

June 16, 1989

Docket Nos. 50-445
and 50-446

Mrs. Juanita Ellis, President
Citizens Association for Sound Energy
1426 S. Polk
Dallas, Texas 75224

Mr. William G. Council, Vice Chairman
Texas Utilities Electric Company
400 No. Olive Street, L.B. 81
Dallas, Texas 75201

Dear Mrs. Ellis and Mr. Council:

My March 28, 1989 letter to CASE acknowledged our receipt of their request for NRC action arising from a dispute between CASE and Texas Utilities Electric Company and provided our plans for resolution. TU Electric's May 9, 1989 letter to the NRC submitted their response to CASE's request for action. The purpose of this letter is to inform you of our understanding of the dispute, including the issues involved in the dispute, and update you on our plans for resolution.

Based on our review, we do not now see the need to conduct a public meeting as envisioned in my March 28, 1989 letter. Rather, to assure we have a clear understanding of the dispute, we have attached a summary of our understanding of the dispute, the three issues associated with the dispute, and the points supporting each of the three issues. Also presented in the enclosure is our understanding of TU Electric's position in the dispute and their response to the three issues and points supporting the issues.

If there are any clarifications you feel the staff needs prior to completing its review, please inform me within 10 days of receipt of this letter. We are proceeding with our review based on our understanding as described in the enclosures. We expect to complete our evaluation in July 1989.

Sincerely,

(original signed by)

Christopher I. Grimes, Director
Comanche Peak Project Division
Office of Nuclear Reactor Regulation

Enclosure:
CASE/TU Electric Positions

cc w/enclosure:
See next page

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

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CI Grimes

Christopher I. Grimes, Director
Comanche Peak Project Division
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CASE/TU Electric Positions

cc w/enclosure:
See next page

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Honorable Milton Meyer
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DISPUTE BETWEEN CASE AND TU ELECTRIC

1. DISPUTE

The dispute concerns the acceptability of the 1982 RCS Cold Hydrostatic Test.

CASE maintains that the 1982 RCS Cold Hydrostatic test did not fully satisfy ASME Section III and other procedural and regulatory requirements and, as a result, NRC should either: (1) require, as a condition of licensing, TU to perform an ASME Section III Cold Hydrostatic Test to the currently approved site code, standards, and legal requirements, or (2) directly or by imposition of a licensing condition, request a ruling by the ASME Code Committee or other proper ASME board providing a code case exemption for TU Electric in regard to their inability to establish that the 1982 test met applicable codes, standards and legal requirements.

TU Electric maintains that the 1982 Reactor Coolant System Cold Hydrostatic Test was acceptably conducted and satisfied ASME Code and NRC documentation requirements, with minor exceptions that do not affect the acceptability of the test. Therefore, TU Electric considers there is no substantive reason to reperform the 1982 test and there is no ASME Code violation for which a code case exception should be sought from the ASME board.

2. ISSUES IN DISPUTE

CASE supported their position in the dispute by elaborating on three issues. In support of each of these issues, CASE provides details on a number of specific points. Additional details on the issues are provided in a report titled, "Evaluation of the Texas Utilities Comanche Peak Steam Electric Station Reactor Coolant System Primary Cold Hydrostatic Test," prepared for CASE by Quality Technology Company (QTC).

The QTC report presents a number of additional issues separate from the three which are part of the dispute. In CASE's March 17, 1989 letter forwarding the QTC report, these additional issues are identified as indeterminate issues and not ones in dispute. Therefore, we are not considering them in our resolution of this dispute.

2.1 Issue 1, Sufficiency of Objective Evidence

2.1.1 CASE and TU Electric Positions

CASE

CASE asserts that TU Electric cannot provide objective evidence that all welded joints, welded connections, base metal repairs involving welding, and all regions of high stress (such as elbows, tees, reducers, flanges, fittings, etc.) were inspected to ASME Section III and associated standards, such that

these locations and components might not withstand normal and postulated accident stresses when the plant becomes operational.

TU Electric

TU Electric asserts that their 1988 technical assessments (as reported in TU Electric ER-ME-01 and ER-88575) confirm that the 1982 Reactor Coolant System Cold Hydrostatic Test was implemented, inspected and documented in accordance with the requirements of the ASME Code, NRC requirements and governing CPSES procedures, with minor deviations that did not affect the acceptability of the 1982 test.

TU Electric maintains that the process used by them in 1988 to assess the technical validity of the 1982 RCS Cold Hydrostatic Test and the bases for determining the technical validity of the test relied on objective evidence produced when the test was conducted. The documentation reviewed as part of TU Electric's assessment included flow diagrams, piping isometrics, fabrication spool sketches, applicable spool weld documentation, hanger drawings, RCS Cold Hydrostatic Documentation, and Component and N-5 Code Data Reports.

Additionally, there are 3 instances where TU Electric maintains that the codes and standards referenced by CASE are in error, as indicated below:

<u>Item</u>	<u>CASE Reference</u>	<u>TU Position on Correct Reference</u>
3.	ASME Section III, Paragraph NX-6224	Procedure CP-QAP-12.2
4.	ANSI N45.2.6, Sections 2.1 and 2.6	ANSI N45.2.8 (N/A to Comanche Peak)
4.	ANSI N45.2.9, Appendix A Sections A.3 and A.6.1	ANSI N45.2.9 (Rev. 3, 1973) Appendix A, Section A.5

2.1.2 CASE Supporting Points and TU Electric Response

(1) Issue I, Point 1

CASE

CASE asserts that although TU Electric's applicable governing documents correctly stipulated that no leakage was allowed from the required areas and items of inspections, no additional proceduralized instruction criteria was provided to any of the Quality Control (QC) Inspectors by way of on-the-job training, inspection check lists, walkdown inspection sheets, or other specified documentation.

TU Electric

TU Electric's self assessment of the RCS Cold Hydrostatic Test concluded that the test was completed utilizing procedures which complied with the

requirements of ASME Section III and, therefore, were adequate to control the activity. The hydrostatic test procedures required that the specific test boundary be examined by appropriately qualified and certified Quality Control Inspectors for the absence of leakage of the test medium at welded connections, base metal repairs involving welding and regions of high stress. TU Electric maintains that acceptance of the hydrostatic test was documented on the applicable flow diagrams, Pressure Test Data Sheet and Quality Checklist as required by CP-CPM-6.9I and CP-QAP-12.2. These procedures provide the necessary acceptance criteria and test acceptance guidelines as required by the ASME Code.

TU Electric described the use of another document, the Pressure Data Sheet Attachment, used by TU Electric inspectors to facilitate test completion. TU Electric states that this document was not required by procedure or necessary to fulfill an ASME Code requirement, but documented in a more complete and auditable fashion the manner in which the inspections were conducted. TU Electric asserts that ASME Code does not require additional direction to QC Inspectors (i.e., additional inspection or instruction criteria and inspection checklists) than what was developed and used at CPSES to inspect and subsequently to accept the RCS Cold Hydrostatic Test.

With respect to training of QC Inspectors who participated in the test, TU Electric states that all were certified Level II MIF1 inspectors and that completion of the certification requirements for these inspectors was, in itself, sufficient to assure that the inspectors were properly trained for the 1982 RCS Cold Hydrostatic Test. TU Electric further states that a number of dry runs of the test were held to familiarize inspectors with their assigned inspection areas.

(2) Issue I, Point 2

CASE

CASE asserts that no inspection data is available that ascertains how the requirements of ASME, Section III, associated standards, and other regulatory requirements were actually met.

TU Electric

TU Electric disagrees with this point. TU Electric maintains that the documentation contained on the Pressure Test Data Sheet, Quality Checklist, and the corresponding Pressure Data Sheet Attachments and respective Test Isometrics demonstrates that the requirements of ASME Section II are satisfied.

(3) Issue I, Point 3

CASE

CASE asserts that no individual QC Inspector's signature attests to his/her own areas of inspection. Instead, the Pressure Data Sheet

Attachments (11) were signed by a QC Lead or Alternate inspector or another QC Inspector, on behalf of all the team members. The typed names of the QC Inspectors appearing on the Pressure Data Sheet Attachments are not necessarily those of the inspectors that were involved with the test.

TU Electric

TU Electric maintains that the signatures on the Pressure Data Sheet Attachments are meaningful and support the validity of the RCS Cold Hydrostatic Test. The inspection areas assigned to each of the 11 teams were clearly defined, and the availability of certified QC Inspectors to perform such inspections during the test is confirmed by time records. Thus, TU Electric asserts that the signatures on each Pressure Data Sheet Attachment provide meaningful supporting evidence that the inspections of the 11 areas were properly performed. This conclusion is also supported by other factors, such as the relatively small area covered by each inspection team, the close proximity in which all inspections were performed, and the signatures of the Authorized Inspection Agency representative on each Pressure Data Sheet Attachment.

TU Electric disagrees with the implication that each QC Inspector had to be identified on each Attachment and that each inspector should have signed some documentation attesting to his/her area of inspection.

(4) Issue 1, Point 4

CASE

CASE questions whether all the activities involved with the hydrostatic test could have been adequately performed. CASE identifies the following elements of the test conditions and nature of the task particularly persuasive in support of this position:

- o According to information provided verbally by TU Electric, an estimated 1,800 welds and a large, but undefined, number of other attributes required inspection during the RCS Primary Cold Hydrostatic Test.
- o According to the official test record and subsequent engineering reports there is a conflict in the number of inspectors who actually participated in the July, 1982, test.
- o According to information provided verbally by TU Electric, each inspector (or team of inspectors) carried the specific drawings for their area of inspection responsibility into the field as the source document to determine the specific attributes necessary for their inspection; no other checklists or criterion were provided.
- o During the test, the reactor coolant test boundary was leaking large amounts of water from valve bonnets and seals, which, in CASE's view, contributed to making identification of leaks more difficult.

- o According to review of the data, CASE concludes that even under the most liberal consideration, the time at allowable inspection pressure could not have exceeded 50 minutes.

TU Electric

TU Electric addressed each of the items as follows:

- o TU Electric agreed that an estimated 1800 welds plus a large number of attributes required inspection during the test. TU Electric maintains that the scope of the task did not detract either from their ability to perform the inspections or, in 1988, to assess the adequacy of the performance of the test.
- o TU Electric stated that initial reviews of the records identified a total of 34 individuals who may have been involved in the test. A further review of time records then determined that 30 of the 34 individuals were present during the early morning hours that the test was conducted. Accordingly, TU Electric considers that there is reasonable assurance that the QC inspectors who performed the inspections have now been identified.
- o TU Electric maintains that the 1982 test package consistently identified all the areas within the test boundary that were required by ASME Section III to be inspected. TU Electric asserts that the QC Inspectors had ample information identifying the specific attributes to be inspected and the criteria to be satisfied.
- o TU Electric noted that ASME Section III, NB-6215, and CP-QAP-12.2 specifically permit leakage from valve packing, seals, and mechanical seals. TU Electric agreed that leakage from valve bonnets and seals may make identification of leaks more difficult. Recognizing this, TU Electric identified that QC inspectors were trained in the appropriate inspection methods for the conduct of hydrostatic tests, including the potential for weeping or leakage of test medium at a mechanical joint.
- o The initial dry run of the RCS Hydrostatic Test conducted on June 14, 1982 indicated that no more than 40 minutes were required for inspection of each area. TU Electric stated there was no arbitrary cut-off to the test (it was declared at an end when the inspections were completed and documentation was available) and there is no indication that the period of time it took to complete the test was not adequate.

2.2 Issue 2, Completeness and Accuracy of Records

2.2.1 CASE and TU Electric Positions

CASE

CASE asserts TU Electric cannot establish through complete, accurate, and verifiable documentation that the 1982 Cold Hydrostatic Test of the reactor coolant pressure boundary was conducted in accordance with industry codes, standards and regulatory requirements.

TU Electric

TU Electric asserts that, as demonstrated by their response to the individual points made by CASE, many of CASE's criticisms are mistaken and that none affect the technical validity of the 1982 RCS Cold Hydrostatic Test. TU Electric considers that they have shown that the conduct and documentation of the test were in conformance with ASME Code requirements and, with minor exceptions that do not affect the technical acceptability of the test, with NRC documentation requirements.

2.2.2 CASE Supporting Points and TU Electric Response

(1) Issue 2, Point 1

CASE

CASE asserts there are numerous differences between the verified drawing revision numbers of the plant drawings, flow diagrams, test procedures, Pressure Data Sheet, Preoperational Test Data Sheet, and the official Test Record and official Start Up Test Record. CASE provided two groups of examples to illustrate this point. The two groups were:

- o Seven drawings showing different revisions as being used for the test in three separate locations.
- o Four additional items identified as examples of problems associated with incorrect drawings being used.

TU Electric

TU Electric asserts that the documentation deficiencies noted by CASE predominately relate to aspects of the test documentation that were not reviewed in TU Electric's 1988 technical assessment because they were not a necessary part of the determination of the technical adequacy of the test. TU Electric reviewed each of the items cited by CASE and determined none had an affect on TU Electric's conclusion regarding the technical adequacy of the RCS Cold Hydrostatic Test. A summary of the results of TU Electric's review for the two groups of examples is presented below:

- o TU Electric states that flow diagrams (such as the seven drawings identified by CASE) were used in preparation for the test to delineate the test boundary as required by Startup procedures. The adequacy of the test boundary was verified by TU Electric during their 1988 assessment by use of the ICP-PT-55-01 valve lineup sheets and the test isometrics. Since the flow diagrams were not used for the performance of inspections, identification of inspection attributes or inspection acceptance, TU Electric asserts that reference to various revision levels of the flow diagrams, did not affect the completion or adequacy of the test.
- o TU Electric characterized the four additional items (examples of problems related to incorrect drawings) as miscellaneous and generally unrelated problems. TU Electric stated they were unable to specifically address the first item (related to CMCs) because of lack of specifics provided. TU Electric stated further that in their 1988 assessment no concerns were identified with CMCs with respect to the test boundary, and it was determined that the inspection areas were consistently defined. TU Electric stated that the second item, which applied to flow diagrams, represent potential minor discrepancies, which did not affect the adequacy of the test. TU Electric stated that the last two items, applicable to test isometrics, refer to isometrics which do not identify piping within the test boundary.

(2) Issue 2, Point 2

CASE

CASE identified eleven examples of types of significant documentation discrepancies.

TU Electric

TU Electric characterized these eleven examples as miscellaneous and generally unrelated problems. TU Electric found that none of the items affected the technical adequacy of the test.

(3) Issue 2, Point 3

CASE

Five examples of documentation deficiencies with ICP-PT-55-01 were noted by CASE. These deficiencies included fragmented and disjointed test documentation, lack of entries noting Steam Generator water level change, use of an outdated Pressure Test Data Sheet form, an improperly executed change to ICP-PT-55-01, and inaccurate data found on eleven Pressure Data Sheet Attachments.

TU Electric

TU Electric's review of CASE's examples resulted in their determination that CASE's criticism of the documentation are mistaken (with minor exceptions that do not involve substance), and that none of the examples affect the technical validity of the 1982 test.

2.3 Issue 3, Competence of Certain Inspectors and Supervisors

2.3.1 CASE and TU Electric Positions

CASE

The failure of TU Electric to be able to demonstrate which inspectors and supervisors actually participated in the inspection of the welds, regions of high stress, etc., is compounded by the fact that several of the allegedly involved inspectors and supervisors have a personal history of actions which previously have had a negative impact on project quality or have violated quality commitments.

TU Electric

As discussed in Issue I, Point 4, TU Electric considers that they have adequately identified the inspectors and supervisors who participated in the inspection. With respect to the personal history of certain inspectors and supervisors involved in the test, TU Electric asserts that CASE has presented no evidence substantiating that its stated concerns with respect to these individuals impacted the proper performance or validity of the test.

2.3.2 CASE Points Supporting Position and TU Electric Response

(1) Issue 3, Point 1

CASE

CASE asserts that TU Electric has not been able to demonstrate that the quality control supervisors exercised prudent judgement in regard to their supervisory responsibilities. Two examples of supervisors whose past actions displayed poor management judgement were cited.

TU Electric

With respect to one of the supervisors referred to by CASE, TU Electric's review of the time records for the test when the test occurred determined that the supervisor was not present. Accordingly, TU Electric believes that this portion of CASE's point is now irrelevant.

With respect to the second supervisor, TU Electric states that CASE's concern relates to accusations made during the litigation at the CPSES hearings that in 1984 the supervisor was involved in harassment of a QC Inspector with regard to fuel liner documentation. TU Electric asserts

that they strongly disputed accusations made during the hearings concerning the 1984 incident. Also, although OI and the NRC staff reached negative conclusions concerning a supervisor involved in the 1984 incident, TU Electric notes that the NRC did not specify which supervisor its conclusion addressed and did not require that any action be taken with respect to that supervisor's past or future work.

TU Electric asserts that in any event, the supervisor's alleged actions in a single incident in 1984 can provide no bases for questioning the validity of the RCS Cold Hydrostatic Test. TU Electric identified that the supervisor's role was peripheral and, in view of the activities taking place on a team basis, the presence of individuals from numerous other groups and the preparations that had been made to conduct the inspections promptly and efficiently, it is unlikely that harassing or intimidating actions could have occurred and gone unreported. Also, TU Electric interviewed 21 test participants and found that these individuals reported no undue pressure had been imposed on the inspectors during the test.

(2) Issue 3, Point 2

CASE

CASE maintains that TU Electric cannot verify the quality or quantity of the inspections performed by individual inspectors and reliance is largely on the assumption that the individual inspectors performed the inspections. One example of an inspector whose competency had been brought into question by TU Electric was identified.

TU Electric

TU Electric responded to CASE's point about the quality and quantity of the inspections performed in their responses to earlier points in Issue I.

With respect to the one individual referred to by CASE, TU Electric states that the individual was qualified as a Level II MIFI Inspector and was recertified on July 22, 1982, based on "demonstrated technical competence."

TU Electric provided information on the reasons for the termination of this employee in the fall of 1982. TU Electric concludes that it is apparent the the inspector was terminated for documentation difficulties, not for technical incompetence.