

The Light company

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March 29, 1984
ST-HL-AE-1076
File No: D27/G25

Mr. George Knighton
Chief, Branch 3
Division of Licensing
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Dear Mr. Knighton:

South Texas Project
Units 1 & 2
Docket Nos. STN 50-498, STN 50-499
Engineering Assurance Program

The purpose of this letter is to document Houston Lighting & Power's (HL&P) understanding of the items discussed in a March 1, 1984 meeting in Houston with members of the NRC staff (Annette Vietti, Ted Ankrum, et al.) relative to the South Texas Project Engineering Assurance Program (STP-EAP).

Background

On September 14, 1983, HL&P met with the NRC staff in Bethesda to discuss the details of the STP-EAP. At that time, we informed the NRC that the STP-EAP was an ongoing independent review of the STP design to confirm the adequacy of the engineering work performed by our contractor personnel. By letter dated October 21, 1983, the NRC requested that HL&P submit documentation describing the STP-EAP for formal NRC review. This documentation, along with the reports of the first two STP-EAP reviews, was submitted by my letter to D. G. Eisenhut on November 29, 1983. In that letter we requested that NRC make a determination as to whether the ongoing STP-EAP would serve the purpose of the Independent Design Verification Programs that NRC has required as a prerequisite to issuing an operating license to recent NTOL applicants.

The March 1, 1984 meeting in Houston was held at the request of the NRC staff to further discuss the details of the STP-EAP to provide additional basis for such a determination. The staff reviewers were provided with additional information on the STP-EAP scope, the competence of the personnel performing the reviews for HL&P, and the independence of the STP-EAP.

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Meeting Summary

The STP-EAP encompasses the review of engineering design work performed by contractors and subcontractors and is not restricted to safety-related structures, systems, and components. The STP-EAP concentrates on both the design products and the design process. Reviews are performed throughout the design stage, often before significant construction has been accomplished, to provide an opportunity for timely detection and correction of problems. In this respect, the STP-EAP differs from a traditional IDVP which is performed after construction is essentially complete.

The following criteria are used in selecting subjects for review: (1) areas that represent known technical problem areas in the industry; (for example, the results of applicable NRC IDI's will be considered in determining future STP-EAP review subjects); (2) areas that represent unique project design features; and (3) areas of known or suspected contractor difficulties. Three or four major subject areas are reviewed each year along with various special reviews of lower magnitude. A typical major review involves approximately 3,000 - 4,000 man-hours.

The STP-EAP reviews address generic implications of deficiencies. Responses to action items are required to address the following questions:

- Is the finding valid?
- Has the cause of the deficiency been specifically identified?
- Has the immediate effect been corrected?
- Has impact on other work been addressed?
- Is the proposed corrective action sufficient to eliminate the cause?
- Is the schedule for corrective action reasonable?

Action items generated as a result of STP-EAP reviews are tracked to completion by the HL&P Engineering Assurance Department.

Relative to the competence of the individuals performing STP-EAP reviews, the review teams are staffed predominantly with seasoned engineers having proven records of nuclear design experience and who have the ability to provide an objective, dispassionate technical review and to make judgments on the basis of technical merit. The principal Stone and Webster Engineering Corporation* employees conducting various STP-EAP reviews are evaluated and approved by resume review and interview (where warranted) by HL&P Engineering Assurance.

*Stone and Webster Engineering Corporation is under contract to HL&P to provide technical expertise to supplement HL&P resources.

Relative to the independence of the STP-EAP, the Engineering Assurance Department lines of responsibility and channel for reporting to HL&P executive management were discussed with the NRC reviewers. The NRC reviewers indicated that it was appropriate for the Manager of Engineering Assurance to report to the Vice President, Nuclear Engineering and Construction.

To ensure that the Engineering Assurance Program is conducted properly, some form of an annual oversight review should be conducted from outside the company. We plan to organize a three-member committee of technically qualified individuals to function in this capacity. Appropriate definition of this feature will be added to our Engineering Assurance Program Policy.

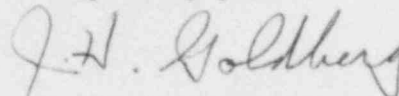
The criteria which would be used to ensure that the STP-EAP reviews were conducted by disinterested parties was also discussed. HL&P will expand its criteria to address the ownership of stock or bonds of any of the participating owners by the independent third party reviewers.

Enclosed for your information is a copy of the current HL&P Engineering Assurance Procedures Manual. HL&P will advise you of any substantive changes in the present STP-EAP procedures or policies which could impact the utility of the program to provide additional assurance of the adequacy of the STP design.

It is our understanding that based on the engineering assurance information previously submitted to the NRC, the discussions which took place in the March meeting, and the further insights contained in this letter, NRC can decide on the acceptability of the HL&P Engineering Assurance Program to serve the purpose of an IDVP.

We hopefully look forward to a favorable decision in the near future.

Very truly yours,



J. H. Goldberg
Vice President
Nuclear Engineering and Construction

MRW/na

Attachment: HL&P Engineering Assurance Procedures Manual

cc:

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Revised 3/28/84