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NUCLEAR REGULATORY COMMISSION

IN THE MATTER OF:

PUBLIC MEETING

BRIEFING

ON

REACTOR LICENSING SCHEDULES

Place - Washington, D. C.

Date - Wednesday, 19 April 1978

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

PUBLIC MEETING

BRIEFING

ON

REACTOR LICENSING SCHEDULES

Room 1130
1717 H Street, N. W.
Washington, D. C.

Wednesday, 19 April 1978

The Commission met, pursuant to notice, at 10:20 a.m.

BEFORE:

- DR. JOSEPH M. HENDRIE, Chairman
- PETER A. BRADFORD, Commissioner
- RICHARD T. KENNEDY, Commissioner
- VICTOR GILINSKY, Commissioner

PRESENT:

- E. CASE
- R. DE YOUNG
- L. GOSSICK

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R. BOYD

J. KELLEY

H. SHAPAR

J. YORE

P R O C E E D I N G S

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jwb

1 CHAIRMAN HENDRIE: We are meeting by way of a
2 briefing, rather than a meeting, this morning.

3 COMMISSIONER KENNEDY: It was advertised as a
4 meeting, though; right?

5 CHAIRMAN HENDRIE: Yes.

6 COMMISSIONER KENNEDY: I guess we proceed just as
7 if it were.

8 MR. KELLY: I think that has been the practice
9 in many events for the purpose of keeping a transcript.

10 CHAIRMAN HENDRIE: We will keep a transcript, and
11 people can see what is going on.

12 MR. GOSSICK: We are here to have a briefing on
13 reactor licensing schedules. Roger Boyd will do the briefing.
14 Go ahead, Roger.

15 MR. BOYD: Let me ask: How slow, or fast, do you
16 want this? If you are pressed for time, I can go faster
17 than I might otherwise do.

18 CHAIRMAN HENDRIE: I have already crowded the
19 front end of your schedule a little bit. If you can manage
20 by 11:00, why that would be good.

21 MR. BOYD: That is more than enough time.

22 Let me first hit --

23 COMMISSIONER KENNEDY: That's the nicest thing you
24 have ever said.

25 (Laughter.)

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1

CHAIRMAN HENDRIE: He promises easily.

2

(Laughter.)

3

MR. GOSSICK: It depends on the questions, doesn't

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it?

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CHAIRMAN HENDRIE: We've got to watch him on

6

details.

7

MR. BOYD: Let me first hit the highlights of

8

things we have done so far in April.

9

On April 1st, we issued the full power license

10

to North Anna Unit 1, so the licensing proceeding on that

11

is complete. It is indicated in the paper.

12

To things not indicated on the paper that happened

13

since we went to press, we received decisions on Marble Hill

14

Units 1 and 2, WPPSS 3 and 5. They are the first plants

15

on the construction permit list.

16

CHAIRMAN HENDRIE: Has somebody got the paper with

17

them? I guess I didn't bring it.

18

(Handing document to Commissioners.)

19

MR. BOYD: WPPSS 3 and 5, construction permits were

20

issued on 4/11 in Marble Hill, the CP was issued on April 4th.

21

Consequently, two of the things -- one of the things the

22

schedule slip shows for WPPSS 3 and 5, we are awaiting the

23

Board decision. In fact, the staff filed, I guess, the last

24

of the information on something like the very -- very early

25

in the month. The Board's decision came down very shortly

jwb

1 thereafter. Either that night, or the next morning, we
2 issued the construction permit. I believe it was that night.

3 There are, however, some slips indicated on the
4 chart -- on the supplemental chart that I have enclosed with
5 the paper -- that occurred during March. And the situation
6 I have indicated in LWAs, CPs, OLs, and Preliminary Design
7 Authorities: 1 LWA has slipped one month; that is Black
8 Fox.

9 CHAIRMAN HENDRIE: What's up, there? What's up?

10 MR. BOYD: Well, we are awaiting the Board
11 decision. However, in light of the recent Commission ruling
12 on Table S-3, the staff will have to go back to the Board, as
13 we see it, and file all of the appropriate information, so
14 that the Board can reconsider.

15 COMMISSIONER KENNEDY: How long will that take?

16 MR. BOYD: We are trying to get a schedule on all
17 of the cases involved. For only Black Fox, it would not
18 take too long. We are getting together to find out just
19 what the staff impact is on doing all of these things.

20 I must say, when a decision comes down like that,
21 the first thing you have to do is see how many cases are
22 affected, and allocate the work. Invariably, there are very
23 few people who do this particular thing. So there will be
24 a considerable --

25 COMMISSIONER KENNEDY: Is that the sort of thing

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1 that ought to be examined, in light of the President's
2 statement on the need for regulatory agencies to consider the
3 cost impact of decisions of that kind, along with the other
4 questions? Could you give us advice, in this regard, before
5 we make decisions of that kind?

6 We ought to get some impression of cost so we
7 know what we have decided.

8 MR. CASE: I will defer to the General Counsel.

9 MR. KELLEY: Certainly, impact on staff is an
10 appropriate thing to take into account when you decide what
11 you are going to do. I think, informally, that is usually
12 done.

13 COMMISSIONER KENNEDY: Input, so that at least we
14 can make the note that we took it into account, and recognize
15 it when we make the decision. Here, you say we maybe didn't.

16 If you haven't told us yet what it is, obviously
17 we couldn't have, is my point.

18 MR. CASE: I think it is fair to say that NRR did
19 not concur in the course of action recommended because of
20 that consideration.

21 MR. SHAPAR: That was for a limited aspect of it.
22 I think your disagreement was not with the basic
23 recommendation, it was with regard to cases that were
24 pending before the Appeals Board.

25 COMMISSIONER KENNEDY: I'm sorry. I didn't mean to

jwb 1 interrupt that much. You are now pursuing this to find out
2 what the impact is?

3 CHAIRMAN HENDRIE: Let's see. We said: Where
4 permits have issued, with regard to the S-3 --

5 MR. GOSSICK: That's my understanding.

6 MR. CASE: Unless someone raises a question, as
7 I understand it.

8 CHAIRMAN HENDRIE: If someone wants to challenge,
9 they can petition under --

10 MR. CASE: 2.206.

11 CHAIRMAN HENDRIE: 206?

12 MR. SHAPAR: That would be considered, but the
13 license would be continued until --

14 CHAIRMAN HENDRIE: For those that are in process,
15 and for which permit has not issued.

16 MR. CASE: Or an LWA.

17 CHAIRMAN HENDRIE: Or an LWA. Then it gets cranked
18 back into the procedure. So you are going to have another one
19 of those widespread-impact situations.

20 COMMISSIONER KENNEDY: The reason for my question,
21 I was struck by the starkness of some analyses that suggest
22 that, for a billion dollar investment plant, a delay of a
23 year is \$100 million. You know, \$100 million is a whole lot
24 of money, to me, anyway. I realize, to the government it may
25 not be much, but after all, we pay for it sooner or later.

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1 More importantly, I was struck by the notions
2 that the President so rightly put forward recently, that
3 inflation is not made up of a handful of little things like
4 firm prices; it is made up of an enormous range of impacts
5 on the economy, and not the least of which perhaps is the
6 effect of regulatory decisions which introduce substantial
7 new costs which ultimately are borne by who? Either the
8 taxpayer, or the rate-payer. And it turns out, when you get
9 to that fellow, he is both of them.

10 That obviously is another cost in the economy.
11 Well -- So it seems to me that that's something we ought to
12 be focusing a little bit more attention on.

13 MR. KELLEY: I would like to mention one thing
14 in connection with S-3, and the impact. Without reference
15 to any particular case, I had a call from Al Rosenthal
16 the other day, saying that he had read the S-3 paper, and
17 he wanted to be sure it says, in effect, that licensing
18 boards look at it, and appeals boards look at it.

19 Alan wanted to know whether that affected his
20 power to remand, and he wanted somebody else to look at it.
21 We told him that we did not read it as precluding him from
22 remanding. He said he is too busy to hold hearings on this
23 issue, or maybe you could get some work sent back to you,
24 Jim.

25 MR. SHAPAR: He indicated to me that if it would be

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1 a remand case, he would probably be recommending, if he has
2 the time, that it be done by the appeal board, rather than
3 by remand.

4 COMMISSIONER KENNEDY: Just now, Jim --

5 MR. KELLEY: You can certainly recommend. It
6 seems to me that, to the extent you have the presentation,
7 it is the same in various cases. He may not see that as
8 such an awesome task, but I don't know. He has simply
9 warned me that he may be disposed to remand.

10 COMMISSIONER KENNEDY: I think it is something
11 worth keeping in mind and watching, because it is going to
12 get worrisome, at some point. When are we going to get some
13 idea how long this process is going to take?

14 MR. CASE: Certainly, by the next month's briefing.
15 I hope I can have it within a couple of weeks.

16 MR. BOYD: There is only one other critical case,
17 and that is Jamesport, which is affected by the same thing.
18 Now Perkins, following --

19 CHAIRMAN HENDRIE: Is there anything else from
20 Jamesport?

21 MR. BOYD: Not to my knowledge. I guess I
22 understand that we were awaiting the decision until such
23 time as this S-3 -- the board was ready to issue a decision
24 in January, and the applicant asked that it not be issued
25 because of the new load forecast. This was at the request

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1 of the applicant.

2 Long Island Lighting Company has pushed back
3 their dates considerably.

4 CHAIRMAN HENDRIE: Why in the world would the
5 applicant request that the damn thing not -- that a decision
6 not be made?

7 MR. YORE: Based on new load forecasts. They
8 have a completely new set of criteria for --

9 MR. CASE: The present record on this point is
10 no longer correct, I assume.

11 MR. YORE: That's right.

12 CHAIRMAN HENDRIE: Why doesn't he take the permit
13 and do what he has to do with the plant?

14 MR. SHAPAR: He sort of has an obligation, under
15 current Commission policy, to provide current information
16 that might throw a different light on information that has
17 already been submitted -- a board notification question,
18 under McGuire.

19 CHAIRMAN HENDRIE: Well, he can certainly submit
20 what he perceives as adjusted load forecasts, and probable
21 on-line times for the plant. Did he go beyond that and
22 specifically request that the board hold its decision --

23 MR. YORE: I took the call from their lawyer --

24 CHAIRMAN HENDRIE: That surprises me. --

25 MR. YORE: -- a Guy Hutchinson --

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1 CHAIRMAN HENDRIE: He's got an obligation to
2 turn the information in. It seems to me, if I was running
3 Long Island Light, I would like to go ahead and say that
4 in spite of that, I want to issue — if you are ready to
5 issue, unless you think the board — you, the board — feel
6 that the information is so fundamental that it is required
7 to reconsider.

8 MR. SHAPAR: One other possibility would be the
9 fear about the initial decision perhaps not surviving, by
10 the appeal board, plus information that is publicly available,
11 in turn, should be factored into the decision.

12 This is only speculation.

13 MR. YORE: The applicant's submission came in and
14 said that they are slipping their operating dates from
15 November 1984 and '86, to the summers of '88 and '90, because
16 of the new load forecast.

17 CHAIRMAN HENDRIE: You got a request in January
18 from Long Island saying there is some new information, and
19 don't issue a decision, please?

20 What does the board do, then?

21 MR. YORE: They ask the parties for comment on
22 this, and the County of Suffolk, which is the intervenor,
23 filed a supplemental argument requesting that the CP be
24 denied. The final response was filed by the staff on
25 April 7th, with reference to this.

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1 CHAIRMAN HENDRIE: Well, this all paces along
2 and doesn't seem to hurt anybody. It allows Suffolk and
3 the staff and everybody else to be reasonably leisurely
4 about their filings and the applicant an't here hurt.
5 He has to hold the whole thing up. And about 8 months
6 from now, I will be answering another letter from the GAO
7 saying, in the Jamesport case, the licensing board diddled
8 around from being ready to issue a decision in January, and
9 it got to be May and nothing came out, and let's see you
10 explain that, Hendrie, and numerous people in the Congress
11 will repeat that question.

12 I must say --

13 COMMISSIONER KENNEDY: Notify those people in
14 Congress that the applicant requested that it be held up.

15 CHAIRMAN HENDRIE: -- you get the sort of overall
16 blasts, and then you go back and want to talk about the
17 detail, and nobody will listen to it. It is like getting
18 charged with something in the evening paper, and when you
19 go back with the particulars, and they will maybe give some
20 nod to your information two weeks later in the back pages,
21 and it doesn't constitute an effective answer in the public
22 opinion arena.

23 I don't know, Jim. I think we are going to have
24 to think about things like boards in circumstances like
25 that stomping around and issuing statements saying this

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1 board was ready to go, this case was ready for decision,
2 be it known to all parties that here come the applicants,
3 or whoever, stalling the whole thing.

4 MR. YORE: We documented our own record on this.
5 I took the call from the attorney, because the chairman of
6 the board had another case that day. So I got it directly.
7 This is the law firm in Richmond that represents Long Island
8 Lighting Company.

9 We understand you are ready to issue the decision,
10 and he said, "hold off." And we did.

11 CHAIRMAN HENDRIE: We'll get a chance at one of
12 the workshops at that seminar, I hope, to hold with you folks
13 that we can kick this around a little bit -- this sort of
14 aspect, you know: The agency is ready to go, and the other
15 parties want to fiddle around with it, and that's fine. But
16 I'll be damned if I want to have to be explaining this blow
17 by blow in answer to a set of broad accusations down the line
18 that the boards aren't acting briskly, and so on.

19 MR. SHAPAR: This is the easy case, in terms of the
20 answer to be given. The harder case is when the case is ready
21 for a decision, and new information is funneled in.

22 CHAIRMAN HENDRIE: And then the staff puts it in,
23 or whatever. Okay, onward.

24 MR. BOYD: Perkins is essentially the same
25 situation; we are making a little progress. In Perkins, I

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1 understand S-3 was a contention, and the board in the last
2 few days came down with an order setting May 16th as the date
3 for reopening the hearing on the S-3 question.

4 CHAIRMAN HENDRIE: Is it just S-3?

5 MR. BOYD: Yes; radon, yes, the only thing.

6 MR. CASE: That's the only thing that's left open?

7 MR. BOYD: That's the only thing in the order. I
8 assume it is the only thing left open.

9 COMMISSIONER KENNEDY: How long —

10 MR. YORE: This is another case where the board
11 was ready to issue a decision in January, and Duke Power came
12 in and deferred it, two units by three years, and one unit
13 by four years, because of new load projections.

14 COMMISSIONER KENNEDY: Did they then request that
15 we not issue the license?

16 MR. YORE: That's right, because of the new issue
17 of need for power.

18 MR. BOYD: And they also — they already had CP
19 permits on the Cherokee plants. This is part of the Duke
20 six-pack.

21 MR. YORE: The board is going ahead and holding
22 a hearing on May 16th, and trying to clear it up. They hope
23 to have it in one or two days in Washington — the hearing
24 itself.

25 CHAIRMAN HENDRIE: And Pilgrim?

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MR. BOYD: In the matter of Pilgrim, there is some outstanding information required on financial qualifications, where the applicant has indicated it is going to take him until May to put the information together. We delayed the proceeding accordingly, and are expecting a hearing in June.

That, in turn, has delayed the issuance of the construction permit from June until October.

MR. YORE: This is the case that is on appeal. The board denied the application for the LWA. That is on appeal to the Appeal Board right now. If they remand it, then the board can issue an LWA. If they uphold the board, then it will proceed to completion.

CHAIRMAN HENDRIE: What is the problem with the financial qualifications?

MR. YORE: It is not Boston Edison, as I understand it. They have a lot of other utilities that are co-partners with them. They just haven't gotten the information ready. I understand they are not going to have it ready in May. We got the word yesterday they will not have their financial information ready.

CHAIRMAN HENDRIE: What's wrong with them? They are big boys up there. They know what is required.

MR. BOYD: The problem has been, of course, in New England a large number of utilities, having very small

jwb 1 pieces, and by the way we do business, you have to look at
2 the financial qualifications of each and every outfit for
3 that percentage, whatever it is.

4 COMMISSIONER KENNEDY: Which would be a problem
5 for us if we had the information, but we don't have the
6 information.

7 MR. BOYD: It is also a problem getting the
8 information.

end #1 9 CHAIRMAN HENDRIE: They must have known they were
beg #2 10 going to have to put it up long ago.

11 MR. BOYD: Is there any indication of changes in
12 percentage?

13 MR. YORE: I don't know.

14 MR. VASSALLO: There are some changes in
15 percentage.

16 MR. BOYD: That usually has an impact on it. One
17 guy is going to take 5 percent, and then he changes to 3.2
18 percent.

19 CHAIRMAN HENDRIE: But he was still on the list
20 in the beginning, and he is still on the list now. Somehow,
21 I would expect this to get thrown up in the review process,
22 rather than late in the hearing.

23 MR. CASE: Apparently, they changed the ownership
24 percentages.

25 MR. BOYD: That's right.

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1 MR. VASSALLO: Look, we already went through
2 financial once, and it was okay. But during the intervening
3 months, and almost years, things have changed, and these
4 percentages have changed. And also, they look at when they
5 need the power. It is kind of tied together.

6 They made public announcements of the fact that --
7 of the prediction of when they needed power, and the financial
8 so it is this new information, but it had been done once
9 before.

end #1

beg #2

10 COMMISSIONER KENNEDY: The nice thing about this
11 is that if we just continue to lengthen the licensing
12 process long enough, the license can never issue at all,
13 because there will always be "new information." History
14 hasn't been written over the centuries, day by day.

15 MR. CASE: That is a problem -- these long
16 reviews.

17 CHAIRMAN HENDRIE: I am just surprised that it
18 comes up that strongly.

19 MR. BOYD: There has been a solution, in some cases
20 in the past, where the major utility comes forward and says:
21 Look, if all of these pieces don't fall together, I will take
22 them, and I can show that I can do it. Then, the problem
23 goes away. That is not the case here, and in other cases it
24 has not been the case.

25 It does take months to get things sorted out.

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1 COMMISSIONER KENNEDY: How does somebody build a
2 1000-megawatt coal plant?

3 CHAIRMAN HENDRIE: With difficulty, these days --
4 not quite as much as they have here --

5 COMMISSIONER KENNEDY: I would hope not.

6 CHAIRMAN HENDRIE: -- but it is increasing,
7 rapidly.

8 COMMISSIONER KENNEDY: It sure is going to get
9 cold one of these days, and dark.

10 CHAIRMAN HENDRIE: And dark. We'll have to go to
11 bed early, and rise with the sun.

12 COMMISSIONER KENNEDY: That might be an advantage,
13 if there is a little less light available, fewer will have
14 time to read all this trivia, and that will get these
15 machinations brought under some sort of rational control.

16 MR. SHAPAR: Well, then the rum consumption will
17 go up.

18 COMMISSIONER KENNEDY: Only if there is enough
19 power to run the bottling plant.

20 CHAIRMAN HENDRIE: I have got a place along the
21 south shore of Long Island, Howard, if you can get a boat,
22 why I can see we might keep ourselves ahead of the game
23 in years to come.

24 (Laughter.)

25 CHAIRMAN HENDRIE: Okay, onward.

jwb

1 MR. BOYD: The situation in Yellow Creek, we are
2 in the process -- we finally, I guess, now have all of the
3 outstanding information we need from the applicant TVA. We
4 have maneuvered from 20 open issues in the time of the ACRS
5 down to just 4. We have got the information, I think, on the
6 4. It has taken an extra month, though, but I think we should
7 be moving to wrap up this review and go on into the hearing.

8 Our view is, we can't go into the hearing with
9 open issues. We have to take the time to get them resolved,
10 and it has taken some time on behalf of the applicant to get
11 the necessary information to us.

12 CHAIRMAN HENDRIE: When you say "open issues," has
13 the staff got a position on them?

14 MR. BOYD: In most cases, the staff has a
15 position -- and I don't say this facetiously at all -- in
16 order to specify that you do need still more information.
17 In other words, if it can be done this way, this way, or
18 this way, to find out which way they are going to do it.
19 They have to supply the information and say: Okay, we are
20 going to do this.

21 MR. CASE: But they do have an LWA recently issued.

22 MR. BOYD: Yes.

23 Black Fox, there is a three-month construction
24 permit delay. The applicant has just come in with a number
25 of design changes. He has modified his control room, changed

jwb

1 his QA organization. We have some problems in the Mark III
2 containment review. This results in a conglomeration of
3 time in getting the information and getting it reviewed.
4 It amounts to a slip of about three months.

5 This would not be a problem if we can get the
6 Black Fox LWA proceeding through and completed.

7 MR. CASE: What is the status of that one? The
8 LWA proceeding?

9 MR. BOYD: That is the one where we have to go
10 back on S-3.

11 MR. CASE: Maybe.

12 MR. YORE: I don't know. The board is ready to
13 issue a decision. They can have it in about two weeks —
14 approximately two weeks.

15 MR. CASE: I think the Commission has required us
16 to go back.

17 MR. YORE: This has to be decided, and they are
18 ready to issue a decision on Jamesport. It is finished.

19 CHAIRMAN HENDRIE: Ready to go on?

20 MR. BOYD: Focusing on Erie, a one-month delay. It
21 is a staff impact problem. In two of our branches, the
22 people working on Erie have not been able to get on it. They
23 have been working on the Diablo Canyon, as a matter of fact,
24 and it has resulted in a month's delay. Particularly, this
25 involves our structural people, and our power systems people.

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1 We are still targeting, trying to get an SER
2 out on Erie on July 1st. As a matter of fact, the Erie
3 people are coming in to see me this afternoon. And one
4 of the things they are going to complain about is the
5 difficulty they have in trying to see the light at the
6 end of the tunnel.

7 But in fact, we are -- resource impact is there.
8 And we can't put the people in two places at once. We have
9 put Diablo Canyon ahead. It is an operating plant, and of
10 course we do have considerable problems with the seismic
11 design.

12 I can immediately jump down the next line and
13 have to say, almost without breaking stride, that we have
14 increased the schedule for completing Diablo, because of
15 the necessity to clean up all of the open and controversial
16 matters on our seismic reevaluation.

17 As we now foresee Diablo, we hope to get to the
18 ACRS in June. Invariably, there will still be some open
19 issues at that point, and we hope to clean those up by
20 September. So that, from a target point of view, we would
21 hope to get into a hearing by September. And as a matter
22 of fact, we are now targeting for Diablo a decision, perhaps,
23 by December.

24 Hatch 2 and Zimmer are construction delays. Hatch
25 2 is only a one-month delay. They are almost complete. They

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1 are having a few problems, I guess, with installation of
2 snubbers, and it is taking them slightly longer. In fact,
3 you may have seen in the paper that they are touting
4 Hatch 2 as getting done ahead of schedule and under cost.

5 We had thought that they were going to be complete
6 by around mid-April. It now turns out, to finish the snubbers
7 problem, it will be sometime in May.

8 COMMISSIONER KENNEDY: Have you received a letter
9 from anybody on that?

10 MR. BOYD: No.

11 COMMISSIONER KENNEDY: I keep receiving these
12 letters on the other side commenting on the fact that here
13 these things are so late, and so much over cost.

14 CHAIRMAN HENDRIE: I am not sure that we get much
15 credit for whatever on-schedule and within-budget condition
16 Hatch 2 may have achieved.

17 I think we may have done our level best, as we
18 always do.

19 COMMISSIONER KENNEDY: I wasn't thinking --

20 MR. CASE: We should get some credit for getting
21 the licensing --

22 COMMISSIONER KENNEDY: I wasn't thinking in terms
23 of an accolade for the Commission, but here is a remarkable
24 circumstance, as contrasted to all the other letters we keep
25 getting.

jwb

1 CHAIRMAN HENDRIE: Finally, a normal plant?

2 COMMISSIONER KENNEDY: Yes. And that someone
3 would take the time -- that someone should write a letter
4 to say: Look at this.

5 MR. BOYD: Hatch 2 had a novel fuel design which
6 we had to put considerable resources on for the first time
7 on this review. We did it at a speed to keep up with
8 construction.

9 CHAIRMAN HENDRIE: Good.

10 What's happened to Zimmer?

11 MR. BOYD: Zimmer, it is taking longer to build the
12 plant. They have just announced about a nine-month
13 construction delay. In our review about a month ago,
14 where we were comparing what the applicant says with what
15 we think, there was an anomaly of about a year or nine
16 months, and we thought our date was probably a better one
17 than theirs. And before we had time to discuss it with
18 them, they called and told us their date -- it is going to
19 take longer, another nine months. Our two dates came right
20 into mesh. It is just taking them longer to build the plant.

21 MR. SHAPAR: A self-fulfilling prophesy.

22 CHAIRMAN HENDRIE: Yes.

23 MR. BOYD: Two other delays dealing with our
24 preliminary design authority issuances, the B&W BESAR, we
25 are delaying a month. Primarily the problem deals with trying

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1 to complete our review on determining the minimum containment
2 pressure for ECCS and in the Reactor Systems Branch, and it
3 is taking us one more month. It is a resource problem. We
4 have got the people on other things.

5 BSAR-205 has not had that high of a priority. It
6 is going to be "ify" to finish this in April. We are
7 showing a slip from March to April in the charts. Talking
8 to people this morning, of course April is slightly more
9 than half gone now. We may not make April. We may be back
10 next month with this same problem, "one more month."

11 The last one that I have on the chart is the
12 Stone and Webster balance of plant that goes with the B&W
13 BSAR. I indicate here, SWESSAR P-1, another two-month
14 delay. We are awaiting information from the applicant.
15 Stone and Webster is having a hard time getting mass and
16 energy balance information on the steamline break from
17 B&W, so until Stone and Webster can get that information
18 from B&W, we can't complete our review of the balance of
19 plant.

20 CHAIRMAN HENDRIE: Is this the last of the PWR
21 fits to SWESSAR?

22 MR. BOYD: Yes, this is the last of the SWESSARs.

23 CHAIRMAN HENDRIE: You approved the Westinghouse
24 sometime ago?

25 MR. BOYD: Westinghouse combustion, and now B&W.

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1 I think there is another Westinghouse 1, if I am not
2 mistaken. We also -- didn't we do --

3 MR. VASSALLO: Just for 41.

4 MR. BOYD: Just for SWESSAR 41.

5 If you look at this chart on PDAs, it does show,
6 over the last few months, some sort of an interest, or an
7 increase in interest on the part of architect-engineers.
8 We have, if you look at the additional PDAs that have come
9 in, we have a GIBBSSAR, a couple of ESSARs, and a GAISSAR.

10 CHAIRMAN HENDRIE: A "GAISSAR"?

11 MR. BOYD: Gilbert Associates, Gilbert Commonwealth.

12 CHAIRMAN HENDRIE: What is the "I" in there?

13 MR. CASE: To distinguish it from GASSAR.

14 MR. BOYD: I suspect, yes. I imagine when they
15 try to come up with these euphemisms they have quite a
16 company contest. "ESSAR" is a gas-cooled, , if I am
17 not mistaken.

18 MR. VASSALLO: That is the gas-cooled, yes.

19 CHAIRMAN HENDRIE: Whatever became of those
20 discussions with Bechtel who appeared at a meeting with us
21 a while ago, as though they were sort of edging a little bit
22 closer to a reference system? They are not quite there yet?

23 MR. CASE: You raised some questions with them, and
24 they were going to think, and come back. I don't think they
25 have come back.

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1 MR. BOYD: Not to my knowledge. Each time we
2 talk to them, they get more and more interested, I believe.

3 CHAIRMAN HENDRIE: Everytime one of the competitors
4 files another one of these things, somebody else in Bechtel
5 headquarters begins to worry about their competitive position
6 and whether, in fact, if the Commission comes out and says:
7 Wow, standard designs, get Schedule A, and everything else
8 gets Schedule B, and there is a big difference from that
9 that they make.

10 You know, they have that to worry about as a
11 possible condition. Have there been any murmurings from
12 GA about GASSAR?

13 MR. BOYD: What we have on that situation, now,
14 Mr. Chairman, there is a utility group formed -- GASCO
15 Reactor Associates. They are heading up the effort to
16 develop a reference system design for a gas-cooled reactor.
17 They plan on filing an SAR, as I understand it, in '79, next
18 year.

19 We have talked to them on two or three occasions,
20 now. They are enthusiastic, and they argue very strongly
21 each time they come in. They show the progress they have
22 made since our last meeting, and apparently the utilities are
23 behind them, and they are very, very serious.

24 In our projections, we are forecasting this
25 application. It won't be from GA; it will be from Gas-Cooled

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1 Reactor Associates, which includes GA. As I remember, it
2 will be something like -- I have to confess, this is only
3 a guess, but somehow "950 megawatts" sticks in my head.

4 CHAIRMAN HENDRIE: That is a good size. Can they
5 get a single turbine in conventional steam conditions at
6 950?

7 MR. BOYD: No, they have got something that was
8 peculiar to me when I heard it --

9 CHAIRMAN HENDRIE: Do you remember when the big
10 plants were in before, they had to split, and take two
11 turbines in order to handle the output. I wondered if the
12 turbine people had crept up a little bit in the meantime,
13 and the power level in the reactor crept down.

14 MR. BOYD: I think they have a specialized turbine
15 situation, I think, maybe involving only one turbine --

16 CHAIRMAN HENDRIE: How much of GASSAR will be
17 applicable and transferrable?

18 MR. BOYD: The base technology will, of course,
19 be transferrable. The specific design information won't.
20 And of course, GASSAR is not really what I would call a
21 standardization review; it is more of a special project,
22 looking at specific aspects. The GASSAR thing would never
23 have led to a PDA.

24 CHAIRMAN HENDRIE: The current one, is it going
25 to be the full plant?

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MR. BOYD: My understanding is it is.

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MR. CASE: You mean the Gas Cooled Associates,

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ones?

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MR. BOYD: Yes.

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MR. CASE: We discussed a number of alternatives with them, and suggested that that was one of the more desirable ones.

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MR. BOYD: I don't believe they have really made that decision yet, but --

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CHAIRMAN HENDRIE: I have been anticipating that the HTGR, if it was ever going to apply again, the first thing we would see would be a reference design, rather than a utility -- than a CP application. They would want to get part way down the line on that reference design review and see how that was going to -- beginning to come out before they get --

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MR. BOYD: I think that is precisely the way the utilities involved are playing it.

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CHAIRMAN HENDRIE: Should we --

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MR. BOYD: It is almost 11:00 o'clock. I am finished, in accordance with my promise.

21

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MR. GOSSICK: Whether you're done, or not.

23

MR. BOYD: Whether I'm done, or not.

24

(Laughter.)

25

COMMISSIONER KENNEDY: What important thing would

jwb 1 you have added had you had more time?

2 MR. BOYD: Not one thing, sir.

3 COMMISSIONER KENNEDY: That's all I need to know.
4 Notice I did underline the word "important."

5 MR. BOYD: Yes.

6 COMMISSIONER KENNEDY: I remain concerned about
7 staff impacts, given the relatively low order of total work
8 load, and what some believe -- I won't argue that question
9 this morning -- a fairly high staffing level in total.

10 It is a very difficult question to answer, and
11 how, with that number of people, can you have a staff impact
12 hold up licensing?

13 MR. CASE: It is a body in a particular branch --
14 the Reactor Safety Systems Branch, Power Systems Branch,
15 Instrumentation --

16 MR. BOYD: Structural Design --

17 MR. CASE: -- and Accident Analysis Branch.
18 Those are the ones where you run into the problems. It is
19 true, on the average, there is enough people. But I can't
20 take (indicating) --

21 COMMISSIONER KENNEDY: You can't run the guy in
22 this afternoon to pick up 20 minutes worth of work load.

23 CHAIRMAN HENDRIE: In some of those areas, if
24 there were extra people, would it really make a fundamental
25 difference?

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MR. CASE: Yes, it would pick up, for instance, the Erie delay of a month or two.

2

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CHAIRMAN HENDRIE: But wouldn't you find, over the next year, that that branch would still be the one holding things up? I wonder how much of it is just hands and feet and how much of it is the way in which that particular piece of the review is done.

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MR. CASE: I think you're right. If you just plug some people in, and didn't — also, perhaps this is a commercial — plug some additional people in to revise the standard review plans and get them up so that they can and would be followed, and develop a monitoring and control system to assure that they were followed —

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COMMISSIONER KENNEDY: That sounds like eminently good sense. Why don't we just do that?

MR. CASE: Because I haven't got the manpower to do it.

COMMISSIONER KENNEDY: This is Catch-22. We haven't got the manpower to solve the problem which creates the shortage of manpower.

MR. CASE: The Catch-22 situation.

COMMISSIONER KENNEDY: Someplace, there's got to be a way to solve the problem.

MR. CASE: The two situations I have shown is in plugging people into those branches, and that solves the

jwb

1 problem. The Chairman says: Yes, that will solve your
2 problem today, but next year you will have a similar problem
3 unless you also do other things. That's the point I was
4 trying to make.

5 COMMISSIONER KENNEDY: I agree with that. It is
6 the other things that it would seem to me are the keys to
7 solving the problem.

8 MR. CASE: But in the meantime, I can't afford to
9 hold up operating plants. I can't afford to put people on
10 planning for the future while there is a plant sitting there,
11 as you point out, costing how many hundreds of thousands of
12 dollars a day because the review isn't done.

13 MR. BOYD: We have a very critical problem that
14 we are struggling with now in that regard. You may remember,
15 Mr. Chairman, some years ago we contemplated the concept of
16 a window, and during this window so many applications could
17 come in. We have 4, 5, or 6 FSAR-OL applications by
18 utilities that want to come in now. We can't handle them
19 now. We have -- the question is: How soon before they need
20 an OL should we let them come in for the acceptance review?
21 And then, going on to the review, should we believe their
22 date when they say construction will be complete? Or should
23 we believe the date that we think is more reasonable?

24 In either case, you can't stand to be wrong, but
25 the fact remains that the resources to do these four or five

jwb 1 reviews just aren't there. . While all this other stuff is
2 going on, in some branches we have had to make accommodations
3 to people and say "I can't even begin to look at it; I am
end #2 4 physically doing something else."

beg #3 5 Partly for that reason, we are sending groups
6 around to the various sites to look, in great detail, at
7 the construction to see when we think this plant is going
8 to be complete. We think we can get the job done in two, or
9 two-and-a-half years.

10 MR. CASE: Another problem is what you mentioned
11 at the beginning. If you start too soon, and time goes on
12 and on, and you're not ready for an OL, you find yourself
13 doing things over again. It is counterproductive from that
14 point of view to start too early.

15 MR. BOYD: It is difficult to find the right
16 time. And I guess you would say, Ed, the right number of
17 people.

18 CHAIRMAN HENDRIE: We are going to have to keep
19 focusing on these problems. One of the things which I have
20 not been able to do, thus far, which I hope to be able to
21 do is come out and spend a fair amount of time out there
22 with the reactor office and its sections, both understanding
23 the problems, and trying to see what sorts of --

24 MR. CASE: I wish you would.

25 CHAIRMAN HENDRIE: I continue to think we have to

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1 find ways in the handling and management of the reviews that
2 are more manpower efficient -- a few more people in this
3 branch, and one more person there, and two there is a sort
4 of a set of microsolutions to a problem which I think, in the
5 long run, is simply not amenable to microsolutions.

6 MR. CASE: I think you will find out, Mr. Chairman,
7 that there is much more scheduling of a person's time than
8 when you were there -- much more than the degree to which
9 you want to schedule peoples' time in order in these
10 spot shortages, to find time to get them to work on reviews
11 way far in advance, every person, every minute.

12 MR. GOSSICK: We have got problems similar to this
13 elsewhere, as you well know, in the staff on money. We have
14 got an mid-year review scheduled to take a look at where
15 we are, and out of that I think we are going to have to
16 back off and look at where the tight spots are.

17 There are a number of new tasks that have been
18 appearing on the horizon -- stuff that DOE is asking Ed to
19 do, and Cliff to look at in the way of reviews on corporation
20 legislation --

21 COMMISSIONER KENNEDY: As far as the staff, I think
22 there seems to be an all but inexorable tendency on the part
23 of the Commission to suggest to the world that we should be
24 taking on additional new responsibilities and brand-new tasks,
25 which I find hard to reconcile with my oft-repeated speech to

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1 the effect that regulators ought not to be looking for ways
2 to expand their charters.

3 MR. GOSSICK: It has been some 18 months since we
4 formulated, you know, the budget under which we are operating
5 now. I think we have to take a hard look at the priorities
6 and decide whether there are some things we are going to
7 knock off, or do on a slower schedule, in order to accommodate
8 some of these things that are laying in front of us.

9 MR. CASE: It is fair to say, Commissioner
10 Kennedy, one of the things I am trying to fulfill, and where
11 I am finding extreme difficulty, is the one I spoke to you
12 about a year or so ago in implementing WASH-1400 techniques
13 in the licensing process.

14 MR. GOSSICK: That's another one.

15 COMMISSIONER KENNEDY: I understand.

16 CHAIRMAN HENDRIE: Let me ask a final question
17 before you go away.

18 How are you doing on the environmental supplement
19 to cover the liquid pathway study on the FNP Manufacturing
20 license review?

21 MR. BOYD: That is moving right alone.

22 CHAIRMAN HENDRIE: It was due, the board said,
23 24 April, or something like that?

24 MR. CASE: We plan to meet -- We will meet the
25 dates established -- unjustly, in our view -- by the board.

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1 CHAIRMAN HENDRIE: Yes, I know, you are appealing,

2 but --

3 (Laughter.)

4 COMMISSIONER KENNEDY: Meanwhile, you are
5 continuing to work, which is commendable.

6 MR. CASE: Some will not be final documents, but
7 comments.

8 CHAIRMAN HENDRIE: Let's see. These are the draft
9 statements, aren't they?

10 MR. SHAPAR: Draft supplement.

11 MR. CASE: Some have been so extensively revised
12 we believe they have to be circulated for comment.

13 CHAIRMAN HENDRIE: They are, in effect -- though
14 I don't know what you call them, but they are second
15 iteration drafts.

16 MR. CASE: Yes.

17 CHAIRMAN HENDRIE: Okay.

18 MR. CASE: Let me amend the flat statement -- we
19 will come very close to the schedule established by the board.

20 CHAIRMAN HENDRIE: Good. Thank you very much.

21 (Whereupon, at 11:10 a.m., the meeting was
22 adjourned.)

23 * * *

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