

1733 Peachtree Ave. N.E.
Atlanta, Georgia 30308
Telephone 404 526 6526

Atlanta Office
Post Office Box 4545
Atlanta, Georgia 30302

Executive Department

NUCLEAR REGULATORY COMMISSION

50-424-02A-3

A-4

GPC EXHIBIT 4
McDONALD EX. C

Docket No. 50-424-02A-3 Official Ex. No. McDonald C
In the matter of Georgia Power, Vogtle Unit 2
Staff IDENTIFIED
Applicant RECEIVED
Intervenor REJECTED
Config. Offr.
Contractor DATE 1-4-95
Other Witness Patrick McDonald
Reporter C. Riner
DOCKETED
USNRC
JAN 30 1995
OFFICE OF SECRETARY
DOCKETING & SERVICE
BRANCH

Georgia Power

the southern electric system

DATE: May 5, 1988
RE: Visit to NRC Regarding Five Phase SONOPCO Plan
May 3, 1988
TO: Mr. H. G. Baker, Jr.
Chairman, Southern Nuclear Operating Company
Steering Committee
Mr. A. W. Dahlberg
Mr. W. O. Whitt
FROM: R. P. McDonald

I visited the following NRC officials in their White Flint Maryland Office on May 3, 1988, concerning our five-phase plan for SONOPCO:

Commissioner T. M. Roberts
Commissioner K. M. Carr
Commissioner K. C. Rogers
Executive Director V. Stello
Project Director S. Varga
Technical Assistant to
Commissioner F. M. Bernthal: Ken Cohen

I reviewed our five-phase plan with each party. None expressed any concern and all were supportive. The only question posed was by an Assistant to Mr. Stello, Bill Almstead. When queried by V. Stello, he stated that perhaps there should be some kind of "change of control" letter at the time we go from Phase 2 to Phase 3 - that is the relocation of employees to a consolidated SONOPCO location.

By copy of this memo, I request that Lou Long and Bob Buettner follow up on the point. Neither this nor any other point was considered a significant issue with V. Stello. He did state that we need to watch for some emergent "trip wire" in the regulatory area that no one has yet identified. I took this to be just a bit of advice.

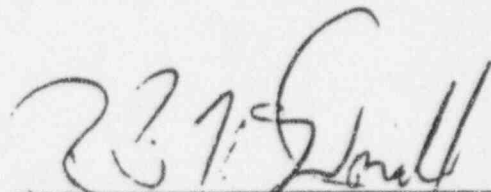
92 PROJECT
072308

9502020194 950104
PDR ADOCK 05000424
PDR

Visit to NRC Regarding Five Phase SONOPCO Plan
May 3, 1988
Page Two

Except to clarify the "control letter" matter, I believe that we have the clear support of our five phase plan from the officials visited.

Chairman Zech and Commissioner Bernthal were out of the city during my visit.



R. P. McDonald

RPM:pb

cc: Mr. J. M. Farley
Mr. R. W. Scherer
Mr. L. B. Long ✓
Mr. R. Buettner

92 PROJECT
072309

Proposal For Consolidating the Management of Nuclear Plants
in the Southern System

Decisions to be made:

- whether to proceed with the concept
- whether to proceed with obtaining SEC approval

If the decision is made to proceed, then

- What officer positions in the Southern System will be designated as having membership in the SONOPCO Board of Directors and the actual designation of these positions
- what is to be the location of the SONOPCO corporate offices
- which individuals are to be designated as prospective SONOPCO officers in what positions and the actual designation of these prospective officers
- which individuals are to be elected as officers of Alabama/Georgia in multi-hatted roles and the actual election of these individuals

Concept For Consolidating the Management of Nuclear Plants in The Southern System

In order to enhance the present and future operation of nuclear power plants in The Southern System a series of consolidating, phased action is proposed. The consolidation will be embodied in the Southern Nuclear Operating Company (SONOPCO) and in that entity's interfaces with Companies of the Southern System and, as appropriate, with those plant co-owners who are not part of the Southern System. In each phase the consolidation will be increased while the strength and clarity of accountability and responsibility for the safe effective operation of each plant will be maintained. Progress toward completing the actions in each phase as soon as practical will be subject to one or more of the following constraints:

- (1) approval of CEO's and Boards of Directors as applicable
- (2) ability of SONOPCO to achieve readiness for acceptance of functional responsibilities
- (3) approval of regulatory agencies
- (4) development of acceptable cooperation of co-owners
- (5) development of acceptable contract arrangements with IBEW

Phase I

Initiate the Formation of SONOPCO and the "Multi-hatting" of Southern Nuclear Operating Line Officers

- (1) Designate members of the Preliminary Board of Directors for SONOPCO.
- (2) Designate initial organizational structure of SONOPCO.
- (3) Designate future operating line officers of SONOPCO (See Chart I-A).
- (4) Designate location of SONOPCO Corporate Office.
- (5) Incorporate SONOPCO then initiate SEC approval of SONOPCO as a Southern subsidiary (without transfer of operating licenses)
- (6) Designate multi-hatted nuclear operating line officers of Alabama, Georgia and SONOPCO and have them assume Alabama and Georgia operational responsibilities (See Chart I-B).

Phase II

Develop Readiness For Consolidation of SONOPCO Corporate Organization

Actions

- (1) Designate remainder of SONOPCO officers
- (2) Obtain enabling generic operating license amendments
- (3) Develop SONOPCO-Owner Company Operating Agreements for Phase III
- (4) Select remainder of SONOPCO Corporate Staff
- (5) Shape Alabama's and Georgia's nuclear groups, to fit directly into SONOPCO for Phase III (See Chart II).
- (6) Establish SONOPCO Corporate policies, procedures, facilities and services.
- (7) Obtain appropriate approval of SONOPCO by SEC
- (8) Establish SONOPCO as a Southern Subsidiary and designate official members of SONOPCO Board of Directors.
- (9) Obtain informal NRC concurrence for relocation of operating line officers and supporting staff to site of SONOPCO Corporate Office

Phase III

Physically Consolidate SONOPCO Corporate Organization

Actions

- (1) Relocate operating line corporate management and supporting staff to SONOPCO Corporate Office (See Chart III)
- (2) Change affiliation of corporate personnel to SONOPCO

Phase IV

(Phases IV and V to be pursued and carried out in parallel as practical)

Change Plant Employees from Affiliation of Alabama Power and Georgia Power to SONOPCO

Actions

- (1) Obtain informal NRC concurrence for changing affiliation of employees to SONOPCO

- (2) Negotiate labor contract(s) with IBEW for implementation upon change of the affiliation of plant personnel to SONOPCO
- (3) Achieve SONOPCO Corporate readiness to handle changes in affiliation and support services for personnel matters
- (4) Change affiliation of plant personnel to SONOPCO

Phase V

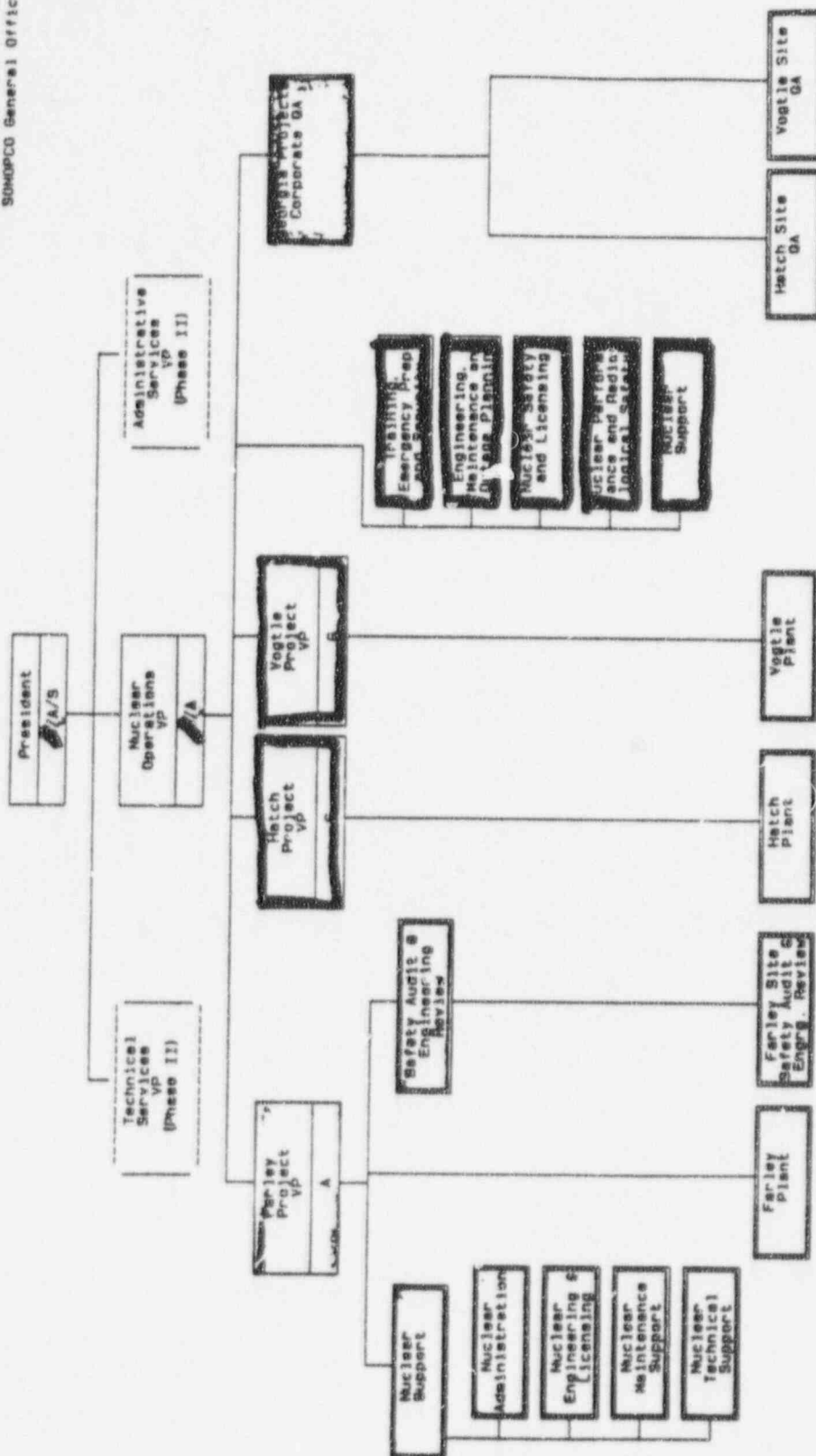
Transfer of Operating License From Alabama Power and Georgia Power to SONOPCO

Actions

- (1) Obtain any needed support from Co-owners for transfer of operating licenses
- (2) Revise Operating Agreements as necessary to support transfer of licenses
- (3) Obtain Boards of Directors approval for transfer of unit licenses
- (4) Obtain regulatory approval for transfer of licenses
- (5) Implement transfer of unit operating licenses when approval obtained and terminate all multi-hatting of SONOPCO personnel

SOUTHERN NUCLEAR OPERATING COMPANY
TRANSITION CHART I-B

APC General Office - Birmingham
SCS Inverness - Birmingham
SOMPOCO General Office



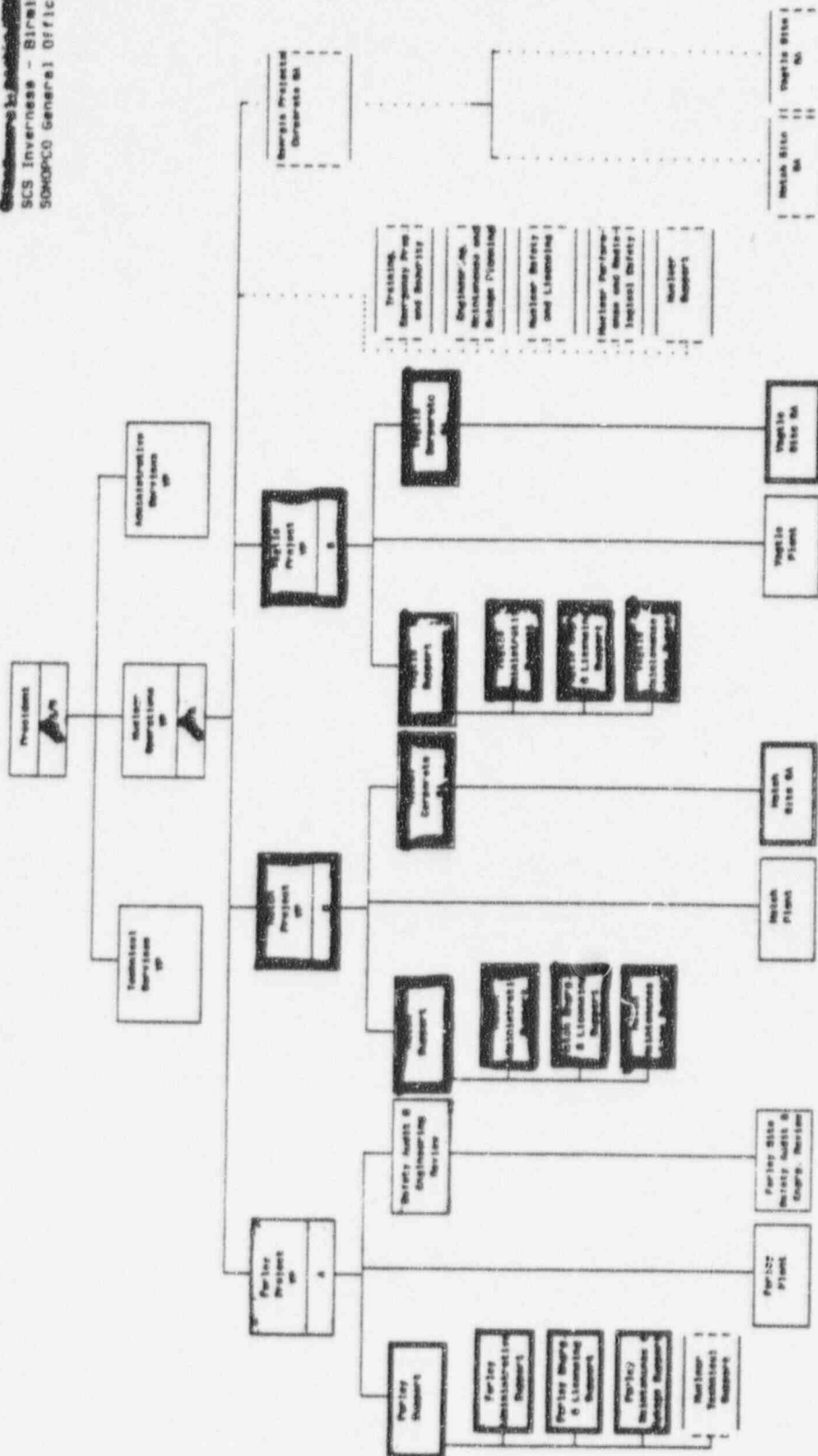
All Officers are SOMPOCO Officers
S - Also an Officer of SPC
A - Also an Officer of APC
S - Also an Officer of SCS

92 PROJECT
072314

4/19/88

SOUTHERN NUCLEAR OPERATING COMPANY
TRANSITION CHART II

APC General Office - Birmingham
SCS Inverness - Birmingham
SONOPCO General Office

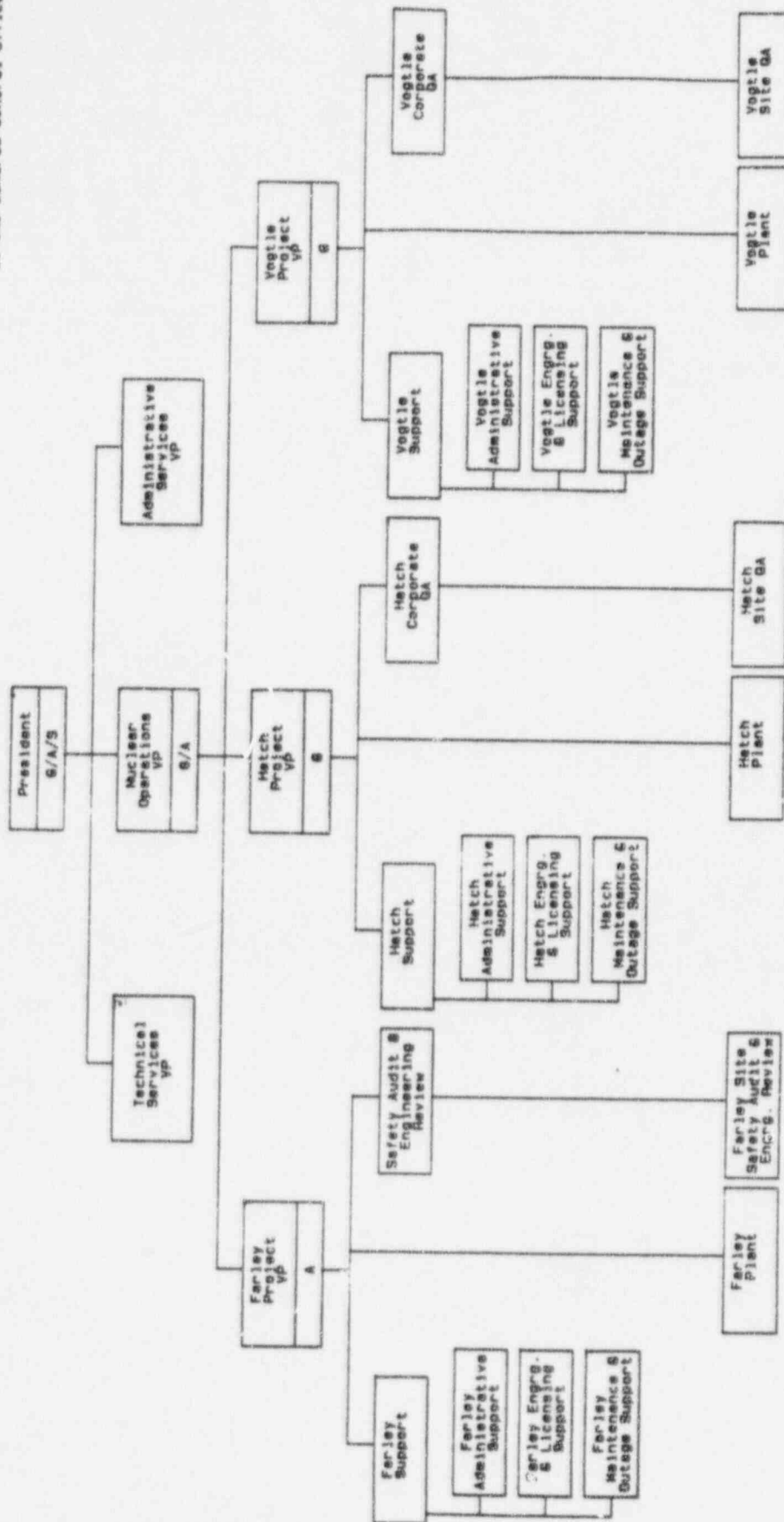


All Officers are SONOPCO Officers
S - Also an Officer of GPC
A - Also an Officer of APC
B - Also an Officer of SCS

92 PROJECT
072315

SOUTHERN NUCLEAR OPERATING COMPANY
TRANSITION CHART III

All SONOPCO corporate staff are located
at the SONOPCO General Office.

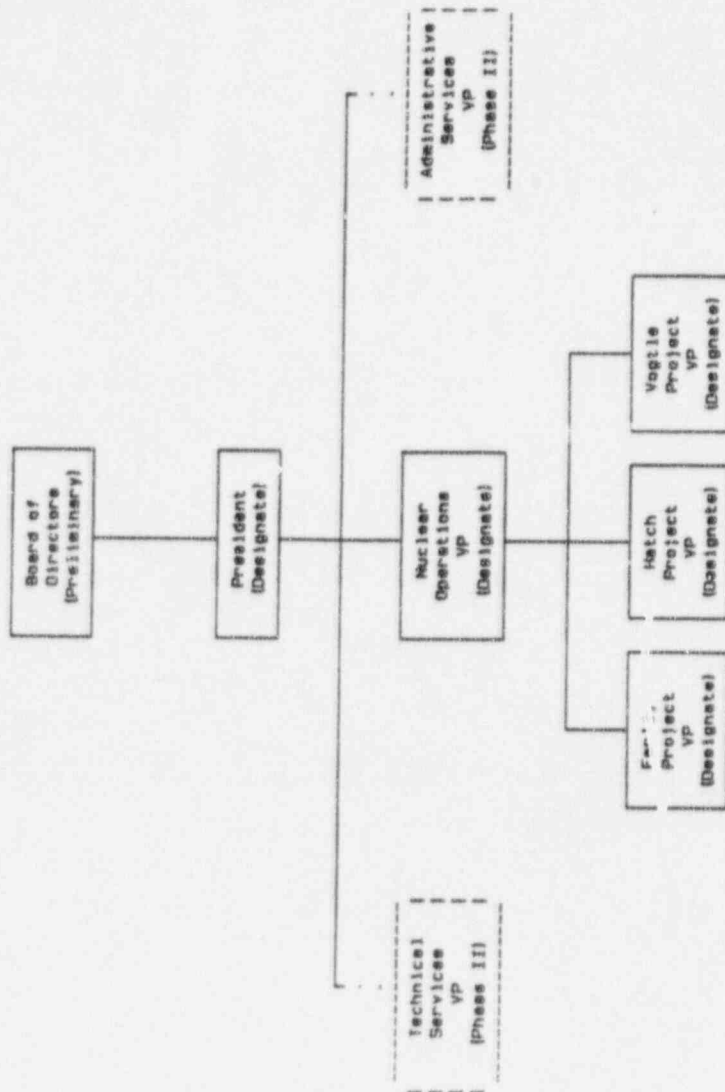


All Officers are SONOPCO Officers
S - Also an Officer of SPC
A - Also an Officer of APC
S - Also an Officer of BCS

92 PROJECT
072316

4/19/88

SOUTHERN NUCLEAR OPERATING COMPANY
TRANSITION CHART I-A



4/19/88

92 PROJECT
072317