

**Washington Public Power Supply System**

P.O. Box 968 3000 George Washington Way Richland, Washington 99352 (509) 372-5000

G02-82-538

Docket No. 50-397

June 11, 1982

The Honorable N. J. Palladino  
Chairman  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

Dear Mr. Chairman:

Subject: OPERATING LICENSE REVIEWS OF SITING ISSUES

Based on Supply System experience over the past few years, I believe that reviews of siting issues which were resolved during Construction Permit proceedings are being unnecessarily reevaluated as part of the Operating License reviews. These in-depth Operating License reviews deplete both utility and NRC financial and manpower resources and are largely nonproductive with respect to improved plant safety. It is my belief that changes in NRC rules and policy are needed in this regard.

The reviews of the seismic design basis for our WNP-2 plant provide an excellent example of the problem that concerns me. WNP-2 is located on the Hanford Reservation near Richland, Washington, and is currently more than 90 percent complete. Precedent for the 0.25g seismic design basis for the Hanford site was established in 1970 by DOE (then AEC) and NRC reviews associated with the Fast Flux Test Facility. In 1973, reviews of the WNP-2 Construction Permit Application reconfirmed adequacy of this design basis. In 1975 and 1977 respectively, reviews associated with issuance of Construction Permits for WNP-1 and WNP-4 again confirmed the 0.25g design value. Despite these four previous comprehensive reviews, the NRC staff has undertaken an exhaustive reevaluation of Hanford geology and seismology as part of the Operating License review for WNP-2. We estimated that the Supply System expended about 8.3 million dollars in seismic studies to support obtaining Construction Permits for our Hanford plants, and an additional 9.3 million dollars on evaluation of geology and seismic issues since that time. These estimates do not include the cost of extensive programs sponsored by NESCO, associated with the Skagit/Hanford plant and by DOE related to their Hanford facilities. The review of WNP-2 seismic issues is continuing today, and this issue has twice caused postponement of the ACRS meeting

Figure 1. The effect of the concentration of the *Agrobacterium* suspension on the transformation efficiency of *Agrobacterium* strains. The *Agrobacterium* strains were grown in YEA medium for 24 h at 28°C. The cell concentration of the strains was adjusted to 1.0 × 10<sup>8</sup> cells/ml. The cell suspension was mixed with the plant tissue and the transformation efficiency was determined. The results are the mean of three independent experiments. Error bars represent the standard deviation.

$\frac{1}{2} \left( \frac{1}{2} \right) = \frac{1}{4}$

[illegible]

The first of these is the fact that the United States has a large and growing population of people who are not of the majority race. This is a fact which has been recognized by the Government for many years. The second is the fact that the United States has a large and growing population of people who are not of the majority religion. This is a fact which has been recognized by the Government for many years. The third is the fact that the United States has a large and growing population of people who are not of the majority language. This is a fact which has been recognized by the Government for many years.

... ..

... ..

NJ Palladino  
Page 2  
June 11, 1982  
Operating License Reviews of Siting Issues

to review the WNP-2 Application. Yet, there is no significant new information (such as an unexpected major earthquake) that would justify such a massive review effort. Certainly as a result of these multi-million dollar efforts, the level of confidence in the Hanford site has been improved somewhat since issuance of the Construction Permit. However, the basis for granting the CP remains sound. The level of confidence in the adequacy of the seismic design basis was sufficient for issuance of CPs for our three Hanford plants, and in the absence of significant new information should be adequate for operation of these plants. Changes in state-of-the-art methodology for assessing site geology, seismology, meteorology, etc., should not be sufficient justification for undertaking a major effort to reevaluate previous decisions regarding a plant's design basis.

I should note, that I do not question the technical competence or good intention of the individual reviewers, or even the validity of individual questions when viewed in isolation. However, when viewed from the broader perspective of multiple reviews of a site at a time when modifications of a plant's design basis is totally impractical, the efforts associated with these reviews seem unnecessary and nonproductive.

In our view, the expenditure of more than 9 million dollars associated with post-Construction Permit review of seismic issues at Hanford has been largely a wasted effort in that it did not, and will not, serve to enhance the safety margins of our Hanford plants. Instead it has the potential to result in a net decrease in safety due to the drain of resources involved.

In recent months, a concern has been expressed that excessive regulatory demands on utilities may be resulting in an overall deleterious effect on nuclear plant safety. I believe that modification of rules and revision of NRC staff review policies to concentrate on comprehensive reviews of siting at the Construction Permit proceedings, and elimination of exhaustive reviews and litigation of such issues at the Operating License stage, would be a positive step toward reducing the demands on the utility industry without impacting plant safety. Such a change would be somewhat comparable to a recent rule which eliminated the review of alternatives to the plant at the Operating License stage. The detailed reviews of siting issues have evolved in recent years, I believe, primarily because of the potential for detailed public hearings on these issues at the Operating License stage. However, hearings on such issues should logically be limited to

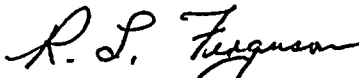


NJ Palladino  
Page 3  
June 11, 1982  
Operating License Reviews of Siting Issues

the CP stage (prior to major construction efforts and financial commitments) except when there is significant new information. Such a change would, I believe, be fully consistent with the intent of the Atomic Energy Act and NRC regulations, and should be implemented by the Commission as soon as possible.

I am hopeful you will find these comments constructive in nature as they are intended, and I would be happy to make myself or members of my staff available to provide additional information on this matter as necessary.

Very truly yours,



R. L. Ferguson  
Managing Director

GDB/sm

cc: N Reynolds      D&L  
     C Walske        AIF



|   |  |   |  |  |
|---|--|---|--|--|
| FROM: <u>Washington Public Power Supply System</u><br><u>R. L. Ferguson</u><br><u>G. N. Bouchey</u>   |  | ACTION CONTROL <u>11</u> DATES  |  | CONTROL NO. <u>12017</u>   |
| TO: <u>Chairman Palladino</u><br><u>Harold Denton</u>   |  | COMPL DEADLINE  |  | DATE OF DOCUMENT <u>6/11/82</u>  |
| DESCRIPTION <input checked="" type="checkbox"/> LETTER <input type="checkbox"/> MEMO <input type="checkbox"/> REPORT <input type="checkbox"/> OTHER |  | ACKNOWLEDGMENT  |  | PREPARE FOR SIGNATURE OF: <input checked="" type="checkbox"/> CHAIRMAN <input type="checkbox"/> EXECUTIVE DIRECTOR |
| Manford Seismic Issues  |  | INTERIM REPLY   |  | OTHER:   |
| CLASSIFIED DATA   |  | FINAL REPLY <u>1/1/82</u>   |  | FILE LOCATION <u>7/15/82</u>   |
| DOCUMENT/COPY NO.   |  | CLASSIFICATION  |  | SPECIAL INSTRUCTIONS OR REMARKS<br><br><u>Ref: EDO 11060</u>   |
| NUMBER OF PAGES   |  | CATEGORY  |  |  |
| POSTAL REGISTRY NO.   |  | <input type="checkbox"/> NSI <input type="checkbox"/> RD <input type="checkbox"/> FRD |  |  |
| ASSIGNED TO: <u>Denton HSB f/</u>   |  | DATE <u>6/21/82</u>   |  | INFORMATION ROUTING  |
| APPROP ACTION   |  | DIRECTOR <u>Wingard</u>   |  | LEGAL REVIEW <input type="checkbox"/> FINAL <input type="checkbox"/> COPY  |
| Eisenhelt <u>6/22/82</u>  |  | Cornell <u>Cummings</u>   |  | ASSIGNED TO: <u>3. Mattison</u> <u>7. Snyder</u>   |
|   |  | Rehn <u>Case/Denton</u>   |  | DATE   |
|   |  | Stella <u>1. PPAS</u>   |  | NO LEGAL OBJECTIONS NOTIFY: <u>EDO ADMIN &amp; CORRES BR</u>   |
|   |  | DeYoung <u>2. Manauer</u>   |  | EXT. <u>EXT.</u>   |
|   |  |   |  | COMMENTS, NOTIFY: <u>EXT.</u>  |
|   |  |   |  | JCAE NOTIFICATION RECOMMENDED: <input type="checkbox"/> YES <input type="checkbox"/> NO                            |

NRC FORM 232  
(11-75)

EXECUTIVE DIRECTOR FOR OPERATIONS

DO NOT REMOVE THIS COPY

## PRINCIPAL CORRESPONDENCE CONTROL

No. 0637 Logging Date 6/21/82

NRC SECRETARIAT

TO: ☐ Commissioner ☒ Exec. Dir./Oper. ☐ Gen. Counsel ☐ Solicitor ☐ Cong. Liaison ☐ Public Affairs ☐ Secretary ☐ Inspector & Auditor ☐ Policy Evaluation

Incoming: R.L. Ferguson

From: Washington Public Power Supply Sys System

To: Palladino Date 6/11/82

Subject: operating lic reviews of siting issues

☐ Prepare reply for signature of:

☐ Chairman

☐ Commissioner

☐ EDO, GC, CL, SOL, PA, SECY, IA, PE

☐ Signature block omitted

☐

☐ Return original of incoming with response

☐ For direct reply\*

☒ For appropriate action

☐ For information

Rec'd ON EDO  
Date 6-21-82  
Time 3:00

Remarks: RF

For the Commission: b ac

\*Send three (3) copies of reply to Secy Correspondence and Records Branch

NRC FORM 62A  
(3-82)

ACTION SLIP

