

**MANAGEMENT PLAN FOR
EXTENDED CONSTRUCTION DELAY
OF WNP-3
EXECUTIVE SUMMARY
(LEVEL I)**

AUGUST 4, 1983

Washington Public Power Supply System

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PLAN STRUCTURELEVEL I - EXECUTIVE SUMMARY

This portion is intended to provide executive level information relative to the plan, management principles and the most critical aspects of the construction delay.

LEVEL II - DESCRIPTION OF PERFORMANCE BY FUNCTION

This is intended to describe, at the management level, those functions which will or might be performed during the construction delay. This level II portion together with Level I constitutes middle management's guidelines.

LEVEL III - SUPPORTING DOCUMENTS

These documents are all of the supporting procedures, data, budgets, etc., which support the Level II and I. These are internal documents and are not intended for consolidation or distribution outside the project except as may be required.

MANAGEMENT PLAN FOR
EXTENDED CONSTRUCTION DELAY OF WNP-3

1.0 EXECUTIVE SUMMARY

1.1 INTRODUCTION

This Management Plan is a description of the policy and guidelines to be followed in executing an extended construction delay at WNP-3. The Supply System will use this plan as the basis for management direction relative to the delay period. The delay plan must be executed in strict accordance with the limited funding plan while preserving the assets of WNP-3 during the delay.

1.2 BACKGROUND

The delay of construction of this project is a result of several major events. These include numerous matters of litigation two of which can be deemed major: (1) the decision by the Washington State Supreme Court on June 15, 1983 ruling that WNP-4/5 Participants are not bound to make payments to the Supply System, and (2) the question of the authority of certain participants to enter into the WNP-1, 2 and 3 net-billing agreements. These and other related issues impact the ability of the Supply System to continue financing construction of WNP-3. As a result of the status of these issues, on May 27, 1983, the Executive Board through Resolution No. 147 directed that the Managing Director slowdown construction on WNP-3 for a period not to exceed thirty (30) days in such a manner that, should additional funding be found during that period, work could be resumed with no impact to the 1983 total budget and official schedule. Then, on July 8, 1983, the Executive Board Resolution No. 152 directed the Managing Director to implement an immediate extended construction delay of Project 3 until an assured source of funding for continued construction can be obtained and to prepare and deliver a detailed implementation plan to the Executive Board. This Management Plan satisfies the latter direction.

1.3 CRITERIA

The criterion upon which this plan are based is at Attachment 1.

The Managing Director must be notified of any requirements and recommendations to change these criteria. Without the Managing Director's approval of such changes, the existing criteria are to be met.

1.4 MANAGEMENT PRINCIPLES

1.4.1 Execution

The management of the extended construction delay will be implemented through the site organization with the appropriate assistance from the Richland headquarters. In managing the delay, maximum utilization will be made of existing procedures, systems and reports. All actions taken must be with full compliance of the existing Ownership Agreements, Net-Billing Agreement and the Project Agreement.

1.4.2 Changes To The Plan

Changes to this plan will require approval of the Program Director and at his discretion the concurrence of the Managing Director, BPA, the Private Owners, the Participants' Committee and the Executive Board.

1.5 LICENSING

A major element of the criteria is preservation of licenses. Because of the sensitivity of this aspect of the construction delay, a brief description of licenses and associated activities is at Attachment 2.

1.6 CASH FLOW

Because of the limited funding available and the flow thereof, forecasted expenditures of that funding and flow are of executive level interest. That may be found at Attachment 3.

1.7 MANPOWER PROFILE

Manpower requirements on the Project are closely related to the level of documentation, rampdown and preservation activities. These requirements are graphically displayed on the associated manpower profile at Attachments 4 and 5.

1.8 SCHEDULE

1.8.1 Implementation

Implementation of the delay plan began immediately after the Board action was taken on July 8, 1983. Concurrently, this Management Plan, as well as detailed plans which support the limited funding and associated manpower levels, were developed. All are consistent with the Board's action and specific guidance provided by the Managing Director.

1.8.2 Submittals

- First draft for Program Director's review on July 26, 1983.
- Final "Management Plan For Extended Construction Delay of WNP-3" for Executive Board Committee review on August 11, 1983.

1.9 REPORTING

Reporting against this plan will generally follow the monthly report of WNP-1 tailored to WNP-3 as further described in Section 9.0 of the Level II portion of this plan.

I. Introduction

Executive Board Resolution No. 152 directed the Supply System to implement an immediate extended construction delay of Project No. 3 until an assured source of funding for continued construction can be obtained, and to prepare and deliver a detailed implementation plan to the Executive Board consistent with the foregoing.

II. General Criteria

- A. As of July 8, 1983, continue further rampdown of construction and related activities from the current manpower level to a documentation roll-up and preservation/maintenance staff of approximately 800 by October 1983.
- B. Maintain the documentation roll-up and preservation/maintenance efforts from October 1983 to July 1984 with a manpower level of approximately 800 as of October 1983 gradually declining to a minimum preservation staff of approximately 375 as of July 1984. Manpower reductions to be generally accomplished within the profile shown on Attachment 1.
- C. Maintain construction restart ability through approximately March 1984 by retaining the contractual ability to reactivate the essential construction and prepurchased contracts.
- D. The implementation plan shall cover the period from July 8, 1983 through June 30, 1985 (FY-1984 and FY-1985).
- E. Preserve all state and federal licensability requirements.
- F. Preserve and control all documentation required for licenses, operation and construction status.
- G. Optimize (to the extent practicable) the retention of the Supply System's resource capabilities over those of the AE/CM and contractors.
- H. Outstanding licensing issues should be resolved to the largest extent possible.
- I. Complete those activities essential to planning for restart of construction.
- J. Establish and implement a cost tracking system for construction versus nonconstruction costs.

III. Financial Consideration

- A. Detailed cost and cash flow estimates shall be consistent with the following:
1. The estimating guidelines (as applicable) provided by the "General Criteria Fiscal Year 1984 Financing Planning Process".
 2. Actuals as of June 30, 1983.
 3. On a monthly basis for the period from July 1, 1983 through June 30, 1985 (FY-1984 and FY-1985) at 100 percent ownership values.
 4. Summary presentations shall be formatted similar to the rolling cash flow forecast (Attachment 2).
 5. Supporting cost and cash flow details shall as a minimum be broken down to the following levels:
 - . Major budget line items.
 - . Contract-by-contract.
 - . Construction activities and nonconstruction activities.
 - . One-time costs and on-going costs.
 6. Funding for contract settlements or other costs, which may be rescheduled (due to the above Item II.C requirement) to a later time than planned in the May 1983 WNP-3 Alternative Analysis, are not available for other or additional disbursements.
 7. Cash disbursements shall be planned in accordance with the Supply System's fiscal year calendar, which will be the basis for future performance measurement.
 8. Include all applicable construction and fuel costs; i.e., escalation, sales tax, nuclear fuel, applicable financing, contingency, etc.
 9. Exclude all potential cost sharing adjustments identified as a result of Supply System management review.
- B. July 1, 1983 through September 30, 1984 financial baseline (\$ in millions):

| | |
|--|----------------|
| Construction & Fuel Fund as of June 30, 1983 | \$ 74.0 |
| Estimated Investment Income | 1.5 |
| Payments by IOU's | 59.5 |
| Payments by BPA | <u>63.0</u> |
| Total Disbursements | <u>\$198.0</u> |

C. Total cash disbursements for the period from July 1, 1983 through September 30, 1984 shall not exceed \$198 million (above). Furthermore, the total cash disbursements from July 1, 1983 through November 30, 1983 shall not exceed \$108 million.

D. October 1, 1984 through September 30, 1985 financial baseline (\$ in millions):

| | |
|---------------------|---------------|
| Payments by IOU's | \$13.5 |
| Payments by BPA | <u>31.5</u> |
| Total Disbursements | <u>\$45.0</u> |

IV. Format

Utilize the "Management Plan for Extended Construction Delay of WNP-1", dated November 30, 1982, as both a guide and a checklist tailored as necessary to include WNP-3 considerations.

V. Schedule

A. First draft for Managing Director's review on July 26, 1983.

B. Final "WNP-3 Construction Delay Implementation Plan" for Executive Board Committee review on August 11, 1983.

WASHINGTON PUBLIC POWER SUPPLY SYSTEM
NUCLEAR PROJECT NO. 3
CONSTRUCTION DELAY IMPLEMENTATION PLAN
FISCAL YEAR 1984 AND 1985 GENERAL
TOTAL PROJECT MANPOWER PROFILE*

| <u>FY-1984</u> | <u>Average Monthly Equivalent Manpower</u> | |
|----------------|--|---|
| July | 1,500 | } Rampdown Period |
| August | 1,200 | |
| September | 1,000 | |
| October | 800 | } Documentation and Preservation Effort |
| November | 800 | |
| December | 750 | |
| January | 725 | |
| February | 700 | |
| March | 675 | |
| April | 650 | |
| May | 550 | |
| June | 450 | |

| <u>FY-1985</u> | <u>Average Monthly Equivalent Manpower</u> | |
|----------------|--|--|
| July | 375 | } Preservation and Maintenance Only |
| August | 375 | |
| September | 375 | |
| October | 375 | |
| November | 375 | |
| December | 375 | |
| January | 375 | |
| February | 375 | |
| March | 375 | |
| April | 375 | |
| May | 375 | |
| June | 375 | |

* Total project manpower includes the following:

- . Craft
- . Contractor's Nonmanual
- . Construction Management
- . Architect-Engineer
 - Home Office
 - On-site
- . Supply System
 - On-site
 - Home Office Direct
 - Home Office A&G Allocation

WASHINGTON PUBLIC POWER SUPPLY SYSTEM
NUCLEAR PROJECT NO. 3
CONSTRUCTION FUND CASH FLOW

ATTACHMENT 2

Sheet 1 of 2

(\$ IN THOUSANDS)

| | 1983 | | | | | | 1984 | | | | | | TOTAL | | | |
|-------------------------------|------|-----|------|-----|-----|-----|------|-----|-----|-----|-----|------|-------|-----|------|-------------------|
| | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | 7-1-83 to 9-30-84 |
| Beginning Balance | | | | | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | | | | | |
| Investment Income | | | | | | | | | | | | | | | | |
| Payments by IOU's | | | | | | | | | | | | | | | | |
| Net Billings | | | | | | | | | | | | | | | | |
| Total Receipts | | | | | | | | | | | | | | | | |
| Disbursements | | | | | | | | | | | | | | | | |
| Plant Design/Engineering | | | | | | | | | | | | | | | | |
| Prepurchased Equipment | | | | | | | | | | | | | | | | |
| Plant Construction/Completion | | | | | | | | | | | | | | | | |
| Construction Contracts | | | | | | | | | | | | | | | | |
| Construction Manager | | | | | | | | | | | | | | | | |
| Owner's Resources (a) | | | | | | | | | | | | | | | | |
| Nuclear Fuel | | | | | | | | | | | | | | | | |
| Contingency | | | | | | | | | | | | | | | | |
| Trustee Fees | | | | | | | | | | | | | | | | |
| Total Disbursements | | | | | | | | | | | | | | | | |
| Ending Balance | | | | | | | | | | | | | | | | |

E X A M P L E

(a) Includes program management, plant operation and corporate allocation.

08/03/83

WASHINGTON PUBLIC POWER SUPPLY SYSTEM
NUCLEAR PROJECT NO. 3
CONSTRUCTION FUND CASH FLOW

ATTACHMENT 2
Sheet 2 of 2

(\$ IN THOUSANDS)

1984

1985

| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Total 10-1-84 to 9-30-85 | Total 7-1-83 to 9-30-85 |
|-------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----------------------------|----------------------------|
| Beginning Balance | | | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | | | |
| Investment Income | | | | | | | | | | | | | | |
| Payments by IOU's | | | | | | | | | | | | | | |
| Net Billings | | | | | | | | | | | | | | |
| Total Receipts | | | | | | | | | | | | | | |
| Disbursements | | | | | | | | | | | | | | |
| Plant Design/Engineering | | | | | | | | | | | | | | |
| Prepurchased Equipment | | | | | | | | | | | | | | |
| Plant Construction/Completion | | | | | | | | | | | | | | |
| Construction Contracts | | | | | | | | | | | | | | |
| Construction Manager | | | | | | | | | | | | | | |
| Owner's Resources (a) | | | | | | | | | | | | | | |
| Nuclear Fuel | | | | | | | | | | | | | | |
| Contingency | | | | | | | | | | | | | | |
| Trustee Fees | | | | | | | | | | | | | | |
| Total Disbursements | | | | | | | | | | | | | | |
| Ending Balance | | | | | | | | | | | | | | |

E X A M P L E

(a) Includes program management, plant operation and corporate allocation.

08/03/83

ATTACHMENT 2
LICENSE MAINTENANCE

1.0 DESCRIPTION OF LICENSES

1.1 LICENSE REQUIREMENTS AND WNP-3 LICENSE STATUS

The Supply System currently possesses an Nuclear Regulatory Commission (NRC) construction permit for WNP-3. NRC regulations do not require that any phase of construction of a total project be completed on a specific schedule. The only requirement relating to construction schedule is that construction be completed by the latest completion date specified in the construction permit. The latest completion date may be extended by the NRC for "good cause". The WNP-3 Construction Permit (CP) specifies a latest construction completion date of January 1, 1985.

1.2 LICENSE EXTENSIONS

It has been typical for NRC licensees to seek construction permit amendments to extend latest completion dates. Such amendments are usually granted. "Good cause" for such amendments can be demonstrated by factors beyond the licensee's control such as labor difficulties, changing regulatory requirements, and adverse economic conditions. However, applications for extension are required to be noticed in the Federal Register and an opportunity given for a public hearing if requested by an intervenor. It will be necessary to request an extension from the NRC prior to the construction completion date. However, it is not necessary to complete the process and obtain approval before the completion date. Under NRC regulations, the Construction Permit will remain in effect pending NRC action on the request.

The Coalition for Safe Power, the intervenor on the WNP-3 Operating License application can be expected to intervene on the WNP-3 Construction Permit extension application. The Supply System's and the NRC's legal staffs will be

required to develop and file briefs in opposition to the petition. A pre-hearing conference would then be required to determine whether the petition would be admitted and a hearing required. The review of petitions, conduct of the pre-hearing conference, and the conduct of the hearings is accomplished by a board of administrative law judges which constitute the Atomic Safety and Licensing Board.

Should a hearing be necessary, the Supply System's legal staff, licensing staff and the technical staff would be required to support the effort to contest the petition. Failure to support this activity could result in loss of the Construction Permit.

1.3 NRC OVERVIEW OF DELAY

The NRC Inspection and Enforcement staff has a direct interest in the activities associated with preservation of the facility records and hardware. Their concerns were considered during the formulation of plans for deferral of WNP-3 construction, and they will be kept informed of pertinent activities.

While the NRC staff has the authority to require licensees to "show cause" why permits should not be modified, suspended or revoked in view of significant new information, the issuance of a "show cause" order solely because of an extended construction delay on WNP-3 is considered to be unlikely, particularly in view of the state of completion of the project and the likelihood of eventual resumption of construction. In response to a petition filed by the Coalition for Safe Power to have the WNP-4/5 Construction Permits revoked because of the termination of these projects the NRC replied that the project terminations did not pose any hazard to public health and safety and as such the petition was denied.

The NRC has reversed their earlier position that no action would be taken on the Construction Permit extension request for WNP-1 until resumption of construction. An extension was granted to June 1, 1991 for completion of construction. Therefore, WNP-3 should be prepared to proceed with the extension process in the event a similar decision is reached on the WNP-3 application.

As stated above, the NRC response to the Coalition for Safe Power petition to withdraw the construction permits for WNP-4/5 on the basis of their termination was that the terminations do not pose any hazard to public health and safety, and the petition was denied. The NRC staff is expected to take the same position with regard to the construction delay of WNP-3.

1.4 SITE CERTIFICATION AGREEMENT

As a requirement of State Law, parties desiring to construct energy facilities in excess of 250 megawatts must meet the application and certification requirements of the Washington Energy Facility Site Evaluations Council (EFSEC). The Supply System has secured the requisite Site Certification Agreements for WNP-3.

Early in 1982, the Supply System briefed EFSEC on the various stages of the termination process for WNP-4 and 5. On March 11, 1982, the Supply System requested EFSEC to defer any actions that would impact the Site Certification Agreements for WNP-4 and 5, as a facility with a license was definitely more marketable than one without. On April 12, 1982, EFSEC took formal action to concur with the request, and will postpone any consideration of Agreement amendments until later in 1983.

On May 20, 1982, the Supply System submitted a similar request to EFSEC for WNP-3. On June 14, 1982, EFSEC agreed "to continue to treat WNP-1 as a licensed facility and to take no action which would in any way diminish or jeopardize the current Site Certification Agreement for WNP-1." A similar agreement is expected to be available for WNP-3 after discussions with EFSEC.

WASHINGTON PUBLIC POWER SUPPLY SYSTEM
NUCLEAR PROJECT NO. 3
CONSTRUCTION FUND CASH FLOW

ATTACHMENT 3
Sheet 1 of 2

(\$ IN THOUSANDS)

| | 1984 | | | | | | 1985 | | | | | | Total 10-1-84 to 9-30-85 | Total 7-1-83 to 9-30-85 |
|-------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|-----------------------------|----------------------------|
| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | | |
| Beginning Balance | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | 74000 |
| Receipts | | | | | | | | | | | | | | |
| Investment Income | | | | | | | | | | | | | | 1500 |
| Payments by IOU's | 1631 | 1140 | 2303 | 901 | 894 | 951 | 904 | 917 | 1138 | 907 | 907 | 908 | 13501 | 72685 |
| Net Billings | 3805 | 2659 | 5375 | 2101 | 2087 | 2220 | 2108 | 2138 | 2655 | 2117 | 2117 | 2117 | 31499 | 94815 |
| Total Receipts | 5436 | 3799 | 7678 | 3002 | 2981 | 3171 | 3012 | 3055 | 3793 | 3024 | 3024 | 3025 | 45000 | 169000 |
| Disbursements | | | | | | | | | | | | | | |
| Plant Design/Engineering | 452 | 454 | 457 | 459 | 461 | 464 | 467 | 470 | 473 | 470 | 470 | 470 | 5567 | 29211 |
| Prepurchased Equipment | 569 | 357 | 1099 | 219 | 219 | 220 | 219 | 219 | 220 | 220 | 220 | 220 | 4001 | 50282 |
| Plant Construction/Completion | | | | | | | | | | | | | 6682 | 68116 |
| Construction Contracts | 1532 | 442 | 594 | 435 | 410 | 593 | 430 | 437 | 498 | 437 | 437 | 437 | 5111 | 29385 |
| Construction Manager | 416 | 418 | 420 | 422 | 424 | 426 | 429 | 432 | 434 | 430 | 430 | 430 | 18310 | 51498 |
| Owner's Resources (a) | 1465 | 1465 | 1465 | 1465 | 1465 | 1465 | 1465 | 1495 | 2165 | 1465 | 1465 | 1465 | 3668 | 3704 |
| Nuclear Fuel | 2 | 2 | 3643 | 2 | 2 | 3 | 2 | 2 | 3 | 2 | 2 | 3 | 1661 | 10085 |
| Contingency | 1000 | 661 | | | | | | | | | | | | 719 |
| Trustee Fees | | | | | | | | | | | | | | |
| Total Disbursements | 5436 | 3799 | 7678 | 3002 | 2981 | 3171 | 3012 | 3055 | 3793 | 3024 | 3024 | 3025 | 45000 | 243000 |
| Ending Balance | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | | |

(a) Includes program management, plant operation and corporate allocation.

WASHINGTON PUBLIC POWER SUPPLY SYSTEM
NUCLEAR PROJECT NO. 3
CONSTRUCTION FUND CASH FLOW

ATTACHMENT 3
Sheet 2 of 2

(\$ IN THOUSANDS)

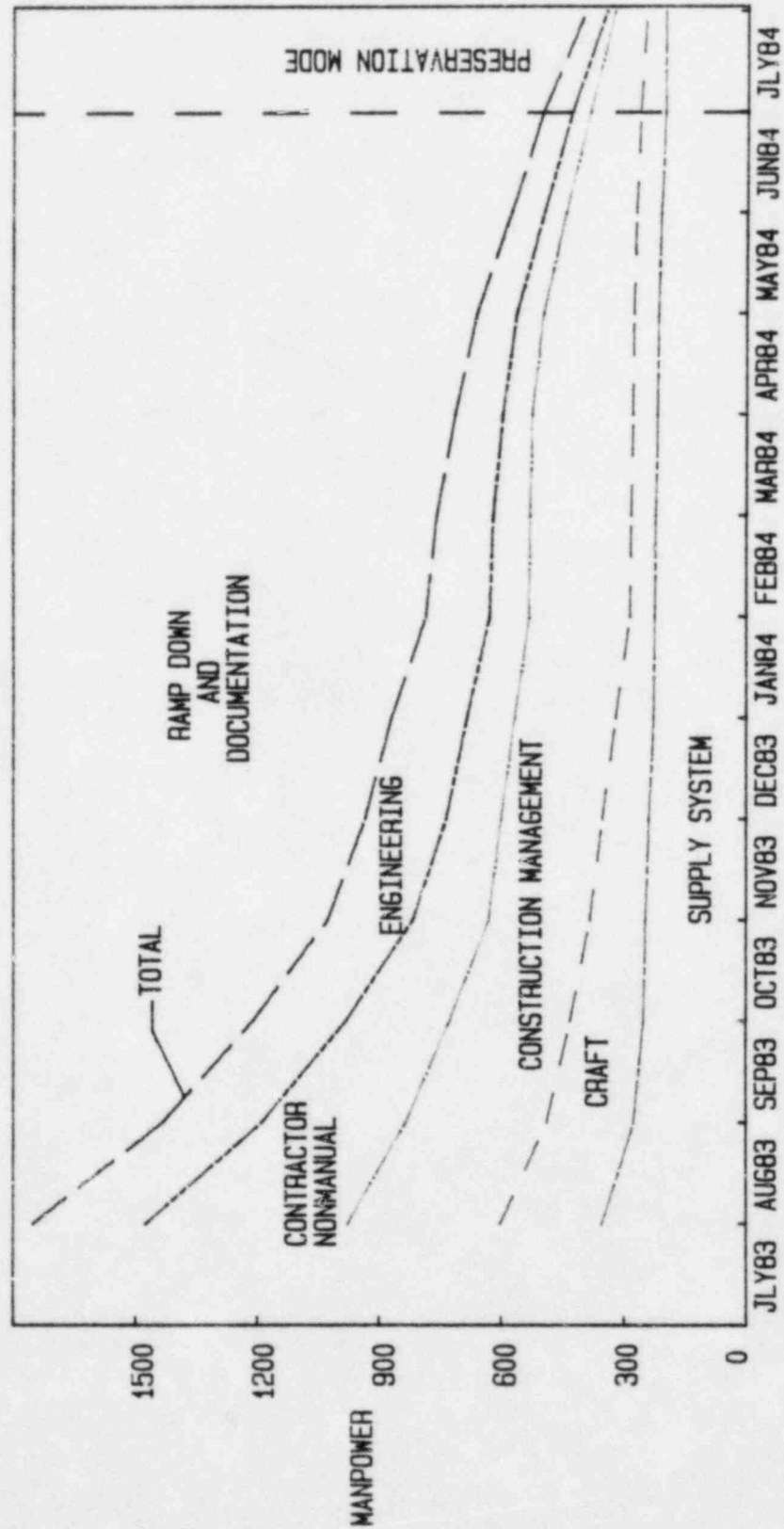
| | 1983 | | | | | | 1984 | | | | | | | | | | TOTAL 7-1-83 to 9-30-84 |
|-------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|------|------|-------|------|------|------|------|--|----------------------------|
| | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | | |
| Beginning Balance | 74000 | 58321 | 42370 | 30784 | 18292 | 6721 | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | | 74000 |
| Receipts | | | | | | | | | | | | | | | | | |
| Investment Income | 500 | 400 | 300 | 200 | 100 | | | | | | | | | | | | 1500 |
| Payments by IOU's | 6891 | 6960 | 5051 | 5396 | 4959 | 4606 | 4591 | 3629 | 2728 | 2257 | 3309 | 2247 | 2701 | 2199 | 1660 | | 59184 |
| Net Billings | | | | | | 4126 | 10811 | 8475 | 6366 | 5267 | 7720 | 5244 | 6301 | 5132 | 3874 | | 63316 |
| Total Receipts | 7391 | 7360 | 5351 | 5596 | 5059 | 8732 | 15402 | 12104 | 9094 | 7524 | 11029 | 7491 | 9002 | 7331 | 5534 | | 124000 |
| Disbursements | | | | | | | | | | | | | | | | | |
| Plant Design/Engineering | 2368 | 2303 | 2059 | 2677 | 2260 | 1820 | 1650 | 1686 | 1546 | 1346 | 1090 | 934 | 789 | 655 | 461 | | 23644 |
| Prepurchased Equipment | 5636 | 4637 | 5108 | 4438 | 4937 | 7276 | 4700 | 2002 | 1148 | 894 | 1633 | 997 | 1836 | 519 | 520 | | 46281 |
| Plant Construction/Completion | | | | | | | | | | | | | | | | | |
| Construction Contracts | 7354 | 10217 | 5416 | 5636 | 4736 | 2920 | 5057 | 3384 | 2307 | 1555 | 4490 | 1647 | 2704 | 2562 | 1449 | | 61434 |
| Construction Manager | 1809 | 1913 | 1752 | 3288 | 2877 | 1666 | 1221 | 1394 | 1233 | 1238 | 1244 | 1366 | 1351 | 1128 | 794 | | 24274 |
| Owner's Resources (a) | 5800 | 4129 | 2499 | 1947 | 1718 | 1668 | 2672 | 2527 | 1757 | 1389 | 1470 | 1362 | 1320 | 1465 | 1465 | | 33188 |
| Nuclear Fuel | 3 | 2 | 3 | 2 | 2 | 3 | 2 | 2 | 3 | 2 | 2 | 3 | 2 | 2 | 3 | | 36 |
| Contingency | | | | | | | | 1100 | 1100 | 1100 | 1100 | 1182 | 1000 | 1000 | 842 | | 8424 |
| Trustee Fees | 100 | 110 | 100 | 100 | 100 | 100 | 100 | 9 | | | | | | | | | 719 |
| Total Disbursements | 23070 | 23311 | 16937 | 18088 | 16630 | 15453 | 15402 | 12104 | 9094 | 7524 | 11029 | 7491 | 9002 | 7331 | 5534 | | 198000 |
| Ending Balance | 58321 | 42370 | 30784 | 18292 | 6721 | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | | |

(a) Includes program management, plant operation and corporate allocation.

08/03/83

WASHINGTON PUBLIC POWER SUPPLY SYSTEM
NUCLEAR PROJECT 3

EXTENDED CONSTRUCTION DELAY
MANPOWER PLAN



| <u>MONTH</u> | <u>CONTRACTOR CRAFT</u> | <u>CONTRACTOR NONMANUAL</u> | <u>EBASCO CM</u> | <u>EBASCO AE</u> | <u>SUPPLY SYSTEM*</u> | <u>TOTAL</u> |
|-------------------|-------------------------|-----------------------------|------------------|------------------|-----------------------|--------------|
| JULY | 250 | 502 | 380 | 280 | 358 | 1770 |
| AUGUST | 213 | 357 | 350 | 246 | 280 | 1446 |
| SEPTEMBER | 179 | 256 | 300 | 232 | 256 | 1223 |
| OCTOBER | 135 | 189 | 250 | 211 | 251 | 1036 |
| NOVEMBER | 113 | 137 | 250 | 200 | 242 | 942 |
| DECEMBER | 92 | 117 | 250 | 187 | 231 | 877 |
| JANUARY | 60 | 96 | 250 | 158 | 228 | 792 |
| FEBRUARY | 60 | 90 | 250 | 140 | 226 | 766 |
| MARCH | 60 | 71 | 250 | 118 | 222 | 721 |
| APRIL | 60 | 66 | 225 | 97 | 219 | 667 |
| MAY | 60 | 54 | 175 | 80 | 214 | 583 |
| JUNE | 60 | 44 | 125 | 72 | 204 | 505 |
| | <u>1342</u> | <u>1979</u> | <u>3055</u> | <u>2021</u> | <u>2931</u> | <u>11328</u> |
| PRESERVATION MODE | 45 | 20 | 80 | 50 | 204 | 399 |

* NOTE: Supply System manpower includes equivalent manpower for indirect overhead and corporate allocation as an estimated value.

**MANAGEMENT PLAN FOR
EXTENDED CONSTRUCTION DELAY
OF WNP-3
(LEVEL III)**

AUGUST 4, 1983

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PLAN STRUCTURELEVEL I - EXECUTIVE SUMMARY

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WASHINGTON PUBLIC POWER SUPPLY SYSTEM
NUCLEAR PROJECT NO. 3
CONSTRUCTION FUND CASH FLOW

TABLE I
Sheet 1 of 2

(\$ IN THOUSANDS)

| | 1983 | | | | | | 1984 | | | | | | | | | TOTAL 7-1-83 to 9-30-84 |
|-------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|------|------|-------|------|------|------|------|----------------------------|
| | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | |
| Beginning Balance | 74000 | 58321 | 42370 | 30784 | 18292 | 6721 | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | 74000 |
| Receipts | | | | | | | | | | | | | | | | |
| Investment Income | 500 | 400 | 300 | 200 | 100 | | | | | | | | | | | 1500 |
| Payments by IOU's | 6891 | 6960 | 5051 | 5396 | 4959 | 4606 | 4591 | 3629 | 2728 | 2257 | 3309 | 2247 | 2701 | 2199 | 1660 | 59184 |
| Net Billings | | | | | | 4126 | 10811 | 8475 | 6366 | 5267 | 7720 | 5244 | 6301 | 5132 | 3874 | 63316 |
| Total Receipts | 7391 | 7360 | 5351 | 5596 | 5059 | 8732 | 15402 | 12104 | 9094 | 7524 | 11029 | 7491 | 9002 | 7331 | 5534 | 124000 |
| Disbursements | | | | | | | | | | | | | | | | |
| Plant Design/Engineering | 2368 | 2303 | 2059 | 2677 | 2260 | 1820 | 1650 | 1686 | 1546 | 1346 | 1090 | 934 | 789 | 655 | 461 | 23644 |
| Prepurchased Equipment | 5636 | 4637 | 5108 | 4438 | 4937 | 7276 | 4700 | 2002 | 1148 | 894 | 1633 | 997 | 1836 | 519 | 520 | 46281 |
| Plant Construction/Completion | | | | | | | | | | | | | | | | |
| Construction Contracts | 7354 | 10217 | 5416 | 5636 | 4736 | 2920 | 5057 | 3384 | 2307 | 1555 | 4490 | 1647 | 2704 | 2562 | 1449 | 61434 |
| Construction Manager | 1809 | 1913 | 1752 | 3288 | 2877 | 1666 | 1221 | 1394 | 1233 | 1238 | 1244 | 1366 | 1351 | 1128 | 794 | 24274 |
| Owner's Resources (a) | 5800 | 4129 | 2499 | 1947 | 1718 | 1668 | 2672 | 2527 | 1757 | 1389 | 1470 | 1362 | 1320 | 1465 | 1465 | 33188 |
| Nuclear Fuel | 3 | 2 | 3 | 2 | 2 | 3 | 2 | 2 | 3 | 2 | 2 | 3 | 2 | 2 | 3 | 36 |
| Contingency | | | | | | | | 1100 | 1100 | 1100 | 1100 | 1182 | 1000 | 1000 | 842 | 8424 |
| Trustee Fees | 100 | 110 | 100 | 100 | 100 | 100 | 100 | 9 | | | | | | | | 719 |
| Total Disbursements | 23070 | 23311 | 16937 | 18088 | 16630 | 15453 | 15402 | 12104 | 9094 | 7524 | 11029 | 7491 | 9002 | 7331 | 5534 | 198000 |
| Ending Balance | 58321 | 42370 | 30784 | 18292 | 6721 | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | |

(a) Includes program management, plant operation and corporate allocation.

08/03/83

1.0 FINANCIAL1.1 GENERAL

Funding of the WNP-3 extended construction delay is limited to approximately \$243 million for the period July 1, 1983 through September 30, 1985 (this coincides with BPA's fiscal years). Sources of funding are as follows:

07/01/83 - 09/30/84

| | |
|--|---------------|
| Construction & Fuel Fund Balance as of 6/30/83 | \$ 74.0 M |
| Estimated Investment Income | 1.5 M |
| Payments by IOU's | 59.5 M |
| Payments by BPA | <u>63.0 M</u> |
| | \$ 198.0 M |

10/01/84 - 09/30/85

| | |
|-------------------|---------------|
| Payments by IOU's | \$ 13.5 M |
| Payments by BPA | <u>31.5 M</u> |
| | \$ 45.0 M |

Planned expenditures for the period January 1983 through September 30, 1985, must not exceed the cumulative BPA contribution profile. Table I summarizes the estimated cash expenditures through September 30, 1985.

1.2 BUDGET AND CASH FLOW REQUIREMENTS

See Attachment 1 to Executive Summary (Level I) of this Management Plan.

WASHINGTON PUBLIC POWER SUPPLY SYSTEM
NUCLEAR PROJECT NO. 3
CONSTRUCTION FUND CASH FLOW

TABLE I
Sheet 2 of 2

(\$ IN THOUSANDS)

1984

1985

| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Total 10-1-84 to 9-30-85 | Total 7-1-83 to 9-30-85 |
|-------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|-----------------------------|----------------------------|
| Beginning Balance | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | 74000 |
| Receipts | | | | | | | | | | | | | | |
| Investment Income | | | | | | | | | | | | | | 1500 |
| Payments by IOU's | 1631 | 1140 | 2303 | 901 | 894 | 951 | 904 | 917 | 1138 | 907 | 907 | 908 | 13501 | 72685 |
| Net Billings | 3805 | 2659 | 5375 | 2101 | 2087 | 2220 | 2108 | 2138 | 2655 | 2117 | 2117 | 2117 | 31499 | 94815 |
| Total Receipts | 5436 | 3799 | 7678 | 3002 | 2981 | 3171 | 3012 | 3055 | 3793 | 3024 | 3024 | 3025 | 45000 | 169000 |
| Disbursements | | | | | | | | | | | | | | |
| Plant Design/Engineering | 452 | 454 | 457 | 459 | 461 | 464 | 467 | 470 | 473 | 470 | 470 | 470 | 5567 | 29211 |
| Prepurchased Equipment | 569 | 357 | 1099 | 219 | 219 | 220 | 219 | 219 | 220 | 220 | 220 | 220 | 4001 | 50282 |
| Plant Construction/Completion | | | | | | | | | | | | | 6682 | 68116 |
| Construction Contracts | 1532 | 442 | 594 | 435 | 410 | 593 | 450 | 437 | 498 | 437 | 437 | 437 | 5111 | 29385 |
| Construction Manager | 416 | 418 | 420 | 422 | 424 | 426 | 429 | 432 | 434 | 430 | 430 | 430 | 18310 | 51498 |
| Owner's Resources (a) | 1465 | 1465 | 1465 | 1465 | 1465 | 1465 | 1465 | 1495 | 2165 | 1465 | 1465 | 1465 | 3668 | 3704 |
| Nuclear Fuel | 2 | 2 | 3643 | 2 | 2 | 3 | 2 | 2 | 3 | 2 | 2 | 3 | 1661 | 10085 |
| Contingency | 1000 | 661 | | | | | | | | | | | | 719 |
| Trustee Fees | | | | | | | | | | | | | | |
| Total Disbursements | 5436 | 3799 | 7678 | 3002 | 2981 | 3171 | 3012 | 3055 | 3793 | 3024 | 3024 | 3025 | 45000 | 243000 |
| Ending Balance | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | | |

(a) Includes program management, plant operation and corporate allocation.

08/03/83

2.0 LICENSING

2.1 NOTIFICATIONS

The NRC was formally advised of the 30 day construction delay decision by the Executive Board and the decision of July 8, 1983 to implement an immediately construction delay until an assured source of funds becomes available to continue construction. These notifications were made to both Nuclear Reactor Regulation (NRR-Bethesda) and Inspection and Enforcement (I&E - Region V) by formal letters. No other formal submittals are considered necessary at this time to maintain the WNP-3 Construction Permit or to satisfy normal practices of keeping the NRC informed of significant activities. A meeting with NRC staff (Bethesda) was held on July 19, 1983 to review the Supply System's planning in regards to completion of the responses to NRC round one questions, completion of the environmental review and submittal of the construction delay implementation plan to the NRC staff. Additional meetings with the NRR and I&E staffs will be scheduled if it appears necessary to keep them informed of WNP-3 implementation plans.

Informal discussions were held with the Washington State Energy Facility Site Evaluation Council (EFSEC) officials on June 6, 1983, at which time the activities planned for the delay period were discussed. Formal notification to EFSEC of the extended construction delay was provided on August 1, 1983.

2.2 LICENSING APPLICATIONS

The operating license application for WNP-3 was docketed on August 22, 1983. The Supply System responses to the NRC Safety and Environmental review questions and issues will be limited due to the construction delay and funding limitations. Emphasis will be placed on completing efforts in areas where closeout of issues appears feasible without major expenditures or where changes in technology are not expected to invalidate current efforts if a prolonged extended delay occurs. The NRC Safety and Environmental reviews have proceeded to the point where:

- The environmental questions have been received and responses provided to the NRC staff.

- The NRC staff is prepared to generate a draft environmental statement. The completion is expected by September 1983.
- A series of six submittals of safety review questions (approximately 300) have been received. Three branches have not provided questions to date. A significant fraction (approximately 2/3) are scheduled to be completed and responses provided to the NRC staff.
- The NRC staff has agreed to complete a partial draft Safety Evaluation Report (SER) based upon the state of completion of question responses.

2.3 OPERATING EXPERIENCE REVIEW

WNP-3 will continue to screen and review operating experience documents generated by NRC (Bulletins, Circulars, information notices), INPO (Operating Experience Reports - OERs), and Combustion Engineering (CE Infobulletins). Commitments made regarding design or operation which result from the reviews will be tracked for implementation later. WNP-3 will continue to respond to NRC Bulletins, as necessary. The size of the operating experience documents backlog will be monitored and a plan will be generated during the construction delay period to ensure that the backlog can be worked off prior to fuel load.

2.4 CURRENT ISSUES REVIEW

As part of the ongoing efforts, the WNP-3 staff will continue participation in the Combustion Engineering Owner's Group and Generic Issues Industry Groups as well as monitor generic licensing issues with the NRC and licensing activities on other Combustion Engineering plants.

2.5 REQUIRED ACTION

2.5.1 Licensing Actions

During the extended construction delay, Project Licensing will:

- Complete review and approval of a portion of the NRC Round One questions.

- Support Partial Draft SER from NRC
- Resolve Stiff Clamp Issue with NRC
- Complete subcompartment pressurization analytical tasks in response to NRC questions
- Complete NRC requested Structural Audit & Site Visit
- Schedule and Conduct Security Site Visit
- Participate in Licensing Board Pre-hearing conference to resolve issue of which contentions will require litigation.
- Complete CESSAR-F FDA Activities.
- Complete Documentation of Licensing Commitments into General Tracking System (GTS).
- Review commitment dates and develop basis for revision of dates to reflect slowdown.
- Develop and submit FSAR/ER Amendments in support of Draft Environmental Statement (DES) and Draft Safety Evaluation Report (DSEER).
- Initiate application for Extension of Construction Permit (Expires 1/1/85)
- Prepare Plans and Licensing Strategies on major issues.
- Gather documentation and review critical files for completeness.
- Maintain involvement in CE Owners Group on shared basis with Project Engineering.
- Maintain membership and participation in industry groups associated with generic issues.

- Monitor licensing meetings/hearings on other CE plants.
- Monitor NRC meetings/hearings/rulemakings on generic licensing issues and unresolved safety issues.
- Continue interface with NRC and other regulatory agencies.

2.5.2 Nuclear Safety Assurance Actions

- Complete establishment of the Operating Experience Review (OER) data base (tracking list).
- Screen Operating Experience Review (OER) backlog.
- Screen, track and coordinate reviews of new incoming OER information.
- Evaluate OER information and prepare recommendations for appropriate management.
- Review procedures for Plant Operations Committee (POC) meetings.
- Participate in resolution of remaining issues of field design change and NCR review council.
- Finalize development of the onsite Nuclear Safety Assessment Program Plan.
- Complete procedures for Operating Experience Reviews.
- Establish plans for nuclear safety assessment activities and procedures as necessary.

3.0 ASSET PRESERVATION

3.1 PURPOSE

To provide the methods to be utilized to preserve WNP-3 assets and the capacity for a rapid restart while optimizing Supply System financial and personnel resources.

3.2 OBJECTIVES/REQUIREMENTS

3.2.1 Preservation of Installed WNP-3 Assets

Systems, components and structures must be preserved and maintained in the most cost effective manner possible to satisfy commercial, regulatory, and code requirements.

Preservation considerations must ensure licensability of the plant and provide the capability for efficient and expedient resumption of start-up activities and operation of the plant. To satisfy these goals the following actions are to be taken:

- Maintain a cold iron watch with the following responsibilities:
 - Operate temporary and permanent plant systems which are necessary to preserve the plant such as HVAC, Electrical Distribution, Lighting, and Dewatering, etc.
 - Continuous security of plant island.
 - Provide control room functions for communications, maintenance activities and surveillances, etc.
 - Operation of fire protection system.
 - Operate other plant systems necessary to facilitate extended plant construction delay such as construction water, sewage treatment, etc.

- Maintain records of above activities to satisfy licensing and insurance requirements.
- Maintain a Maintenance and Technical force with the following responsibilities:
 - Evaluate, determine and implement required preservation activities.
 - Evaluate, determine and implement required long term preventive maintenance and preservation activities in the event of a prolonged construction delay.
 - Correct deficiencies identified during preventive maintenance.
 - Maintain temporary and permanent plant systems which are necessary to preserve the plant such as HVAC, Electrical Distribution, lighting, and Dewatering, etc.
 - Maintain plant systems necessary to facilitate extended plant construction delay such as construction water, sewage treatment, etc.
 - Preserve and maintain existing Operational Spare Parts. Procure, receive, store and issue parts and supplies necessary for plant preservation.
 - Maintain all permanent plant activities to satisfy licensing and insurance requirements.

3.3 PRESERVATION OF RESTART/START-UP AND OPERATIONS CAPABILITIES

WNP-3, at the time of construction delay, was at the point of Provisional Acceptance and Start up testing of several major plant systems. The permanent plant staff and the Start-Up contractor conduct the start-up activities at WNP-3. The following joint actions must be taken to preserve the ability to maintain the presently scheduled sequence between construction completion, start-up and operation of the plant:

- Complete fragnet development to support cold hydro testing.
- Maintain presently existing programs and procedures.
- Develop the procedures to start up those systems necessary to preserve the plant.
- Maintain the inventory of plant components/systems to support both preservation, construction completion and start-up of the plant.
 - Material Equipment List (MEL)/Construction Commodity Control Systems (CCCS) completion, integration and upgrading.
 - Field verification and identification of installed equipment to support preservation and permanent plant documentation.
- Review the start-up schedule through commercial operation, develop detailed fragnets, levelize system acceptance dates and integrate into the master construction schedule.
 - Maintain records of above activities to satisfy licensing and insurance requirements.

3.4 BENEFITS

- Performance of the above actions will result in the following:
 - Minimize the financial loss to the Supply System by retaining those highly technical personnel recruited and trained at great expense.
 - Retention of the personnel necessary to ensure licensability, start-up and operation of the plant.
 - Ensures the most cost effective and highest quality maintenance and preservation of the plant.

- Provides maximum opportunity for owner involvement throughout the extended delay and resumption of start-up activities.
- Provides maximum opportunity for permanent plant personnels' familiarization with plant systems and components which will enhance the cost effectiveness of subsequent start-up and operations.
- Provides the minimum required capacity for restart capability.

4.0 CONSTRUCTION ACTIVITIES

4.1 Construction Objectives

The primary Construction objectives to support the extended delay are:

- Bring work to a logical and reasonable stopping point.
- Support the turnover of documentation through the clearing of Non Conformance Reports (NCRs), Document Deficiency Notices (DDNs), Conditional Releases and completion of in-process work.
- Implement cost effective plans to complete work required to preserve assets and ensure capability of construction restart.

4.2 CONSTRUCTION PLAN

Construction activities have been reviewed in detail for each construction contract. The activities identified below represent the minimum effort required to provide a controlled rampdown and prepare the project for an extended construction delay. The asset preservation program reflects the local atmospheric conditions (i.e., high humidity) and the associated detrimental effects on equipment. Inherent in the construction plan is preparation and implementation of long term preservation of assets, securing quality assurance documentation, inventorying and assuming custody of all permanent material and equipment.

The proposed plan provides the following types of work:

- Complete in-process welds and associated Non Destructive Examination (NDE) work.
- Complete fire protection pumps and tanks and energize completed portions of permanent system.
- Complete mechanical and electrical work at makeup water wells. (Necessary to provide ability to cycle pumps.)

- Complete certain identified terminations, and pull pre-cut cable. (Facilitates equipment closure.)
- Install cathodic protection necessary for long term layup. (Engineering requirement regardless of term of layup.)
- Perform touch up painting and coating, as specified, such as external steel surface areas of the containment vessel. (Required to remain within design corrosion allowance.)
- Complete weatherizing of administration building and site access facility. (Requirement for preservation of permanent assets located and stored within these facilities.)
- Continue care and maintenance on equipment as identified by the Construction Manager; start turnover of asset preservation responsibilities to Owner.
- Install Reactor Vessel (RV) head and layup Nuclear Steam Supply System (NSSS) system.
- Inventory and assure custody of Owner and Contractor furnished permanent plant materials and equipment.
- Review, disposition, and closeout as appropriate NCRs, DDNs and Conditional Releases.
- Carry out drawing roll-up and documentation turnover on all completed work.
- Bring documentation to current state on all partially completed work and turnover to the Construction Manager.
- Perform walkdown of plant and enter status in Construction Commodity Control System (CCCS) and support design verification program as directed by the Construction Manager.

- Energization of the 230 KV line. (Cable manufacturer recommendation for long term preservation.)

It has been determined all activities recommended are essential to preservation of assets.

4.3 ADDITIONAL CONSTRUCTION RECOMMENDATIONS

Excluded from the plan due to financial constraints but recommended by the AE/CM for long term preservation, are the below listed activities. It is emphasized that, while undesirable, the Project can fully recover from these delays.

- Complete concrete placement of Reactor Building Dome.
- Class I backfill and associated mechanical and electrical work.
- Energization of permanent plant heating and ventilation system (freeze protection).
- Complete balance of permanent fire protection system.
- Install crane access exterior doors of Fuel Handling Building.
- Complete assembly of HESS structure and store in Reactor Building.
- Install construction access hatch in Reactor Building.

5.0 ENGINEERING

The extended construction delay engineering Management Plan has been structured to fulfill the primary objectives of preserving the engineering design status of WNP-3 Project; to preserve the engineering in consonance with the licensing process; and to immediately support design completion, construction and start-up at the time an assured source of funding for continued construction can be obtained.

5.1 ENGINEERING PROGRAM OBJECTIVES

The primary objectives to be accomplished at Project WNP-3 during the extended construction delay time frame are:

- Support Licensing activities necessary to preserve all state and federal licensability requirements.
- Finish work currently on the board and not start any new work.
- Documentation/records will be gathered and vaulted.
- Non Conformance Reports (NCRs) will be dispositioned or closed out for the terminated contracts/contractors.
- Vendor equipment qualification activities will be closed out.
- ASME Code requirements will be preserved to permit restart.
- Provisional acceptance activities will be held in abeyance until restart of construction.

5.2 SCOPE OF ENGINEERING ACTIVITIES

Specific Engineering activities are required to preserve the design and to enable the project to restart with minimal effort at any time during the period associated with the extended construction delay. During the extended construction delay period, priority will be given to the following activities:

- Engineering activities on WNP-3 will continue at a limited level for those specific identified activities. A documentation/drawing roll-up function will be performed where and when appropriate during this period. During the extended construction delay period, the following engineering activities have been identified as those that will be continued on a limited basis.
 - Complete Dry Cooling Tower Design
 - Resolve Equipment Nozzle Load Discrepancies
 - Develop Mechanical Equipment Qualification Plan
 - Track System Review Open Items
 - Resolve Equipment Qualification Open Items
 - Resolve Stiff Clamp Concerns
 - Review Engineering Baseline For Completeness
 - Maintain Piping & Instrument Diagram Drawings
 - Continue Change Management Activities
 - Continue System Design Freeze Activities
 - Monitor Chehalis Riverbank Protection in the vicinity of the Ranney Wells
 - Identify and select records to be gathered and vaulted
 - Complete Actions Items List from System Review Program
 - Participate in CE Owner's Group activities in an overview role rather than as an active participant.
- Work will be completed to the extent necessary to satisfy existing ASME Code requirements or to allow bridging of ASME requirements on project restart.
- A review of all remaining engineering activities for plant completion will be conducted followed by preparation of a detailed scope of work for plant completion activities.
- Engineering support to the structures and security reviews requested by the NRC will be completed according to the current schedule of October 1, 1983.

- Detailed program plans will be developed for performance of a technical review of ASME design/stress reports to assure Owner's compliance with NA or NCA-3260, and for implementation of an independent design verification of selected WNP-3 safety related systems.
- Continue to interface with Washington State Regulatory Agencies to preserve Site Certification Agreement.
- Review NRC bulletins for required engineering actions.
- The Change Management process will continue to exist with all forms of Project Change Proposals (PCPs) available for use. The PCP process will be simplified to the extent practical. Change dispositions of Deferred and Approved/Deferred will be added to the process as many decisions will relate only to concept with actual funding and implementation deferred.

5.3 ENGINEERING ACTIVITIES DEFERRED

During the extended construction delay of WNP3, a number of engineering activities previously identified in the FY84 budget will be deferred or reduced in scope because of limited funding. Examples of these activities are as follows:

- Design Change/NCR Council Activities
- TMI Action Items
- Design Verification
- ASME Section XI Programs
- As-Built Program
- Security System Procurement
- Chehalis River Work Completion
- Control Room Human Factors Review
- Game Mitigation Plan Design and Implementation
- Certain ASME Owner's Designee Activities

6.0 QUALITY ASSURANCE

The extended construction delay program addresses the following Quality Assurance requirements necessary to preserve assets, plant licensability, and support subsequent construction completion and plant start-up.

6.1 QUALITY ASSURANCE PROGRAM

The Supply System Design and Construction Quality Assurance Requirements and Operational Quality Assurance Program Description will continue to be implemented during the extended construction delay. Applicability of the programs will be based on existing organizational structure and responsibilities. The Project Quality Assurance organization will continue to be primarily responsible for Project/AE/CM overview while the Plant Quality Assurance organization will be responsible for overview of the plant organization.

6.2 PRESERVATION AND STORAGE REQUIREMENTS

Installed or warehoused equipment shall be maintained in accordance with manufacturer's recommendations and/or applicable design requirements and standards, or Engineering-approved alternatives.

Implementation of the asset preservation program by the plant organization for installed equipment shall be verified by Supply System Quality Assurance through site surveillances/audits.

Implementation of the asset preservation program for warehoused equipment and ASME materials shall be verified by Ebasco Quality Assurance through site audits.

6.3 PROCEDURES/INSTRUCTIONS

Applicable existing procedures will continue to be implemented to assure that the quality of materials, components and structures, including partially completed structures, is adequately preserved during the period of the construction

delay. Additional procedures will be developed and implemented as necessary to describe turnover of responsibilities for the preservation of assets.

6.4 RECORDS

Documentation for work completed (and partially completed), including maintenance and qualification records, will be reviewed, accepted, maintained, and stored in a record storage facility to which the Supply System has assured access.

The status of construction tests and inspections performed prior to suspension of work will also be documented, reviewed and stored in a records facility accessible to the Supply System.

6.5 ASME CODE WORK

The Construction Manager's ASME Manual will continue to be in effect.

6.6 QUALITY ASSURANCE ACTIVITIES DURING TURNDOWN AND PROJECT DELAY

The following QA responsibilities will continue during the WNP-3 extended construction delay, with primary focus on preservation of assets and control of quality records. Extended construction delay activities shall be accomplished in accordance with NRC requirements and Supply System commitments.

- Maintain control of notifications, corrective actions and commitments to the NRC.
 - Verify corrective actions and closeout of NRC items.
 - Track ongoing commitments to NRC.
 - Status all NRC items from Construction Permit to present to facilitate restart.
- Overview and monitor AE/CM and Contract Quality Assurance activities.

- Surveillance of as-built/status of work.
 - Participate in development of program for closeout and statusing of construction work.
 - Overview development of ASME partial N-5 data reports.
- Overview and audit records turnover, records review and records storage.
 - Verify records review and statusing processes are working.
 - Verify contractors installing ASME Section III systems implement programs for completing partial N-5 data reports.
 - Verify systems are implemented to confirm records reflect hardware.
- Verify proper identification, reporting and disposition of nonconformances.
- Evaluate deficiencies as defined by 10CFR50.55(e) and 10CFR21.
- Monitor development of WNP-3 asset preservation program and conduct surveillances to verify implementation.
- Close out open audit findings.
- Perform vendor surveillances.

7.0 DOCUMENTATION AND RECORDS

This section describes the requirements for records and documents needed to preserve the assets of WNP-3 and to assure licensability.

7.1 RECORDS REQUIREMENTS

In order to preserve the assets of the project, all WNP-3 documents and records must be collected, reviewed, indexed and stored at the Project Site during the extended construction delay. Documents and records in the custody of the Contractors will be collected, processed and stored in a central on-site records facility by the AE/CM. Except as noted in Section 7.2, records and documents presently in the custody of the Supply System will be received, maintained, processed and stored for the Supply System by the AE/CM in a central on-site records facility in accordance with existing Supply System procedures and standards, and in accordance with user needs as to form, storage and retrieval requirements.

The consolidation of the records processing activities within one organization at the site will assist in establishing the Records Transition organization to systematically collect, process, store and retrieve documentation to ensure a complete set of documents and records to complete construction, test and start-up and to license, support and operate the plant. Specific requirements by organization are described in the following subsections.

7.1.1 Architect/Engineer and Construction Manager (AE/CM)

The AE/CM shall retain all records currently in their custody and shall maintain within one records processing facility records currently in the custody of the Supply System except as noted in subsection 7.2.

The AE/CM shall identify, collect, review, accept and maintain all contractor documents and records currently not in AE/CM custody.

The AE/CM shall establish a records receipt, review, indexing, microfilming and data entry function in accordance with established Supply System procedures and

standards to ensure retrievability of all WNP-3 documents and records to maintain licensability during the construction slowdown and ensure a complete set of records to complete construction, test and start-up and to support and operate the plant.

The AE/CM shall provide training to Supply System personnel to ensure orderly turnover of documents, records, and record processing systems prior to commercial operation.

7.1.2 Contractors

Contractors will submit their records to the AE/CM as noted in subsection 7.1.1 unless otherwise directed by the Program Director. The Supply System will verify adequacy of records received, reviewed and accepted by the AE/CM by audit surveillance.

7.1.3 Supply System

The Supply System shall identify, locate and collect all WNP-3 records in its custody and except as noted in subsection 7.2, transfer those records to the AE/CM to be stored, maintained, processed, as applicable, within the central on-site record storage facility. The Supply System shall provide overview of this function to ensure compliance with Supply System procedures and standards.

7.2 RECORDS GENERATED DURING CONSTRUCTION DELAY

Records generated during construction delay will be processed through the AE/CM central records processing system except as indicated below:

- Security records shall be retained by the Supply System.

7.3 STATUS OF CUSTODY OF DOCUMENTATION PRIOR TO CONSTRUCTION SLOWDOWN

- Design documents and records are in AE/CM and/or contractor custody.

- O & M manuals are in Supply System custody.
- Generation documents and records are in Supply System custody.
- Procedures are in AE/CM, contractor and Supply System custody.
- Licensing records are in AE/CM and Supply System custody.
- QA program records are in the custody of the Supply System.
- Health Physics Chemistry records are in Supply System custody.
- Fuel Program documents and records are in Supply System custody.
- Contractor/Vendor Installation and Manufacturing records are in the AE/CM and contractor custody.
- Construction Test records are in the custody of the CM.
- Test and Start-Up records are in the custody of the Supply System.

7.4 REQUIRED ACTION

- Review and approve AE/CM Management Plan for Extended Construction Delay of WNP-3 Records and Documents. (see Detailed Plan).
- Prepare and obtain approval of detailed WNP-3 Records Management Programs as noted below to facilitate restart of construction.
 - Technical Records Program
 - Non Technical Records Program
 - Nuclear Operation Program

7.5 ACTIONS TAKEN TO DATE

- Transfer of WNP-3 Headquarters files to site initiated (See Detailed Plan, Transfer of WNP-3 Files From Headquarters to Site Transition Plan). Scheduled completion date for this transaction is 11/01/83.
- Direction given to AE/CM to establish microfilming, encoding and data entry capability, full implementation scheduled for 09/01/83.

8.0 COMMERCIAL ACTIONS

8.1 GENERAL

The guidance and requirements specified in this section are necessary to ensure proper overall planning, support budget formulation, and facilitate cash flow forecasting and control. It is emphasized that the Project will implement immediately those contractual actions that reduce the continuing commitment of funds to a minimum, while at the same time not foreclosing the options for restart within the next three to nine months. Priority shall be given to the resolution of contractual issues on those contracts which are essential to our restart.

8.2 SPECIFIC ACTIONS

8.2.1 Prepurchased Equipment

Project Management will make decisions with regard to prepurchased equipment and materials contracts. Contracts will be categorized into three distinct groupings as follows:

1. Contracts to be allowed to run to completion.
2. Contracts to be issued partial or total suspension, with the suspension to be lifted when project restart is identified.
3. Contracts to be terminated immediately.

All contracts have been reviewed and suspensions issued for all work not started, except in one case in which current facts dictate other action. Upon approval of the Management Plan, categories will be finalized and appropriate contract action implemented. Data is currently available which reflects the following:

1. Estimate of cost based on category assignment and cost flows through June 1984.

2. Intended further action such as total suspension, termination or modification of partial suspension.
3. Where no action is intended and the work proposed is to run to completion, that has been identified.
4. Appropriate action will be taken when necessary to ensure that all data, material and/or hardware paid for is brought to a point where the resource has value and may be used at a future date for the completion of the plant.

Project management will prepare individual contract negotiation plans to support the contract actions referenced above. A continual iterative process beginning with the completion of the negotiation plans will be carried out in order that project cost/cash flow can be updated and adjusted as required. A schedule for negotiations containing a start and a completion date will be prepared and should be available by September 1, 1983. Necessary Project Change Proposals and/or contract documents will be prepared and executed in accordance with established procedures.

8.2.2 Construction Contracts

All construction contracts have been reviewed and a preliminary conclusion made as to whether the individual contract should be suspended in whole or in part, terminated in whole or in part, or allowed to run to completion. All contractors whose schedule required a site presence prior to May 27, 1983, have been suspended in whole or in part, with the single exception of the site services contractor. Project Management has reviewed all contracts and the tentative plan for implementing the Board's direction. Current recommendations are that nine contracts be maintained in partial suspension. These nine contracts, together with the site services contractor are considered to be the contracts required to maintain the capability of restart. As the period of construction delay is prolonged, the Project has identified the key dates upon which conscious decisions must be made regarding either termination or continued suspension of these nine contractors. All other construction contracts are recommended for termination as soon as the plan is approved.

Project management will prepare individual contract negotiation plans to support the necessary contract changes to implement the approved plan. Based on this approved plan, projected cost/cash flow requirements will be reviewed and adjusted as necessary. An overall negotiation schedule will be prepared and available by September 1, 1983. Negotiations will be carried out in accordance with that schedule. This schedule will include both a start date and a completion date for negotiations. Necessary Project Change Proposals and/or contract documents will be prepared and executed in accordance with established procedures.

8.2.3 Headquarters Contracting Activities

Service and prepurchase contracts that support, or are funded by WNP-3 and are managed by headquarters, are being given the same scrutiny and appropriate reports and cash flows are being prepared. This activity has been accomplished by the Project Business Department, working in close coordination with the headquarters staff, the Project Controller, and the responsible manager who requested the service. Cash forecasts for these items are now stated at minimum required levels.

8.3 NUCLEAR FUEL

The nuclear fuel contracts are under the technical control of the Technical Director. The following actions are to be taken:

8.3.1 Initial Core - UF₆ Supply, Allied Chemical Contract 3240-2A

This contract supplied 395,780 kg of UF₆ for the WNP-3 initial core. Storage was provided for through June 1981. Final shipment to DOE in May 1981 concluded the contract requirements. Closeout is targeted for October 1983.

8.3.2 Enrichment Services, Department of Energy Contract DE-SC05-79UE4666

Under this Adjustable, Fixed-Commitment contract, DOE provides enrichment services for 30 years (through 2009). This covers the initial and reload cores. Enrichment

of the WNP-3 initial core was completed in September 1981 and placed in storage at DOE. Full and final payment for the initial core enrichment services was made in October 1981. Notices must be provided to DOE by July 1 of each year establishing future amounts of enrichment services and delivery requirements of enriched uranium. Further, the Supply System is committed to utilization of enrichment services in FY85 which are in excess of needs. To avoid significant expenditure, these services must be either sold or assigned.

8.3.3 Conversion Services, Kerr-McGee Nuclear Contract C-5391

This contract provides for conversion services and storage for two initial cores (WNP-4/5) and reload cores for all five projects through 1986. The contract is based on a fixed commitment for conversion of 5,165,633 kg U to UF_6 . The WNP-3 reload allocation of this amount is 847,985 kg U, all of which is excess to present needs. No conversion services are required for the initial core. Cancellation charges are payable if actual quantities converted are less than the fixed amount. Decision on disposition must be made by December 31, 1984 to avoid significant penalties.

8.3.4 Storage of Enriched UF_6 , Department of Energy Contract EY-77-SA-05-5410

This contract provides for enriched uranium storage services and storage containers for material enriched for any of the Supply System projects if the Supply System is unable to take delivery and alternative storage cannot be obtained. In September 1981, the enriched UF_6 for the WNP-3 initial core was placed in storage at the DOE enrichment facility at Piketon, Ohio. The material is stored in 19 DOE-provided storage cylinders. To ensure the initial core fabrication supply and plant restart capability, storage will be continued.

8.3.5 Initial Core Fabrication, Combustion Engineering Contract 3240-2

This contract covers both the purchase of the NSSS and the design and fabrication of the initial core. In November 1982, CE was released to complete the final fuel design. An FSAR amendment was submitted for Supply System review based on

the final fuel design; this review has generated only minor comments. On March 29, 1983, all work on the asymmetric load analysis was suspended. Completion of this analysis is required before fuel fabrication can begin. No further action is planned pending additional funding.

8.3.6 Reload Fuel, Exxon Nuclear Contract 3240-2B

This contract, which provides for WNP-3 reload fuel supply and fabrication, has recently been upheld in the King County Superior Court. Resolution of several issues remain consistent with the Court's ruling. Periodic notices to Exxon establishing delivery requirements, however, continue to be a Supply System obligation.

8.3.7 Contract C-13265

This contract covers additional tasks required and related to, but not included in the scope of the 3240-2 contract. Not-to-exceed funding is provided on a task basis. Continuation of fuel related efforts by CE to maintain and ensure plant licensability are anticipated.

8.3.8 Additional Enrichment

Modification of enrichment levels of the initial core is required to meet plant operating requirements and has been defined. Based on a three-year suspension of WNP-3, actions to contractually implement this additional enrichment must be completed by mid-1986 to support fuel fabrication in 3rd Quarter 1987.

9.0 MANAGEMENT OF THE EXTENDED CONSTRUCTION DELAY

The principles for management of the construction delay are presented in Section 1.4 of the Level I Executive Summary and will be the basis for implementation by Department Managers.

9.1 DEPARTMENT MANAGEMENT RESPONSIBILITIES

Management of the extended construction delay is the direct responsibility of the Department Managers of the Supply System. Each Manager will be responsible for accomplishing those activities within his/her area of responsibility on the defined schedule and within budget. The integrity of the overall financial baseline defined in Section 1.0 must be maintained and is the collective responsibility of each manager.

9.2 PROGRAM RESPONSIBILITIES

The Program (i.e., the Program Director and appropriate members of his staff) is to provide assistance to department managers in developing and implementing actions and is to provide a consolidated report and evaluation. The Program Director will continue to report to the Managing Director on all matters related to the extended construction delay. The functions of the Program will be as follows:

- Develop and publish a consolidated Monthly Progress Report.
- Identify any requirements or additional initiatives for executing the delay.
- Assist managers as required in the implementation of the extended construction delay.
- Review the experience of other nuclear utilities in extended delays on their plants.
- Review Supply System performance on accomplishing required tasks.

- Review total expenditures versus baseline and funds availability to identify possible variance trends or overruns.
- Identify and analyze potential areas for further savings.
- Process Project Change Proposals
- Update plan as necessary.

9.3 ACTIONS & REPORTING GUIDELINES

The following reports/input are required:

- Financial (Responsibility of S. B. Merlin)
 - Monthly Rolling Cash Flow
 - Budget Line Item
 - Prepurchased and Construction Detail
 - Variance Analysis
 - Graphic Display
 - Monthly/Fiscal Year To Date Cash Summary
 - Budget vs. Actual
 - Prepurchased and Construction Detail
 - Construction and Non Construction
 - Major One Time Activities
 - Variance Analysis
 - Monthly/Fiscal Year To Date Cost Summary
 - Budget Line Item
 - Budget vs. Actual
 - Prepurchased and Construction Detail
 - Construction and Non Construction
 - Major One Time Cost
 - Variance Analysis
 - Monthly/Fiscal Year To Date Project Manpower
 - Budget vs. Actual
 - Contract and Department Detail
 - Construction vs. Non Construction
 - Variance Analysis

- Monthly Summary Financial Assessment
 - Cost/Cash/Status
 - Performance/Trend Analysis

- Licensing (responsibility of K. W. Cook)

- Status of Draft SER
 - Questions received, response schedule status, open items, etc.
- Status of Major Issues
- Status of Rampdown Activities
- Status of Preservation Activities
- Status of Operating Experience Review
 - Size of data base, backlog, review status.
- Status of Nuclear Safety Assurance reporting.

- Documentation & Records (responsibility of M. C. Robb)

- Status of required records received from Contractors, reviewed and vaulted by AE/CM as measured by completion percentages vs. expectations.
- Status of records transfer from headquarters to site measured by progress towards intermediate milestones.
- Status of consolidation of on-site records processing functions measured by progress towards intermediate milestones.

- Asset Preservation (responsibility of J. W. Wilson)

- Status of component turnovers to Supply System.
- Status of Preventative Maintenance.
- Status of critical skills staffing.
- Status of procedures required to operate and maintain systems turnover to Operations.
- Status of fragnet development.

● Construction (responsibility of J. J. Peterson)

- Manpower (actual vs budget)
- Cost/Cash flows (actual vs budget)
- Construction completion in support of rampdown/preservation.
 - Monthly Accomplishments
- Documentation Submittals
 - Number of packages submitted, reviewed and approved.
- Materials Management
 - Returned to warehouse status, inventory and store statuses.
- Construction contract closeout status.
- Safety status.
- NCR, DDNs and Conditional Releases
 - Issued, dispositioned and cleared

● Engineering (responsibility of J. E. Werle)

- Status of FSAR Commitments.
- Status of Engineering Key Items:
 - Stiff Clamps
 - Beam Coping
 - Nozzle Loads
 - (Others as identified)
- Status of Drawing Roll-up
- Status of NCR Closeout
- Status of Start-Up Systems Design Freeze
- Status of DCN, QFPCP Closeout
- Status of Equipment Qualification Activities
- Status of Vendor Drawings
- Status of System Review Action Items Lists
 - Setpoints
- A/E Manpower Levels
- Budgeted Cost of Work Scheduled
- Bi-Monthly Engineering Review Meetings
- Bi-Monthly SAIL Meetings

● Business (responsibility of R. N. Williams)

- Status of contract closeout actions by contract.
- Status of negotiations implementing partial suspension by contract.
- Status of negotiations implementing total suspension by contract.
- Status of negotiations implementing termination by contract.

Identification of those pending actions which appear to have significant potential of impacting the estimated cost/cash flow by an amount in excess of \$100,000.

● Quality Assurance (responsibility of O. E. Trapp)

- Status of NRC items.
- Status of Records turnover and review.
- Status of vendor surveillance/VQA.
- Status of Asset Preservation Program/Preventative Maintenance.
- Status of closeout and construction work.