



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555

OFFICE OF THE
COMMISSIONER

October 12, 1984

MEMORANDUM FOR: Files

FROM: James K. Asselstine *James K. Asselstine*

SUBJECT: MEETING WITH REPRESENTATIVES OF SOUTHERN
CALIFORNIA EDISON--RESTART OF SAN ONOFRE 1

On October 5, 1984, I met with Howard Allen, President of Southern California Edison and three other Southern California representatives. The subject of the meeting was the possibility of restarting San Onofre Unit 1 before all of the seismic upgrade ordered in 1982 is complete.

Mr. Allen said that they had encountered a legal problem with starting the plant before upgrade is complete. Staff has taken the position that allowing restart before completion of the plant modifications would constitute a license amendment and thus trigger the Sholly regulations. Southern California takes the position that there is no license amendment involved, that staff can just make the safety determination whether it is safe to let San Onofre run, and that there is no right to a hearing for any third parties. They compared this case to the lifting of the suspension of the low power license in Diablo Canyon. Mr. Allen asserted that no tech spec changes would be needed for the upgrade and the mere existence of a confirmatory order should not change this situation to create an amendment to the license. The Southern California representatives also argued that the fact that the 1982 order did not include language allowing the director of NRR to alter the terms of that order is also not dispositive. The NRC has the authority to alter the terms of the order or it does not; that authority is not created by boilerplate language in an order.

Mr. Allen wanted also to bring to my attention certain equitable considerations. First, Southern California feels that it has been misled. No one had any idea that the 1982 order was a license amendment and in fact the issue was never raised until June of 1984. Denton's letter of February 1984 gave Southern California the impression that everything was okay and that the NRC was not on the critical path to restart. Also, other plants have been treated similarly and allowed to restart without amending the license. Finally, Southern California argued that treating this case as a license amendment will cause problems for NRC enforcement in the future. Older plants will not be upgraded because of procedural difficulties--Sholly, hearings, etc.--and utilities will be

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reluctant to agree to confirmatory orders if all the procedural baggage comes along.

I asked what systems are left to be upgraded. Ken Baskin said that the following systems had yet to be upgraded: ECCS, saltwater intake, some containment isolation, and containment spray. I expressed concern about whether these systems met the original licensing requirement that the plant withstand ground motions of .5g. Baskin said that the company will be providing additional information to the staff to "beef up" the staff's conclusion that it is safe to operate the plant until the upgrade is complete. Part of this additional assurance will be information on other, non-nuclear industrial projects built about the same time as San Onofre and which have survived large earthquakes. There will not be elaborate calculations, however. Baskin said he would stake his reputation on San Onofre 1's ability to withstand an earthquake with ground motions of .5g.

I also asked whether if the "amendment" were prenoticed there would be an intervention. The Southern California representatives said that there was a high probability that the intervenors in the California PUC proceeding would intervene. The NRC procedures could then be used to prolong the process and could result in the permanent shutdown of San Onofre 1.

Mr. Allen then closed by saying that they would like to restart when they are physically ready in mid-November.