

Washington Public Power Supply System

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

November 24, 1982
G02-82-944

William J. Dircks, Executive Director
Office of the Executive Director for Operations
Nuclear Regulatory Commission
Maryland National Bank Building, Room 6715
7735 Old Georgetown Road
Bethesda, Maryland 20814

Dear Mr. Dircks:

Subject: WNP-2 PLANT VERIFICATION PROGRAM

Reference: Letter dated October 22, 1982, G. D. Bouchey to H. R. Denton,
"Nuclear Project No. 2 - Verification of Design and Construction Adequacy."

The reference letter transmitted the WNP-2 Plant Verification Report which describes in detail the actions that have been taken to assure me that the WNP-2 plant is design and constructed in accordance with our commitments. I believe that our Plant Verification Program is a substantive review in both its scope and depth. I have also hired an outside firm, Technical Audit Associates, Inc. (TAA), to provide an independent evaluation of the technical adequacy of our program and monitor its implementation through frequent onsite technical surveillance and audits.

On November 10, 1982, the Supply System senior management and staff met with the NRC staff to discuss our program. While noting that our program was impressive and would be considered, the principal comments by the NRC attendees revolved around the fact that the approach we have taken to assure objectivity and independence in our design reevaluation reviews was different than employed in previous reviews and, in their view, not consistent with the evolving position on independent design reviews for near-term operating license plants. At the close of the meeting, copies of the reports prepared by TAA of their audits of the WNP-2 Plant Verification Program were requested. These reports, plus some additional information that may assist you in evaluating our program, are attached.

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I believe that the question at issue here is fundamental to achieving effective action by utility management to assure quality in design and construction and requires attention at the highest levels within NRC. You have stated (SECY-82-352) and we fully agree that the underlying principle guiding the development of the NRC initiatives related to assurance of quality should be that the ultimate responsibility for quality and safety remains with the industry and that the NRC initiatives are not intended to transfer this responsibility to NRC. The essential corollary to this principle is that NRC must be openly receptive to bona-fide well thoughtout initiatives by the industry and evaluate them objectively based on their merits. Anything less will undercut the responsibility of utility management to establish new approaches to strengthen their internal quality programs and quickly lead to the "tell me what you want, so I can get on with the job" syndrome, which neither the industry nor NRC desire.

I have long recognized the value of a formal internal acceptance review process to assure that our plants are properly designed and constructed and that our organization is ready prior to a release for operation. As pointed out during the meeting with your staff and in the WNP-2 Plant Verification Report, I initiated acceptance reviews for WNP-2 in January 1981, shortly after I assumed the directorship of the Supply System. I am also very sensitive to need to re-establish the credibility of the nuclear industry in the eyes of the general public. At the time that quality problems at several nuclear plants began to receive national attention, we had just issued the first version of our acceptance review plan for WNP-2. While this initial plan contained many of the elements required to assure me that WNP-2 is designed and constructed as committed, it did not address the growing issue of objectivity and independence as part of our internal review process.

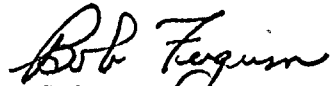
The options I considered at that point were hiring an outside engineering firm to conduct a third party design review or taking another look at what we had done and were planning to do and strengthening our internal acceptance review program, as appropriate. While the former option is less expensive and more expedient in the short term, I firmly believe that the long-term benefits to both the Supply System and NRC of a strong internal acceptance review program clearly outweigh the enhanced optics of the third party design review. As a result, our program is structured to utilize both internal and external organizations in a concept parallel to a financial audit where the bulk of the reviews and audits are conducted by independent internal organizations with an outside firm utilized to review and validate the internal audit process and check the implementation of selected aspects. I have appointed John Honekamp, an experienced technical manager, to a staff position reporting directly to me and assigned

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him the responsibility of assuring a meaningful objective reverification program and administering the contract with the independent technical auditor.

I am convinced that our approach is sound and includes a high degree of assurance that our design reverification reviews will be conducted with objectivity and independence. I strongly urge you to give our program serious consideration and support. We are continuing our program as scheduled and expect to have significant results in mid-January. I would be pleased to supply any additional information or discuss this matter with you further as necessary.

Very truly yours,


Robert L. Ferguson
Managing Director

Attachments:

1. Summary of Supply System Actions to Assure Independence of our Design Reverification Reviews
2. Brief Description of TAA
3. Excerpts from TAA Contract with the Supply System
4. Resumes of TAA Review Panel and Consultants Assigned to WNP-2 Program
5. TAA Reports on Their Review of the WNP-2 Plant Verification Program, Including the Supply System Response

cc w/attachments:

R. Auluck, NRC
WS Chin, BPA - 399
HR Denton, NRC
RH Engelken, NRC
RA Feil, NRC - 917Q
TH Novak, NRC
NS Reynolds, Debevoise & Liberman