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May 19, 1982

Ronald C. Haynes
Regional Administrator
United States Nuclear
Regulatory Commission
Region One
631 Park Avenue
King of Prussia, PA 19406

Dear Mr. Haynes:

As you may be aware, the New York State Public Service Commission is currently conducting a proceeding to investigate the prudence of the costs incurred in the construction of Long Island Lighting Company's (LILCO) Shoreham nuclear generating facility. During the course of the Commission's staff discovery in the proceeding, LILCO has submitted a document entitled "Shoreham Nuclear Power Station Schedule and Construction Management Evaluation" dated April 1977.

Page 2-13 of the document contains the following sentence:

Evidence of critical design problems has been suppressed by Stone & Webster in several instances in favor of not having to address them urgently and thereby highlight engineering difficulties.

The sentence is not further explained in the document.

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Add: R. Gilbert
B. Bordenick
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Ronald C. Haynes

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May 19, 1982

Both LILCO and staff's consultants have been asked their views of the meaning of that statement. In a written document dated May 14, 1982 LILCO stated:

...In fact, that report merely indicated schedule problems, principally that Stone & Webster had not always scheduled its engineering in sufficient detail to account for the solutions to engineering problems. Hence, complete engineering was not available in the field when needed.

Further discussions with LILCO indicate that the problems were all eventually resolved but had an impact on purchasing material and the schedule of the plant. Staff's consultants are uncertain as to the meaning of the statement.

The meaning of the statement in LILCO's Report is obviously subject to a number of interpretations. I am informing you of the statement in case you believe it desirable to pursue the matter further.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'HJR', is written over a faint, circular embossed seal.

HOWARD J. READ
Assistant Counsel