It is a scheme that the company has elected to  
4 pursue that seems to be working acceptably. I am not aware  
5 that that is done at other plants in the region but we have a  
6 pretty small region so I don't know if that is typical of  
7 elsewhere or not.

8 CHAIRMAN PALLADINO: Do you find this an acceptable  
9 practice?

10 MR. MARTIN: It seems to be producing properly, yes.

11 CHAIRMAN PALLADINO: I guess occasionally they would  
12 have to operate both plants otherwise, they can't maintain a  
13 license on both of them.

14 MR. DENTON: One advantage of it, it does give  
15 whoever is running "2," has had the advantage of operating  
16 unit "1" now all the way through up to full-power. So, in  
17 effect, they have an experienced crew on unit "2." If they  
18 kept them strictly separate, they would have a green crew on  
19 unit "2" and experienced on "1," so I think there are pros and  
20 cons but that is at a micro-management level and we find what  
21 they are doing to be an acceptable way to do it.

22 CHAIRMAN PALLADINO: All right. Thank you.

23 MR. NOVAK: May we have the next slide, please?

24 (SLIDE.)

25 MR. NOVAK: Jack, this is yours.

1           MR. MARTIN: On operational readiness, I think in  
2 summary since the meeting that we had in April we have found  
3 no significant problems in either unit "2" or unit "1" nor  
4 have there been any significant self-revealing type problems.

5           In looking over and preparing for this meeting, I  
6 made a list of all the items that have risen to the threshold  
7 of having to be reported and since April, there have only been  
8 two on unit "2," neither one of them very significant.

9           In looking at unit "1," it has been into power  
10 operations during this entire period and there are a dozen or  
11 so items, some equipment failures and personnel mix-ups, none  
12 of which are terribly significant.

13           We have taken an approach during this period of  
14 being very critical on these items and diving pretty deeply  
15 into them, getting the utility to critique them all and  
16 getting the lessons learned fed back into the system in hopes  
17 of creating a pretty self-critical atmosphere right from the  
18 very beginning.

19           So I think that is why the slide says "more  
20 attention to detail." We are trying to foster that type of an  
21 attitude and it seems to be taking pretty well. People  
22 respond fairly thoroughly to things that come up and there  
23 haven't been a lot of repeat type items.

24           So I would say that unit "2" has not had many  
25 problems at all and unit "1" during this time period has been

1 quite acceptable.

2 Unit "2" system turnover is essentially all the  
3 systems are turned over. The company has proceeded quite  
4 slowly and deliberately on cleaning up open items and getting  
5 all the systems turned over. So, in fact, they are ready to  
6 operate.

7 The numbers of open items on these systems are quite  
8 low compared to others that I am aware of and they expect to  
9 even have all those worked off here in the next few days.

10 So the readiness of the systems is good.

11 COMMISSIONER ZECH: Could I go back just a minute to  
12 the inspection program where you talk about the need for more  
13 attention to detail?

14 MR. MARTIN: Surely.

15 COMMISSIONER ZECH: It was noted during fuel load  
16 operations, could you elaborate just a little bit on that and  
17 the specifics of that, please?

18 MR. MARTIN: I could go through a number of the  
19 kinds of items.

20 COMMISSIONER ZECH: Just as an example is what I am  
21 looking for.

22 MR. MARTIN: For an example, a man was sent to pull  
23 a fuse in a turbine control system in unit "2" and he  
24 misunderstood the order and went and pulled the fuse in the  
25 turbine control system of unit "1" which caused an abnormality

1 in power. Nothing bad happened.

2 Nonetheless, it is the sloppiness in the operation.  
3 So we have worked with them to critique them and the  
4 corrective action was to be more effective in the way they  
5 give the orders and do it more like you would do on a  
6 submarine where the guy has to repeat back the order so you  
7 are sure that he understands what it was he was told to do.

8 These are the kinds of items.

9 COMMISSIONER ZECH: More formality, you mean?

10 MR. MARTIN: More formality and in a sense comes  
11 from experience.

12 COMMISSIONER ZECH: Right.

13 MR. MARTIN: These are obvious after they happen.

14 COMMISSIONER ZECH: But that is the kind of thing  
15 you mean when you talk about more attention to detail.

16 MR. MARTIN: Exactly.

17 COMMISSIONER ZECH: The small things that can be  
18 corrected with formality and a little more discipline perhaps  
19 and a little more attending to business.

20 MR. MARTIN: That's right.

21 CHAIRMAN PALLADINO: Was that a reportable event and  
22 was it reportable for "1" or "2?"

23 MR. MARTIN: Let me see. I was looking here.

24 CHAIRMAN PALLADINO: The reason I asked, the  
25 briefing information we had shows that the rate of reported



1 events for a two month period was zero for Diablo "2."

2 MR. MARTIN: This on unit "1" that this would have  
3 been reportable. There are about of dozen of those. Yes, I  
4 think that is on here. That was one that rose to the level of  
5 a reportable event.

6 CHAIRMAN PALLADINO: But for unit "1" rather than  
7 unit "2."

8 MR. MARTIN: Yes. There was a similar allied  
9 situation where during a surveillance a fellow started the  
10 wrong diesel generator again over a confusion as to what he  
11 was told to do.

12 COMMISSIONER ZECH: Communications.

13 MR. MARTIN: Yes.

14 CHAIRMAN PALLADINO: Wouldn't that be a reportable  
15 event?

16 MR. MARTIN: Yes, it was. That was again for unit  
17 "1."

18 CHAIRMAN PALLADINO: Oh, unit "1?"

19 MR. MARTIN: Yes. Since April, there have only been  
20 two reportable events on unit "2." One had to do, you know,  
21 about half the state down there has been on fire the last  
22 couple of months with the brush fires and whatnot and part of  
23 that, there was the company had elected to switch to some  
24 other transmission lines and in that switching, there was some  
25 electromagnetic interference that caused the control room

1 isolation system to actuate. That was reportable but it is  
2 not terribly significant.

3 There was another case where there was a similar  
4 miscommunication between an operator and an I&C technician on  
5 blocking a reset button. The technician thought he heard over  
6 the phones to reset it rather than to block the reset and that  
7 caused an unusual situation but it was during testing. But  
8 those are the only two that have happened on unit "2."

9 Out of those, they typically convene a critique and  
10 a technical evaluation of several of the managers involved and  
11 the people that were involved and feed this back into the  
12 system.

13 CHAIRMAN PALLADINO: Has PG&E really given attention  
14 to making sure that orders are given clearly, that they are  
15 acknowledged and then confirmed that the action has been  
16 taken?

17 MR. MARTIN: That is what this was all about. I am  
18 convinced that that has improved now. There are some other  
19 things that they are thinking about that they haven't done yet  
20 that might on reflection be a good idea where you have a  
21 couple of plants that are similar perhaps, things should be  
22 done on a different colored paper or something.

23 They are looking even further long range as to how  
24 to further improve this but the immediate problem of people  
25 being not sure what they heard, whether they have been told to

1 do it on unit "1" or unit "2," that seems to have been cleared  
2 up.

3 So I am satisfied with that. The rest of these  
4 items, there was a fellow forgot to radiologically survey an  
5 area around a steam generator prior to a maintenance person  
6 entering to pick-up a tool he just dropped, a couple of  
7 surveillance irregularities.

8 The numbers of these items are small and compare  
9 favorably to what one sees elsewhere.

10 The thing that most impressed me was that when we  
11 have pushed for critiques of these items with an eye towards  
12 learning as much as possible out of them, that has been very  
13 well received and is becoming part of the culture of the  
14 organization.

15 MR. DENTON: I think we talk often about  
16 standardization and we do see it in the second unit. This is  
17 where you get the benefits of standardization. They have over  
18 70 operators licensed who can work on either plant so I think  
19 that is why there is a certain paucity of unusual events.  
20 Part of that must be the fact that it is a duplicate of unit  
21 "1" and they have taken unit "1" through the start-up and up  
22 to full-power.

23 We have seen the same sort of thing on other two  
24 unit plants.

25 COMMISSIONER ZECH: My review of both unit "1" and

1 "2" to date has proved that they really have performed very  
2 well. My only point is, even these small things as  
3 insignificant as they may be, there are lessons to be learned  
4 from them and I hope that the region and the utility are  
5 working to take advantage of even these small things because  
6 the record has been as far as I can tell very, very good but  
7 there is always room for improvement and I hope that is the  
8 attitude that prevails.

9 MR. MARTIN: That is the idea and my experience is  
10 the first several months are so significant, I mean the  
11 attitude of the organization --

12 COMMISSIONER ZECH: That is right.

13 MR. MARTIN: -- gets set so I think a good healthy,  
14 generalizing these things beyond the specifics is a good thing  
15 to do and I hope that it will pay off down stream.

16 COMMISSIONER BERNTHAL: I am looking at one of the  
17 enclosures that you had here, a table of recorded events and I  
18 am kind of listening with one ear here and looking at this  
19 table with the other and I recognize that you have been taking  
20 here obviously about events that are not reportable, small  
21 things as you indicate.

22 It is true that Diablo Unit "2" with zero comparing  
23 with some other notable cases that frankly I would rather talk  
24 about right now but it is not the time where we have a "15 per  
25 month" or "11 per month" or a dozen per month, an average of

1 seven or eight per month of 50.72 and LER's for the various  
2 plants here and Diablo, we have zero.

3 My understanding is that Diablo has yet to go  
4 critical. Am I misunderstanding that?

5 MR. MARTIN: That is a good observation. You are  
6 right. Typically, when we get to this stage there is a little  
7 bit more operation under the belt. I think at Palo Verde, for  
8 example, they had been critical for a week or so and they have  
9 another few days here before they do go critical so there is  
10 still plenty of opportunity to that list. I hope it doesn't  
11 happen.

12 COMMISSIONER BERNTHAL: Have these other plants  
13 nevertheless racked up quite a few reportable events before  
14 they went critical so that Diablo still looks pretty good?

15 MR. MARTIN: As I look back, we went through this  
16 same analysis for unit "1" and as I recall there weren't more,  
17 certainly no more than eight or ten items.

18 COMMISSIONER BERNTHAL: Total or per month?

19 MR. MARTIN: Total.

20 COMMISSIONER BERNTHAL: I see.

21 MR. MARTIN: It is a fairly small number and the  
22 number of things that we measured were number of trips,  
23 numbers of LER's and they were pretty small.

24 COMMISSIONER BERNTHAL: That's good.

25 CHAIRMAN PALLADINO: Your question was a little

1 different and it would be interesting to get an answer. I  
2 think your question related to how many reportable events did  
3 other plants have before they go critical?

4 MR. NOVAK: I would make one comment, sir. For  
5 example, unit "2," the security plan is in operation. It has  
6 been there. Typically, new plants, the first unit, I think  
7 you always have that shake down period and I think you see  
8 some of that number missing.

9 COMMISSIONER BERNTHAL: Security events.

10 MR. NOVAK: Yes. That can occur at any time and  
11 probably earlier so I think there are a number of things that  
12 go into the equation.

13 We do think that they are fairly responsive to this  
14 plant.

15 COMMISSIONER BERNTHAL: It strikes me that ten days  
16 is pretty tight going to get all the low-power testing done up  
17 to five percent but we can talk about that later and I assume  
18 you will talk about it.

19 MR. NOVAK: We didn't plan on it but, for example,  
20 on unit "1," they did complete it in seven or eight days and  
21 actually the second unit low-power testing is slightly less.  
22 So if things work according to schedule, they could probably  
23 complete it within a week.

24 COMMISSIONER BERNTHAL: I see.

25 MR. NOVAK: That is a pressurized water reactor

1 MR. DENTON: That is after the fuel is loaded.

2 COMMISSIONER BERNTHAL: All right.

3 MR. MARTIN: I didn't have much more to say on  
4 operations other than things have been going pretty well both  
5 on unit "1" and unit "2."

6 Could we have the next slide, please?

7 (SLIDE.)

8 MR. MARTIN: The next item that I wanted to cover  
9 was allegations and basically since April all of us, NRR, the  
10 region and OI, have continued to work on the backlog that we  
11 had so that the numbers of new allegations we have received  
12 have been pretty small.

13 So as it stands right now, we have received 1,720  
14 allegations -- I am sorry, this is as of June 30. The figures  
15 have changed slightly since then but we had received 1,720  
16 allegations.

17 CHAIRMAN PALLADINO: Is that for both plants?

18 MR. MARTIN: Both plants, and we have resolved all  
19 of them and documented all but 325 on unit "2" and 251 on unit  
20 "1."

21 Out of those numbers, about 200 of those are in the  
22 OI area which you talked about last week. So we are talking  
23 in the order of 125 or so that they staff still has and are  
24 working off on at units "1" and "2." There isn't anything  
25 really new to report there other than we are making steady

1 progress in documenting and resolving these.

2 CHAIRMAN PALLADINO: How many do you have that  
3 relate to technical adequacy of the plant?

4 MR. MARTIN: Let's see.

5 CHAIRMAN PALLADINO: Roughly.

6 MR. MARTIN: For unit "2," there is 128 still open  
7 that the staff has that would relate to technical issues. Of  
8 that, 31 the region is working on and we are in the final  
9 stages of looking at those and documenting them and we don't  
10 see anything in there that would call the plant into question.

11 They are the typical questions on records and  
12 different observations and claims by people that we are  
13 working off.

14 The remaining 95 are in NRR's area. Do you fellows  
15 want to characterize those?

16 MR. NOVAK: Yes, I think I can very simply. After  
17 November 1984 if we received an allegation on Diablo Canyon,  
18 we would treat it as an allegation against both units. So  
19 from November of 1984 to today, any allegation that we  
20 received we review it as if it could apply to both units.

21 Prior to November of 1984, we reviewed the  
22 allegation more or less unit specific. So there are a number  
23 of allegations that were reviewed before November of 1984  
24 specifically for unit "1."

25 What we are in the process of doing now is going



1 back and looking at those allegations for their applicability  
2 for unit "2" and we are carrying it as an open allegation.

3 That is the thrust of the effort yet to be done with  
4 regard to this.

5 CHAIRMAN PALLADINO: I guess what I am trying to get  
6 a feel for is how the staff can go forward in view of these  
7 allegations. I don't know if the answer is that you have  
8 screened them and you know that the issue is. I would like to  
9 get a feel for how you can go forward in view of these  
10 allegations relating to technical matters.

11 MR. MARTIN: Now that I understand the question, let  
12 me go through that. Yes. Each of these allegations has been  
13 screened by a review board to decide whether it rises to the  
14 level of the criteria that we have established and are  
15 documented in SSER-22 for that type of an item that needs to  
16 be resolved prior to proceeding.

17 These were the kinds of things that the review board  
18 screened the items against. None of these rise to that level,  
19 but nonetheless, they are the sorts of things that we should  
20 check out and complete our review of and document.

21 So each of these 128 items have gone through the  
22 review process and none of them are the types of items that  
23 would demand investigation and resolution prior to decision  
24 making.

25 COMMISSIONER BERNTHAL: Thus far, this is awfully

1 qualitative. Could you tell us how many of these whatever  
2 100-odd allegations that we have discussed to far here and  
3 also last week, first of all raised items that had not been  
4 considered before that really looked and appeared to be  
5 something new to you, what fraction of those, and secondly,  
6 how many individuals that you are aware of stepped forward  
7 with allegations that had not heretofore presented allegations  
8 whether similar or different just to get a feeling for whether  
9 there is novelty here or not.

10 Is that too tough a question?

11 MR. MARTIN. I think that is too detailed a  
12 question. I know that information is available but I don't  
13 have it right here where I could definitively go through it.  
14 I have 31 items that my impression are none of them involve,  
15 for example, a case where somebody says, "I know where there  
16 is something wrong in the plant." These are all items that by  
17 in large involve speculation on irregularities in paperwork or  
18 items that somebody remembers a non-conformance report of some  
19 sort that he didn't like the way it got handled.

20 All of those that involve somebody with something  
21 specific that "I know where there is something wrong in the  
22 plant," none of them rise to that threshold.

23 My impression is that the same is the case with the  
24 design items, are they not? I know of no new types of  
25 allegations that are of a different type than we have talked

1 before that have come up since April.

2 COMMISSIONER BERNTHAL: That is really the question.

3 MR. MARTIN: This is basically a continuing to work  
4 off the backlog of things that we have talked about time and  
5 time and time again. First we came in with hundreds of them  
6 open and now we are down to like 100 and continuing. I do not  
7 believe that there is anything new or unusual in there. That  
8 is why I didn't come with a big stack of details this time.

9 COMMISSIONER BERNTHAL: What about the source of the  
10 allegations? Have there been new individuals that are  
11 presenting the allegations? I am just trying to get a sense  
12 of whether there is something and many of these have come in  
13 on July 15, I guess, or something like that. The question is  
14 one of what is new on this, what is the fraction?

15 MR. MARTIN: I think what we are talking about there  
16 is somewhere in the middle of July, OI was handed a stack of  
17 affidavits of material that was going to be used and I am not  
18 sure where it was going to be used. There was no cover letter  
19 or anything but our understanding was that it was going to be  
20 used with the public service commission and it was four or  
21 five affidavits dealing with the claimed irregularities at the  
22 plant.

23 I had staff members who were familiar with these  
24 allegers, there were four involved, who were familiar with  
25 and know, read these affidavits and with that in mind, is

1       there anything in here that we haven't seen before. I would  
2       estimate there is like 150 pages worth of material involved,  
3       120 to 150 pages, and our conclusion is there may be a half  
4       dozen or less wrinkles on things that we haven't thought of  
5       before but it is by in large a reproduction of things we have  
6       already looked at.

7               MR. DENTON: Our experience is the same. I think  
8       there maybe has been one new individual that has brought forth  
9       allegations that we haven't discussed with you in the past but  
10      I think the area in which he brought them up was in the  
11      Pullman area, very similar to ones that had been looked into.

12             COMMISSIONER BERNTHAL: New individual but not new  
13      material is what you are saying.

14             MR. MARTIN: It is a new allegor but he is someone  
15      who we dealt with personally and resolved his concern almost a  
16      decade ago. It has come up again as well. I didn't really  
17      agree with the way that was handled. That is why I say that  
18      it is people that we have dealt with and are familiar with and  
19      fortunately the inspector who did the work is back with the  
20      agency and we had him read through the material and pull out  
21      the inspection reports and concluded, yes, that was  
22      responsibly dealt with.

23             COMMISSIONER BERNTHAL: Harold, did you have other  
24      comment on that or should that do it?

25             MR. DENTON: No. We reached the same conclusion

1 that none of them that we had rise to the level of the  
2 criteria we have set for it to preclude licensing.

3 We will continue to work them and document our  
4 resolution of them and if anything changes, we will get back  
5 to you but they are all in areas in which we have done a lot  
6 of looking as we have described over the years so we are  
7 comfortable going forward in spite of these record and data  
8 keeping issues that are here.

9 CHAIRMAN PALLADINO: All right.

10 MR. MARTIN: I think that is all that we really have  
11 to present.

12 MR. NOVAK: Just to close-out, there is one  
13 outstanding petition that is on GAP and in effect, it goes  
14 back to the issue of the allegations. What we intend to do is  
15 early in November issue an additional safety evaluation which  
16 would then document all of the items that we have resolved,  
17 any open allegations and at that time then make a decision  
18 with regard to the petition, the 2.206 petition.

19 That is our schedule and that is our plan for  
20 closing down on these "number" of open allegations.

21 Finally we have just our conclusion slide, may I  
22 have that slide, please?

23 (SLIDE.)

24 CHAIRMAN PALLADINO: Conclusion slide?

25 MR. NOVAK: We have added one because we thought we

1 were in a better position today to talk to you about the  
2 conclusions.

3 CHAIRMAN PALLADINO: Is there a conclusion slide?

4 MR. NOVAK: There isn't one in your package, sir.

5 CHAIRMAN PALLADINO: All right. Why don't you read  
6 it then.

7 MR. NOVAK: It is a short conclusion. The staff  
8 concludes that the licensee meets all the requirements for  
9 issuance of a full-power license. We will, of course, work  
10 with the region to watch the performance of initial  
11 criticality and successive low-power testing and then as a  
12 collegial body reach a decision given the Commission  
13 authorizes us to issue a full-power license at the appropriate  
14 time for it.

15 CHAIRMAN PALLADINO: Does that complete the staff  
16 presentation?

17 MR. DENTON: Yes, it does, Mr. Chairman.

18 CHAIRMAN PALLADINO: I have only one question.  
19 Could you review the status of SALP reports on number "2" or  
20 number "1" or both?

21 MR. MARTIN: I looked at that before I came here and  
22 it is interesting that the SALP period ends today and if I  
23 looked at last year's report which, of course, ended a year  
24 ago the ratings were mostly "2's" with a couple of "1's" and I  
25 have started the practice of putting a little comment in the

1 margin, is it improving or decreasing so you can at least get  
2 a sense of direction.

3 We have not had the SALP board meeting to review  
4 this last calendar year's performance but I think it is  
5 certainly consistent if not improving from last year.

6 So how many "1's" and how many "2's," we have to get  
7 our board together to figure out, but the general consensus  
8 before I left the region was that most of the areas look like  
9 they are in the improving category so they will either be  
10 "1's" or "2's" and some may have made the transition from "2"  
11 to "1." None of them are "3's."

12 CHAIRMAN PALLADINO: None of them are "3's?"

13 MR. MARTIN: No.

14 CHAIRMAN PALLADINO: Even on the old report?

15 MR. MARTIN: No.

16 CHAIRMAN PALLADINO: I think it would be helpful in  
17 the briefing packet if we included the summary table of the  
18 SALP results. How about unit "1?" Do you have any?

19 MR. MARTIN: We rated them together and that would  
20 be the case for both.

21 CHAIRMAN PALLADINO: You rated them together?

22 MR. MARTIN: Yes, sir.

23 CHAIRMAN PALLADINO: Any other questions the  
24 Commissioner's have?

25 COMMISSIONER ROBERTS: No.

1 COMMISSIONER ZECH: No.

2 COMMISSIONER BERNTHAL: I guess we have discussed a  
3 little bit the question of operator training and you have  
4 given a pretty good report. However, I wondered if we could  
5 take the point once over lightly again at least because our  
6 last time around in unit "1," that was a major issue as you  
7 recall.

8 Could you give us a little better summary perhaps  
9 with a few numbers at least on to what extent we are better  
10 off and the whole operation there is, I hope, is considerably  
11 better off? What is the status of using STA's and experience  
12 levels now and such things? Can we have a little more data on  
13 that?

14 MR. DENTON: Yes. Let me ask Don Beckham to give  
15 you a report on that.

16 MR. BECKHAM: My name is Don Beckham. I am the  
17 acting deputy director of the division of human factors  
18 safety. We have been watching Diablo Canyon as they have  
19 progressed primarily because of the issues that were raised  
20 specifically to Diablo Canyon.

21 We reported to you in April on the improvement that  
22 we have seen in the operator licensing and training since  
23 1982. We have continued to see outstanding performance in the  
24 area of operator training since then.

25 Since the licensing of unit "1," they have their



1 site specific simulator which has been operational. They have  
2 had a very aggressive program for training the operators and  
3 the entire operating crew using the simulator. They have run  
4 through start-up procedures on the simulator and they have  
5 continued to perform extremely well in their examinations.

6 We reported to you last time that they had not had  
7 an operator fail an examination since 1982. In the last exams  
8 they did, they dropped their perfect record but they have to  
9 date had only three operators fail exams. They were all  
10 senior operator candidates and one of those, I understand, is  
11 under appeal.

12 I would characterize the experience and the  
13 inspections and reports on the training program to be above  
14 average and continuing commitment to aggressive training and  
15 aggressive follow-up on operational events, essentially, the  
16 lessons learned not only at Diablo Canyon but at other units  
17 in the training program and we have noticed a very tight tie  
18 between the operations department and training department for  
19 PG&E.

20 COMMISSIONER BEBNTHAL: I didn't hear many  
21 statistics there though. How does the overall experience  
22 level on shift, what is it, five shifts or six, whatever it  
23 is, stack up against the standard that the Commission at least  
24 adopted as a matter of policy a year or two ago here?

25 MR. BECKHAM: If you remember, the Diablo Canyon

1 unit "1" started up with shift advisors. The shift advisors  
2 have just recently been released with the concurrence of the  
3 staff. All of the operators who will be operating unit two  
4 through the power ascension program have had at least the  
5 experience requirements on unit "1."

6 So they will be operating unit "2" with  
7 seasoned crews. They have 71 dual-licensed operators at both  
8 units. So they have a very large amount of operators that are  
9 licensed to operate both units and all of those operators have  
10 had experience both in observation and participation in a  
11 training status at other units and also the direct experience  
12 in the power ascension program and commercial operation of  
13 unit "1."

14 They meet all of the requirements for operating  
15 experience on shift and unit "2" will not be required to have  
16 shift advisors for unit "2" start-up.

17 COMMISSIONER BERNTHAL: Sounds good.

18 CHAIRMAN PALLADINO: Any other questions?

19 (No response.)

20 CHAIRMAN PALLADINO: All right. I suggest that we  
21 excuse the staff and have Nina Bell join us at the table. We  
22 are pleased to give you five minutes to make your presentation  
23 and we will then see if we have Commissioner questions.

24 MS. BELL: Thank you. My name is Nina Bell. I am  
25 speaking on behalf of Timothy O'Neill and James McDermott, who

1 are two ex-employees at the Diablo Canyon Nuclear Power Plant.

2 As former quality control inspectors at the Diablo  
3 Canyon plant who are concerned with the safety of that  
4 facility, we suggest that you are voting with inaccurate and  
5 incomplete information supplied by your subordinates and the  
6 licensee.

7 We are outraged by the performance of certain levels  
8 of this Commission in addressing allegations of inspector  
9 harassment, deficiencies and safety problems at the Diablo  
10 Canyon Nuclear Power Plant and we respectfully suggest that  
11 you have been misled by your subordinates.

12 A recent Examples Report number 584-010 which was  
13 released by the NRC office of investigations in February of  
14 1985 with a cover letter from region dated July 16, 1985, in  
15 this report the OI investigators find specific examples of  
16 inspector harassment by the licensee and a subcontractor at  
17 the Diablo Canyon site.

18 These include a complaint of harassment and  
19 intimidation of QC inspectors which was reported to the  
20 licensee's quality hot line and not investigated seriously  
21 possibly because the licensee's QA supervisor is responsible  
22 for oversight of contractor QA programs and would be auditing  
23 his own performance.

24 Two, six of eight inspectors in a group interviewed  
25 by OI investigators confirmed that the assistant QC supervisor

1 "used gestapo tactics" to supervise the section.

2 Three, a threat by the same assistant QC supervisor  
3 to his immediate supervisor to "bash his head in" for not  
4 scheduling the assistant supervisor for overtime.

5 Four, attempts to terminate two inspectors who had  
6 differing code opinions than the assistant supervisor which  
7 were later resolved in favor of those individual inspectors  
8 and threats by the assistant QC supervisor to have an  
9 inspector terminated for refusing to sign documentation the  
10 inspector believed to be incorrect which was also resolved in  
11 favor of that inspector.

12 Five, attempts by the assistant QC supervisor to  
13 discourage documentation of discrepant items and lastly,  
14 unsubstantiated allegations by management of poor performance  
15 as a supervisor and a "personality conflict" as the basis for  
16 demoting a QC supervisor to a QC inspector.

17 Finally, we quote from the report, "The assistant QC  
18 supervisor admitted that he did counsel a few of them and  
19 attempted to have two others terminated."

20 In the cover letter from region V addressed to the  
21 licensee, the NRC concluded that "no violations of NRC  
22 requirements were identified within the scope of the  
23 investigation." We feel that this conclusion is unsupported  
24 by the statements in the report alluded to above and suggests  
25 the Commissioners review 10 CFR section 50.7 which is

1 entitled, "employee protection."

2 The safety of the Diablo Canyon power plant is in  
3 question because the allegations of conscientious inspectors  
4 and workers at the plant have not been dealt with honestly,  
5 forthrightly and in a manner prescribed by law.

6 There has been harassment of employees who have  
7 gone to the utility or the NRC with safety concerns. Workers  
8 have been fired for voicing their concerns about construction  
9 methods, quality assurance and compliance with NRC procedural  
10 requirements.

11 The licensee and subcontractors have been allowed  
12 to investigate themselves and with the approval of the NRC  
13 staff to address allegations.

14 It is not surprising that their conclusions have  
15 been in nearly all of the cases that the allegation is  
16 considered of no merit or substantiated but insignificant to  
17 safety.

18 Most disturbing of all, however, is the fact that  
19 these conclusions by the licensee have been accepted by the  
20 NRC without appropriate scrutiny and before the facts have  
21 been examined.

22 We urge you to get to the bottom of this matter. We  
23 respectfully suggest an investigation by the OIA into the  
24 circumstances of report 584-010 and the conclusions of the  
25 region V staff.

1           We also urge you to thoroughly investigate the  
2 utilities quality hot line as this apparent conflict of  
3 interest should not be allowed to replace the role of the NRC  
4 when allegations of harassment and intimidation are raised.

5           We respectfully remind you that according to 10 CFR  
6 50.7(c)(1) any one of the examples we have noted could be  
7 cause for the denial, revocation or suspension of the license  
8 referred to in this section.

9           You are acting on behalf of the people of the United  
10 States and their safety is in your hands.

11           The items that we have called to your attention and  
12 many others are still under investigation. We feel obliged to  
13 inform you that at this time you do not have the complete and  
14 accurate information with which to make a decision that  
15 affects the lives and property of very many people.

16           Please investigate further before you vote on this  
17 license and thank you for allowing us to present this  
18 information to you which was, as I said before, signed by  
19 James McDermott and Timothy O'Neill.

20           CHAIRMAN PALLADINO: Thank you, Ms. Bell. One  
21 question is suggested by your presentation. I gather you  
22 don't believe in a hot line whereby employees can call into a  
23 number within the company and register a complaint?

24           MS. BELL: First of all, this is the whistle  
25 blower's statements. This is not my own. What they are

1 saying is that the quality hot line is fine but when you have  
2 people making allegations of intimidation and harassment by  
3 the very company that they are then reporting the allegation  
4 to, something drops out there and what drops out is that there  
5 is a little bit too much self-policing and NRC ought to be  
6 more involved in those allegations.

7 CHAIRMAN PALLADINO: I presume that the hot line  
8 doesn't preclude the individual from also notifying the NRC or  
9 from going to the NRC if it wishes.

10 MS. BELL: Presumably, it doesn't. I think that  
11 when the utility sets up the program and encourages people to  
12 use it, that probably people do. Perhaps in this case they  
13 would have felt more satisfied if the NRC had showed a little  
14 bit more interest themselves.

15 CHAIRMAN PALLADINO: It is not clear to me whether  
16 some of these things were reported to the NRC or not. I was  
17 interested in whether or not you believed that it was improper  
18 for people to call their own management and tell them what  
19 they think is wrong.

20 As a matter of fact, I think that is the fastest way  
21 to get a correction.

22 MS. BELL: I think that there is a role for both  
23 having information about what may or may not be wrong with the  
24 plant design and construction going both to the NRC as the  
25 regulator and to the utility as the constructor but there are

1 obviously some problems with self-policing.

2 There are also problems in the fact that the NRC  
3 can't put in the amount of time that it ought to in inspection  
4 and in reviewing allegations and that is just a constraint of  
5 your budget.

6 There are problems there. The only question is  
7 whether or not the people who have made these allegations and  
8 who are not anti-nuclear, they built that plant. They want it  
9 to operate safely. There are questions of whether or not  
10 their allegations have been paid attention to and taken  
11 seriously.

12 Obviously, a lot of them feel that that was not true  
13 and they also feel that they were discriminated against by the  
14 licensee in the process of trying to bring these safety issues  
15 to the attention of either the licensee, the subcontractors or  
16 the NRC.

17 CHAIRMAN PALLADINO: Thank you. Other questions or  
18 comments?

19 COMMISSIONER BERNTHAL: I guess I think that it  
20 would be appropriate if again we could just hear 25 words or  
21 less maybe from the staff on commenting on this list that we  
22 just heard. Again, I would ask the question whether there is  
23 something there that pops out as novel and needs attention or  
24 are all of these items things that staff is well aware of and  
25 has dealt with before and knows about. Does anybody want to



1 step forward on that?

2 MR. MARTIN: I don't know that I can do it justice  
3 in 25 words or less, but I think -- let's think back. The  
4 gist of what I just heard was again largely colored with  
5 intimidation and harassment and inability to get a straight  
6 story as to what is going on at the plant.

7 I think I would just like to recap what we said the  
8 last several times we have been here. From the very beginning  
9 in looking into this allegation process, the staff has been  
10 quite alert to develop a sense, is there an atmosphere at that  
11 plant that is inhibiting people bringing forward problems?

12 Is there an overall corruption, in other words, of  
13 the management and quality systems that we depend upon to know  
14 what is happening?

15 I will just to recount, we have interviewed hundreds  
16 of people, I can't even remember how many anymore, but  
17 probably on the order of 200 people, with just that question,  
18 "Do you feel inhibited?" "Do we have a situation here where  
19 it is difficult to bring problems forward?"

20 The agency, not only region V but other regions,  
21 headquarters, OI, OIA, we have had dozens of people at that  
22 site interfacing with all kinds of folks and I have yet to  
23 talk to any of them who have detected an unhealthy atmosphere  
24 with regard to bringing forward problems.

25 What we have said in the past is that these

1 construction sites are rough places. there are all kinds of  
2 conflicts and differing opinions and there are certainly a  
3 number of people who feel very strongly that they were dealt  
4 with improperly and they may have been. I just don't know.  
5 That is what OI and Labor has been looking into for these many  
6 months.

7 So of the dozen or so people including the ones that  
8 have made this statement, whether they have been dealt with  
9 unfairly, I am not really sure yet. That process is not  
10 completely finished. OI is still looking at some of these  
11 cases but I think we can all say that even if true, it doesn't  
12 represent an overall negative comment on the management and  
13 quality systems that we need to deal with this plant.

14 On the specific case involved, in the OI report, I  
15 don't have it before me but if my memory serves me what the  
16 report will say when you get to the conclusion part of it is  
17 that there appears to have been a very strong conflict of  
18 personalities between the person involved and the assistant QC  
19 supervisor.

20 However, the investigator did not find any case  
21 where and I don't believe nor did the alleged claim that he  
22 was forced to do anything that he thought was wrong. So I  
23 think there is more to the story than what was just read and I  
24 would suggest that you read the entire investigator's report.

25 It doesn't surprise me that there are conflicts of

1 personality at the site and it doesn't surprise me that there  
2 are indiscretions and yelling and all kinds of things that go  
3 on.

4 But we have to keep our eye on the ball. Do these  
5 things, are they pervasive enough and do they represent an  
6 overall condemnation of the systems that we rely on where  
7 people can bring problems up and get them dealt with  
8 responsibly.

9 We have not found that to be the case. That is more  
10 than 25 words.

11 COMMISSIONER BERNTHAL: Maybe just a few more but I  
12 appreciate the comment. Thank you.

13 CHAIRMAN PALLADINO: Any other questions?

14 (No response.)

15 CHAIRMAN PALLADINO: Thank you, Ms. Bell.

16 At this time, could we have the representatives of  
17 Pacific Gas and Electric to join us at the table.

18 COMMISSIONER ASSELSTINE: Joe, I wonder if you could  
19 indulge me one moment. I apologize for being late this  
20 morning. I spent all night on airplanes.

21 CHAIRMAN PALLADINO: That is what I understand.

22 COMMISSIONER ASSELSTINE: I put my faith in Eastern  
23 Airlines and Frank Borman let me down.

24 (Laughter.)

25 COMMISSIONER ASSELSTINE: So I had to wait a couple

1 of hours while they repaired a plane.

2 I had just a couple of questions that I was  
3 interested in hearing from the staff on on the performance of  
4 Diablo "1" over the past year. I don't know if you have  
5 covered that already but it would be useful if both Region V  
6 and NRR could just say a few words about the first year of  
7 operation of Diablo Canyon Unit "1."

8 I would be particularly interested in things like  
9 the number of trips for the unit, the number of safety  
10 injections if there have been any, any failures of a safety  
11 system during the first year of operation and any notable  
12 personnel errors either by operators or by maintenance  
13 personnel and also how that first year of experience compares  
14 with some of the other new large Westinghouse PWR's that have  
15 gone into operation over the past few years including places  
16 like Calloway, Salem and Byron.

17 CHAIRMAN PALLADINO: Can we have a staff response?

18 MR. NOVAK: This is Tom Novak of the staff. I can  
19 give you part of an answer to your question, sir. Back in  
20 April we did look at Diablo Canyon "1" from about November  
21 through April and we compared it to plants such as McGuire  
22 unit "2," the Summer station, San Onofre unit "3" and then the  
23 second unit at St. Lucie "2."

24 Generally, Diablo Canyon unit "1" compares well to a  
25 station starting up its first unit. When you compare it to a

1 plant which is bringing on its second unit, the McGuire unit  
2 "2" station and the St. Lucie "2," it doesn't do as well and  
3 we would expect that.

4 In terms of the number of trips, for example, at  
5 Diablo during that time period, 11 were reported at Diablo  
6 unit "1," 15 at McGuire unit "2," nine at Summer, eight at San  
7 Onofre "3" and seven at St. Lucie unit "2."

8 So we have watched the performance. My personal  
9 conviction is that it is probably running better than the  
10 average first unit at a plant. When you compare it to the  
11 second unit though we do see generally an improvement across  
12 the board.

13 I think that is generally my feeling towards unit  
14 "1" operations.

15 COMMISSIONER ASSELSTINE: All right. Do you have  
16 any specific figures on the other things, for example, any  
17 safety injections?

18 MR. NOVAK: I don't have it broken out. I have  
19 50.72 reports and LER's. We can make those numbers available  
20 to you.

21 COMMISSIONER ASSELSTINE: How do the numbers compare  
22 on LER's?

23 MR. NOVAK: For example, on 50.72 reports for  
24 Diablo, 35 for unit "1," 26 for unit "2" at McGuire. Summer  
25 reported 25. San Onofre unit "3" reported 64 and St. Lucie

1 unit "2" reported nine. That is why we exclude region V  
2 because they have a smaller population and they might look  
3 much better than San Onofre "3."

4 On LER's, Diablo unit "1" had 31. McGuire unit "2"  
5 had 27. Summer had 37. San Onofre "3" again 38 and St. Lucie  
6 "2," 13.

7 COMMISSIONER ASSELSTINE: All right.

8 MR. NOVAK: I think generally all of these variables  
9 suggest that general performance that they are probably doing  
10 as well if not better than any that we have recently seen  
11 coming up but when you look at a second unit, they still have  
12 a mark to try to maintain.

13 CHAIRMAN PALLADINO: Were those numbers for the  
14 comparable stage in the operation?

15 MR. NOVAK: I think we tried to do that, sir.

16 COMMISSIONER ASSELSTINE: So it is roughly the first  
17 six to eight months of operation?

18 MR. NOVAK: Right.

19 CHAIRMAN PALLADINO: All right.

20 COMMISSIONER ASSELSTINE: Thanks, Tom.

21 CHAIRMAN PALLADINO: Can we now have representatives  
22 from PG&E join us at the table?

23 We would like to give you five minutes to make any  
24 statement you want and then we will see if the Commission has  
25 questions.

1           MR. MANEATIS: Good morning, Mr. Chairman and  
2           Commissioners. I am George Maneatis, executive vice president  
3           for facilities and electric resources development. With me  
4           today are Jim Shiffer, vice president of nuclear power  
5           generation, to my right, Howard Friend, vice president of  
6           Bechtel and the Diablo Canyon project completion manager and  
7           to the far left, Bruce Norton, our licensing attorney.

8           I would like to thank the Commission for providing  
9           me with this opportunity to comment on the readiness of Diablo  
10          Canyon unit "2" to begin full-power operation.

11          As the senior executive officer responsible for the  
12          completion and operation of Diablo Canyon Nuclear Power Plant,  
13          I wish to assure the Commission that unit "2" is ready in  
14          every respect to receive its full-power operating license and  
15          at the conclusion of the low-power testing program to proceed  
16          with operations above five percent power.

17          This assurance is based on a number of factors, the  
18          most important of which are the following.

19          Unit "2" has successfully undergone a thorough and  
20          comprehensive design review and found to meet all applicable  
21          licensing criteria and regulatory requirements.

22          All construction activities necessary to support  
23          full-power operation have been completed.

24          The low-power test program is well along and nearing  
25          completion. Minor problems identified to date have been

1 corrected and the integrity and availability of key systems  
2 and components have been confirmed.

3           Operation of unit "1" to date has been very  
4 successful providing added confidence that unit "2" can be  
5 operated and maintained to the high standards of the Nuclear  
6 Regulatory Commission and the nuclear industry.

7           I would like to touch on our operating experience  
8 with unit "1" for a moment. Since beginning commercial  
9 operation on May 7, unit "1" has operated at a cumulative  
10 capacity factor of 92 percent and has been available for  
11 operation 97 percent of the time. This operating record has  
12 exceeded our own high expectations and is indicative of our  
13 ability to operate a large nuclear power plant safely and  
14 reliably.

15           As pleased as we are with the operation of unit "1,"  
16 we have spared no effort to insure that unit "2" will be  
17 operated to the same high standards of excellence we have set  
18 for unit "1."

19           Our operating organization is experienced and well  
20 trained and our facilities are being continuously enhanced to  
21 further improve our training and management effectiveness. We  
22 believe that we are now ready to operate both units at Diablo  
23 Canyon at full-power.

24           I hope you will concur with our assessment and  
25 authorize the issuance of a full-power operating license for



1 unit "2" as recommended earlier by the staff.

2 That concludes my remarks and now my colleagues and  
3 I will be happy to answer any questions you may have.

4 CHAIRMAN PALLADINO: All right. Thank you,  
5 Mr. Maneatis. I have two questions that I would like to raise  
6 for a moment.

7 You heard the staff report about some of the  
8 communication problems that have been brought to their  
9 attention and I think you heard a couple of us at least  
10 emphasize the importance of communications.

11 What sort of instructions do you give with regard to  
12 giving orders, acknowledging orders, making sure that there is  
13 acknowledgement of implementation? I am speaking of orders  
14 within the control room particularly.

15 MR. MANEATIS: This is a matter that we have very  
16 carefully reviewed at the plant. I think I will ask Jim  
17 Shiffer, our VP of nuclear operations, to specifically tell  
18 you how we have changed our procedures to ensure more formal  
19 communications, clearer communications, to all operators.

20 MR. SHIFFER: As a result of the incidents that were  
21 discussed previously, I sat down here about three weeks ago, I  
22 guess it was, with the senior managers at the plant and we  
23 discussed this problem for several hours and tried to come up  
24 with numerous potential ways to improve it.

25 I have a task force of people right now at the plant

1 taking the list that we developed of possible fixes and  
2 recommending to me the ones that we ought to implement. But  
3 the one that we did agree to implement at the time is simply,  
4 the root problem is these verbal communications.

5 So we just insist now that every verbal  
6 communication to an operator be repeated back for accuracy and  
7 I believe it was Mr. Martin mentioned, we are looking at some  
8 other possibilities as far as better identification of  
9 equipment on the two units, use more color coding, possibly  
10 doing procedures on different colored paper and lots of other  
11 things that have some potential merit.

12 I might also add that one of the things that was  
13 brought up previously or it was questioned previously was, do  
14 our operators work both units and things. Yes, they do. That  
15 is done deliberately to foster a feeling that you always have  
16 to pay attention to which unit you are on.

17 In other words, we are very concerned about an  
18 operator who say consistently works unit "2" and then once is  
19 required to go over to unit "1" and forgets that he is not on  
20 his normal unit so we deliberately swap our operators back and  
21 forth and our maintenance people back and forth to not get  
22 people into this kind of habit, make them think every time.

23 CHAIRMAN PALLADINO: With regard to the oral  
24 communication, I still want to come back to that. You  
25 indicated that the orders are acknowledged. Is there any

1 follow-up or any requirements whereby the person who is to  
2 carry out the order states and reports back that the order has  
3 been carried out which I think is a very important point in  
4 itself?

5 I am no submariner but I have spent a time on the  
6 submarines and watched the people operate and I have been very  
7 impressed by them.

8 MR. SHIFFER: That is routinely done.

9 CHAIRMAN PALLADINO: Ybu say routinely. I have  
10 observed at other plants that this is not so routine.

11 MR. SHIFFER: In our plant when an operator goes out  
12 to do some job, he always reports back to the control room at  
13 the completion of that job that he has done it. That is  
14 really not a problem with us.

15 The problem is when he goes out to do it the first  
16 time, how do we avoid having him make a mistake which occurs  
17 before he can report back. But it is our standard practice to  
18 always report back to the control room at the completion of a  
19 job like this.

20 CHAIRMAN PALLADINO: Is this part of the training  
21 program?

22 MR. SHIFFER: Oh, yes.

23 CHAIRMAN PALLADINO: Next time I get out there, I  
24 will go at least into the simulator and see how they report  
25 back.

1           MR. SHIFFER: That is done routinely. What we are  
2 now doing and requiring is that they acknowledge these things  
3 before they go out and do the occurrence which is what the  
4 problem was.

5           CHAIRMAN PALLADINO: My second question has to do  
6 with the comments that Nina Bell made about the hot line. Can  
7 you tell us a little bit about how your hot line works and how  
8 you guard against some of the concerns that she expressed?

9           MR. MANEATIS: The hot line is routinely used. Any  
10 complaint that is made is routinely investigated and  
11 dispositioned. Even I get calls direct as part of our open  
12 policy of communications.

13           In training films and all, we have encouraged any  
14 individual having anything to do with Diablo Canyon at the  
15 site or anywhere else to if they don't get the satisfaction  
16 that they are seeking when they are bringing up a problem to  
17 anybody's attention to move it right up the line right even up  
18 to myself.

19           I have had calls and the moment we receive them we  
20 go right into action and try to get at the facts and resolve  
21 them.

22           I have to say that by in large all of the matters  
23 that have come to our attention have been resolved as  
24 objectively and as accurately as you can possibly resolve  
25 them.

1           CHAIRMAN PALLADINO: Do you or your designee ever  
2 make follow-up checks to see how the system is working by  
3 going in depth on a particular call? The reason I dwell on  
4 this is because in another case when your investigators went  
5 in they were not enamored of the hot line procedures followed  
6 and the depth of the investigations that were done. I would  
7 expect that the management would be interested in seeing if  
8 the system was working and I was wondering if you had any  
9 audit procedure to look into how well it is working?

10           MR. MANEATIS: I will ask Mr. Friend from a  
11 construction standpoint and of course, we are beyond that  
12 phase and all that activity has just kind of diminished as  
13 Mr. Martin has indicated substantially but Howard, do you have  
14 any comments to make on how the line is monitored and audited  
15 as it were to ensure that we are getting the results that we  
16 are after?

17           MR. FRIEND: Yes, I would, George. First, I think  
18 it is important to note that the hot line was instituted by  
19 the owner as a means of providing a mechanism for anyone on  
20 the site to bring to our attention any abnormal or off-normal  
21 activity that wanted to be registered.

22           This system has been in place now for a couple of  
23 years and we believe it has operated quite satisfactorily. We  
24 routinely handle concerns that are registered either with the  
25 identification of the concerned person or even anonymously.

1           We publish our results routinely and we have been  
2 audited by the PG&E's quality assurance department and I  
3 believe the Nuclear Regulatory Commission inspectors on site  
4 also have looked into our program.

5           Of course, as in any of these programs, there are  
6 times when the concerned person does not feel that his  
7 concerns have been addressed thoroughly or accurately and in  
8 those cases we have always been in the position that they are  
9 able to convey their concerns to the Nuclear Regulatory  
10 Commission also on site.

11           We have continued to at times periodically probe the  
12 system to be sure that it is accomplishing what we intend.  
13 Our intent is to be sure that there are open communications on  
14 the site and that management is aware of any concerns that  
15 exist on the site.

16           We think that we are achieving those ends.

17           CHAIRMAN PALLADINO: I don't want to imply by my  
18 questioning that we don't support that kind of an approach.  
19 As a matter of fact, we encourage you to improve it and the  
20 question is asked in the spirit of how can it be improved.

21           Do other Commissioners have any questions?

22           COMMISSIONER ASSELSTINE: Just a couple. Let me  
23 follow up on the hot line questions you were asking, Joe. Do  
24 you have technical people that do the interviews on the hot  
25 line that take down the information?

1           MR. FRIEND: Normally, they are quality assurance,  
2 quality control individuals that take the information. But if  
3 it is a technical question, then the question is referred to  
4 the appropriate discipline for investigation and resolution,  
5 and then conveyed back to the hot line operator and  
6 communicated back to the person who made the complaint.

7           COMMISSIONER ASSELSTINE: All right. So it is  
8 somebody though that has a grounding at least in understanding  
9 of the technical areas.

10          MR. FRIEND: Yes.

11          COMMISSIONER ASSELSTINE: It is not someone from a  
12 public relations firm or secretary as we have seen in a couple  
13 of other places?

14          MR. FRIEND: That's right. The basic person that  
15 receives the call is part of our quality group and then if  
16 they get too technical, we refer it to the functional  
17 technical groups for resolution.

18          COMMISSIONER ASSELSTINE: Could you tell me a little  
19 bit more, too, about how you follow up with the individual  
20 assuming that the individual is willing to give you his or her  
21 name? Do you then sit down with them after you have done your  
22 review and said, "Look, here is what we looked at. Here is  
23 the kind of analysis we did. Here is the evaluation that we  
24 came up with and here is the conclusion we reached and we want  
25 to explain it to you so that you can understand what we have

1 done and get a sense for how we have tried to address your  
2 concern."

3 MR. FRIEND: Yes, exactly that. We want the person  
4 who is concerned to totally understand how we approached it  
5 and how we resolved it and why our conclusion was reached.

6 If the person were not satisfied and said, "Well, I  
7 don't think you addressed this in enough detail or I still  
8 have this concern," we would go back and try to address that  
9 concern.

10 Our goal is to resolve these matters either through  
11 addressing the concern with the individual or if necessary  
12 physically making a modification in the plant. This is not  
13 just a paper drill. If somebody brings something to us that  
14 is truly a problem, we want to go fix it, also. But we do sit  
15 down with the individual and communicate with him our process  
16 and why and how we reach a conclusion.

17 MR. NORTON: Excuse me. That exchange might be a  
18 little misleading. You do want to remember that almost all of  
19 the quality hot lines are anonymous. They are anonymous  
20 people. They don't identify themselves. Otherwise, they  
21 would just walk in and sit down.

22 So it is only in the instance where they are  
23 identified where you sit down.

24 COMMISSIONER ASSELSTINE: That tends to be in the  
25 minority of cases on the hot line?



1           MR. NORTON: Almost none of the hot line. They are  
2 almost all anonymous.

3           COMMISSIONER ASSELSTINE: You also have the trailer  
4 where people could come in, right?

5           MR. NORTON: Right.

6           MR. FRIEND: Yes.

7           MR. NORTON: They also have a mechanism for that  
8 person to call back, the anonymous person can call back and  
9 keep checking on the progress of his complaint.

10          COMMISSIONER ASSELSTINE: Although I suspect that  
11 that approach generally tends to result in a more abbreviated  
12 summary of what has been done rather than a more detailed  
13 walk-through.

14          MR. NORTON: Yes.

15          MR. MANEATIS: To answer your question, they do call  
16 back even anonymously when they speak to me and I always  
17 encourage them to give me a few days and then they will call  
18 back and ask what the disposition was.

19          COMMISSIONER ASSELSTINE: Do you get a sense or a  
20 feel particularly for the people who have been willing to  
21 identify themselves for the proportion that are satisfied with  
22 the result of your review or the portion that are satisfied  
23 that at least you have taken a careful look at it even if they  
24 disagree with the result as opposed to those that just say,  
25 "Well, you just didn't do what I think was necessary."

1           MR. FRIEND: I haven't made any statistical analysis  
2 along those lines but I think our feeling is that generally  
3 the people are satisfied with the amount of investigation and  
4 degree of thoroughness. I can't guess as to numbers but  
5 certainly the majority seem to be satisfied.

6           COMMISSIONER ASSELSTINE: All right. Are each of  
7 the items then documented?

8           MR. FRIEND: Yes.

9           COMMISSIONER ASSELSTINE: In terms of having an  
10 analysis that says, "Here is what we did" so that you can go  
11 to one place and look at it?

12          MR. FRIEND: Yes. We have a very thorough  
13 documentation system where we record everything and the  
14 resolution and disposition and so on.

15          COMMISSIONER ASSELSTINE: On the problems that you  
16 were talking about, I gather that Jack Martin had gone into in  
17 detail about errors being made out in the plant, how much  
18 management supervision do those people get? Do you have  
19 enough supervisors out in the plant in terms of making sure  
20 that you have somebody there, a management person there, a  
21 supervisor, to make sure that people understood what it was  
22 that they were supposed to be doing and that they know what  
23 they are doing when they are doing work?

24          MR. SHIFFER: We believe that we do. Mistakes do  
25 get made but we believe that we have adequate supervision and

1 also, we have a very aggressive quality control program where  
2 we have all major jobs worked on and inspected by quality  
3 control people on the job at various hold points.

4 I think one has to put some of these things in  
5 perspective, that there are just literally thousands and  
6 thousands of jobs and tasks going on and occasionally, there  
7 is a mistake made and when such a mistake is made, we  
8 investigate it and try to take appropriate corrective  
9 measures.

10 I might also add that we follow that same procedure  
11 and go through that same sequence whether the mistake is made,  
12 let's say, on a non-safety non-nuclear part of the plant  
13 because it may have some generic implication for the way we  
14 handle our nuclear jobs.

15 COMMISSIONER ASSELSTINE: We are also finding, too,  
16 when we look at operating experience occasionally the way  
17 things are handled for a non-nuclear component can also  
18 disable a safety item.

19 MR. SHIFFER: That's true, but many of the same  
20 procedures are used and if there is a weakness in the  
21 procedures that happens to surface in a non-nuclear area, you  
22 want to catch it right away and apply it to the nuclear area.

23 COMMISSIONER ASSELSTINE: I noticed that the staff's  
24 briefing materials talked about differences between the tech  
25 specs for the two units. Again, I apologize for not being

1 here for that part of the discussion, but could you highlight  
2 the extent to which there are differences between the tech  
3 specs for the two units?

4 MR. SHIFFER: There is really not very much in the  
5 way of differences. What we are trying to do is to combine  
6 the tech specs and in so doing, we are bringing them up to the  
7 correct 1985 version as opposed to the 1981 person but the  
8 technical differences in the tech specs are relatively small.

9 COMMISSIONER ASSELSTINE: So the set points, for  
10 example, on equipment and instrumentation aren't all different  
11 for the two units?

12 MR. SHIFFER: Only to the extent that there are  
13 slight differences in the plants themselves. Unit "2"  
14 operates at a slightly higher power level than unit "1" and  
15 that has some slight differences in set points and numerical  
16 values but those are relatively minor.

17 CHAIRMAN PALLADINO: Jim, we discussed this in some  
18 length with the staff. I want to confirm my understanding  
19 that I got from the staff that they are going to have a common  
20 set of tech specs but that common set of tech specs would  
21 identify differences between "1" and "2." Am I correct in  
22 that impression?

23 MR. MANEATIS: Yes, where appropriate.

24 CHAIRMAN PALLADINO: Where appropriate, yes.

25 COMMISSIONER ASSELSTINE: I was just trying to get a

1 feel for how wide the differences were given the fact that the  
2 operators are cross-licensed.

3 MR. SHIFFER: What we are really talking about is  
4 just the evolution of tech specs from 1981 through 1985 and  
5 bringing them up to the present standards.

6 COMMISSIONER ASSELSTINE: All right. Thank you.

7 CHAIRMAN PALLADINO: Any other questions?

8 COMMISSIONER ZECH: I would just like to say that I  
9 think the management involvement in some of these even though  
10 rather minor problems is exactly the right approach to take  
11 that Jack Martin mentioned earlier and I think you are working  
12 with him and his people and getting into even the small  
13 problems that could result in symptoms that could involve  
14 management people.

15 That is what is important to me because that  
16 involves the people that can get something done.

17 I would also like to say that I think you are  
18 getting into the communication problem and going to the point  
19 of repeating back orders will pay off. It has been my  
20 experience that that is a good thing to do. Some plants do it  
21 and your operators get used to it. I think they will  
22 appreciate it. It is an easy system to get onto and it  
23 certainly gives you even in minor situations which are not too  
24 significant, I think you find a pay back from that and  
25 certainly you will find a pay back if you have any more

1 serious events.

2 Then formality and communication and the feedback  
3 you have and the repeat back system you use will really pay  
4 off. So I think that is the right approach and I commend you  
5 for that effort.

6 MR. MANEATIS: I agree. That is why we are going to  
7 do it.

8 CHAIRMAN PALLADINO: Thank you very much gentlemen.  
9 Let me touch base on another item that I covered in my opening  
10 remarks.

11 In my opening remarks I noted that there are two  
12 adjudicatory items before the Commission on Diablo Canyon.  
13 They are the joint intervenors petition for the Commission to  
14 review ALAB-811 and their request for a stay of effectiveness  
15 of the full-power license authorization.

16 I pointed out that our normal practice is to discuss  
17 adjudicatory items in a closed session. However, in this  
18 instance I propose that we take up the adjudicatory items in  
19 the open meeting unless the Commission feels otherwise. I  
20 would propose to have OGC briefly highlight the two issues and  
21 see if the Commissioners have any questions and then I would  
22 propose a recess and then come back and I have two issues that  
23 I propose we vote on.

24 MR. PLAINE: Mr. Chairman, the effect of the order  
25 that we have presented is to conclude the entire adjudicatory

1 proceeding and I have asked Neal Jensen, one of our assistants  
2 who has worked on the order, to describe to you briefly the  
3 pertinent situation.

4 MR. JENSEN: Thank you, Mr. Chairman. The order  
5 which we had presented for your consideration essentially  
6 wraps up the remaining matters with respect to Diablo Canyon  
7 unit "2."

8 The two primary matters which the order concerns are  
9 the joint intervenors application for a stay of the full-power  
10 license and their petition for review of ALAB-811. The order  
11 considers the reasons advanced by the joint intervenors for a  
12 stay but finds that they don't meet the stay criteria.

13 The only remaining ALAB before the Commission is  
14 ALAB-811. So the order also examines the reasons advanced in  
15 the petition for review of ALAB-811 but essentially finds that  
16 the appeal board decision was correct and declines review.

17 I could go more specifically into either of those  
18 matters if the Commission desires.

19 CHAIRMAN PALLADINO: Let me see if there are any  
20 questions by any of the Commissioners?

21 COMMISSIONER ZECH: No.

22 COMMISSIONER ASSELSTINE: I don't have any  
23 questions.

24 MR. JENSEN: Mr. Chairman, since we sent the order  
25 up late last night, a number of small revisions mostly of a

1 typographical nature have been discovered so I would request  
2 that OGC jointly with the legal assistants could work out a  
3 slightly different order from what you have before you?

4 CHAIRMAN PALLADINO: There was an order attached, I  
5 think it was to SECY-85-263. Then we had one dated July 31  
6 that was a revision and you are saying that there are typos  
7 and other revisions you want to make to this?

8 MR. JENSEN: That is correct.

9 CHAIRMAN PALLADINO: Is there anything other than  
10 typos? Give us an example of something other than a typo just  
11 to get a feel for how extensive the changes might be?

12 MR. JENSEN: The only area in which it is more than  
13 a typo or a redundancy would be in the section on operating  
14 experience on page nine of the order.

15 CHAIRMAN PALLADINO: Page nine.

16 MR. JENSEN: That would need to be revised somewhat  
17 in light of the information presented at today's meeting.

18 CHAIRMAN PALLADINO: Any other questions or comments  
19 on this?

20 COMMISSIONER ASSELSTINE: I guess the only comment I  
21 would make is that I am generally leery of approving orders  
22 and then modifying orders after they have been approved by the  
23 Commission.

24 CHAIRMAN PALLADINO: During the break, could you  
25 give us the changed pages?



1 MR. JENSEN: Yes, Mr. Chairman.

2 CHAIRMAN PALLADINO: I agree with Commissioner  
3 Asselstine on that. I feel leery of writing a blank check,  
4 so-to-speak.

5 MR. JENSEN: Are you looking now at the order that  
6 was sent up late last night?

7 CHAIRMAN PALLADINO: Yes.

8 COMMISSIONER ASSELSTINE: Tell us which one to look  
9 at.

10 CHAIRMAN PALLADINO: Which page?

11 MR. JENSEN: If you would look at that order which  
12 has the changes identified in it from the original order.

13 COMMISSIONER ASSELSTINE: You are now saying that  
14 there are further changes?

15 MR. JENSEN: Yes. So you just want me to go through  
16 the further changes?

17 COMMISSIONER ASSELSTINE: Yes.

18 CHAIRMAN PALLADINO: How many pages are involved  
19 other than typos?

20 MR. JENSEN: Other than typos, there would simply be  
21 the operating experience on page nine.

22 COMMISSIONER ASSELSTINE: Could you just circulate  
23 copies of that page?

24 CHAIRMAN PALLADINO: Just give us a copy of that  
25 page marked up as you would propose it.

1 MR. JENSEN: All right, fine.

2 COMMISSIONER ASSELSTINE: Good.

3 CHAIRMAN PALLADINO: All right. I would propose  
4 then unless there are other questions that we recess and when  
5 we come back, I intend to ask for a vote on the following and  
6 would propose two votes, one, whether or not to authorize the  
7 NRC staff to issue a full power license for the Diablo Canyon  
8 unit "2" upon satisfactory criticality and continued low-power  
9 testing as determined by the staff and then I would propose  
10 another vote, whether or not to approve the draft order which  
11 denies a petition to review ALAB-811 and a request for a stay  
12 of the full-power license which sets forth the reasons for  
13 resolution of other uncontested issues.

14 COMMISSIONER ASSELSTINE: Fine.

15 COMMISSIONER ZECH: Fine.

16 COMMISSIONER ROBERTS: Shall we recess now?

17 CHAIRMAN PALLADINO: How much time do we need?

18 COMMISSIONER ASSELSTINE: Five minutes is fine.

19 COMMISSIONER ROBERTS: Five minutes.

20 CHAIRMAN PALLADINO: All right. Fine. We will be  
21 back in five minutes.

22 (Whereupon, a short recess was taken.)

23 CHAIRMAN PALLADINO: Ladies and gentlemen, will you  
24 please begin to take your seats. Please come to order.

25 This is a continuation of our consideration of the

1 Diablo Canyon unit "2" proceeding.

2 At this time let if ask if Commissioners have any  
3 other questions or comments?

4 COMMISSIONER ROBERTS: No.

5 COMMISSIONER ZECH: No.

6 CHAIRMAN PALLADINO: Let me poll the Commission on  
7 the two questions I identified earlier and let me ask the  
8 first question, do you authorize the NRC staff to issue a  
9 full-power license for the Diablo Canyon unit "2" upon  
10 satisfactory criticality and continued low-power testing as  
11 determined by the staff.

12 COMMISSIONER ASSELSTINE: Joe, I think OGC might  
13 have a comment before you do that?

14 CHAIRMAN PALLADINO: I am sorry. I beg your pardon.

15 MR. JENSEN: I was asked during the break to bring  
16 to the attention really just to the public that ALAB-782 which  
17 is referred to in the stay request, the time for Commission  
18 review was allowed to expire last Friday so that is no longer  
19 before the Commission but the letter informing people of that  
20 fact has not yet gone out.

21 CHAIRMAN PALLADINO: Thank you. Any other comments  
22 or questions?

23 (No response.)

24 CHAIRMAN PALLADINO: Let me ask again, does the  
25 Commission authorize the NRC staff to issue a full-power

1 license for Diablo Canyon Unit "2" upon satisfactory  
2 criticality and continued low-power testing as determined by  
3 the staff?

4 All those in favor say aye.

5 COMMISSIONER ZECH: Aye.

6 COMMISSIONER ROBERTS: Aye.

7 CHAIRMAN PALLADINO: Aye.

8 COMMISSIONER BERNTHAL: Aye.

9 CHAIRMAN PALLADINO: Opposed?

10 COMMISSIONER ASSELSTINE: No.

11 CHAIRMAN PALLADINO: All right. Do you have  
12 additional comments?

13 COMMISSIONER ASSELSTINE: I may just put a note in  
14 the order to the effect and let me outline for just a minute  
15 or two what my concerns are.

16 The reason that I am voting against authorizing the  
17 issuance of a full-power license and that I will vote against  
18 the issuance of the order are basically the same reasons that  
19 I voted against the full-power license for Diablo Canyon Unit  
20 "1."

21 The two principal concerns that I had had to do with  
22 the complicating effects of earthquakes on emergency planning  
23 and questions that I had about the adequacy of the seismic  
24 design verification effort for the plant.

25 Quite frankly, I had hoped that over the course of

1 the past year that both of those issues would get resolved.  
2 The additional verification work could be done to satisfy my  
3 concerns about the seismic design verification effort and that  
4 a hearing might take place on the earthquakes in emergency  
5 planning issues.

6 I might add that it is not the licensee's fault that  
7 those two issues have not been laid to rest. The fault lies  
8 with this agency and because those two concerns that I had a  
9 year ago still persist today, I am voting against the issuance  
10 of a full-power license for unit "2." I think it just makes  
11 things worse to have two units operating rather than just one.

12 CHAIRMAN PALLADINO: All right. Thank you.

13 Let me ask the next question. Do you approve the  
14 draft order as modified by OGC which denies a petition to  
15 review ALAB-811 and denies a request for a stay of a  
16 full-power license and which sets forth the reasons for  
17 resolution of other uncontested matters.

18 All those in favor, indicate by saying aye.

19 COMMISSIONER BERNTHAL: Aye.

20 COMMISSIONER ROBERTS: Aye.

21 COMMISSIONER ZECH: Aye.

22 CHAIRMAN PALLADINO: Aye.

23 Opposed?

24 COMMISSIONER ASSELSTINE: No. I might add though  
25 that in my opposition on the order, the order wraps everything

1 up together and I do not have fundamental problems with the  
2 approach taken by the appeal board in ALAB-811.

3 CHAIRMAN PALLADINO: All right. Thank you. Is  
4 there anything further to come before us at the present time?

5 (No response.)

6 CHAIRMAN PALLADINO: I am going to adjourn this  
7 meeting. I am going to suggest that we reconvene in ten  
8 minutes in an affirmation session. We will stand adjourned.

9 (Whereupon, the Commission meeting was adjourned at  
10 12:25 o'clock p.m., to reconvene at the Call of the Chair.)

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CERTIFICATE OF OFFICIAL REPORTER

This is to certify that the attached proceedings  
before the United States Nuclear Regulatory Commission in the  
matter of: Commission Meeting

Name of Proceeding: Discussion/Possible Vote on Full Power  
Operating License for Diablo Canyon-2  
(Public Meeting)

Docket No.:

Place: Washington, D. C.

Date: Thursday, August 1, 1985

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

(Signature) Marilynn M. Nations  
(Typed Name of Reporter) Marilynn Nations

Ann Riley & Associates, Ltd.

*COMMISSION BRIEFING*

*FULL-POWER LICENSE*

*DIABLO CANYON UNIT 2*

*PACIFIC GAS & ELECTRIC COMPANY*

*AUGUST 1, 1985*

DIABLO CANYON 2



## BRIEFING OUTLINE

- \* DIABLO PLANT STATUS
- \* TECHNICAL SPECIFICATIONS
- \* OPERATIONAL READINESS
- \* ALLEGATIONS/INVESTIGATIONS
- \* CONCLUSIONS

## STATUS

### UNIT 2:

COMMISSION BRIEFING ON LOWER POWER LICENSE: APRIL 23, 1985  
LOW POWER LICENSE ISSUED: APRIL 26, 1985  
FUEL LOAD COMPLETE: MAY 15, 1985

### UNIT 1:

DECLARED COMMERCIAL AT 100% POWER: MAY 7, 1985  
AVAILABILITY: 97%  
CAPACITY: 91%

### EMERGENCY PREPAREDNESS

FEMA LETTER DATED JULY 11, 1984  
LAST EXERCISE OCTOBER 30, 1984  
NRC vs GUARD

DIABLO CANYON 2  
SLIDE 2

## TECHNICAL SPECIFICATIONS AND STAFFING

- \* COMBINED/Common TECH SPECS FOR UNIT 1 AND UNIT 2 TO BE ISSUED WITH UNIT 2 FULL-POWER LICENSE
  
- \* PROPOSED CHANGES TO UNIT 1 TECH SPECS NOTICED IN FEDERAL REGISTER
  
- \* DIFFERENT SPECIFICATIONS, DUE TO DESIGN AND OPERATIONAL DIFFERENCES BETWEEN UNITS, ARE IDENTIFIED
  
- \* ALL SENIOR OPERATORS AND REACTOR OPERATORS, EXCEPT TWO, LICENSED ON BOTH UNITS

# OPERATIONAL READINESS

## INSPECTION PROGRAM

- \* NO SIGNIFICANT PROBLEMS WERE IDENTIFIED, HOWEVER A NEED FOR MORE ATTENTION TO DETAIL WAS NOTED DURING FUEL LOAD OPERATIONS

## SYSTEM TURNOVER

- \* ALL SYSTEMS REQUIRED FOR PLANT OPERATION HAVE BEEN TURNED OVER AND ACCEPTED BY NUCLEAR POWER OPERATIONS DEPARTMENT
- \* PLANT OPERATING EXPERIENCE

# ALLEGATIONS/INVESTIGATIONS

\* ALLEGATION STATUS

\* PETITIONS PURSUANT TO 10 CFR 2.206

DIABLO CANYON 2

SLIDE 5

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Meeting Title: Dis/Pass Vote on Full Power

Operating License for Diablo Canyon - 2

Meeting Date: 8/1/85 Open  Closed

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