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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the matter of:

COMMISSION MEETING

Discussion/Possible Vote on Full
Power Operating License for Fermi-2

(Public Meeting)

Docket No. 50341

Location: Washington, D. C.
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D I S C L A I M E R

This is an unofficial transcript of a meeting of the United States Nuclear Regulatory Commission held on Wednesday, July 10, 1985 in the Commission's office at 1717 H Street, N.W., Washington, D.C. The meeting was open to public attendance and observation. This transcript has not been reviewed, corrected, or edited, and it may contain inaccuracies.

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1 UNITED STATES OF AMERICA
2 NUCLEAR REGULATORY COMMISSION

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5 DISCUSSION/POSSIBLE VOTE ON FULL
6 POWER OPERATING LICENSE FOR
7 FERMI-2

8 - - - - -
9 Public Meeting
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11 Nuclear Regulatory Commission

12 1717 H Street, N.W.

13 Room 1130

14 Washington, D.C.

15 Wednesday, July 10, 1985

16 The Commission met in public session, pursuant to
17 notice, at 2:32 o'clock p.m., Nunzio J. Palladino, Chairman of
18 the Commission, presiding.

19 COMMISSIONERS PRESENT:

20 Nunzio J. Palladino, Chairman of the Commission

21 James K. Asselstine, Commissioner

22 Frederick M. Bernthal, Commissioner

23 Lando W. Zech, Jr., Commissioner
24
25

1 STAFF AND PRESENTERS SEATED AT COMMISSION TABLE:

2 S. Chilk

3 M. Malsch

4 D. Lynch

5 T. Novak

6 B. Davis

7 W. Dircks

8 D. Eisenhut

9 N. Jensen

10

11 Safe Coalition for Energy:

12 Sr. Barbara Bacci

13 Ms. Puntenney

14

15 Monroe County:

16 John Eckert

17 Richard Pettigrew

18

19 Detroit Edison:

20 W. McCarthy

21 C. Heidel

22 W. Jens

23

24 AUDIENCE SPEAKERS:

25 S. Burns

1	H. Thompson
2	D. Matthews
3	W. Russell
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P R O C E E D I N G S

CHAIRMAN PALLADINO: Good afternoon, ladies and gentlemen.

Commissioner Asselstine has been detained, but he asked that we start without him.

The purpose of today's meeting is for the Commission to discuss and, if ready, decide on whether or not a full power license shall be granted for the Fermi Nuclear Power Plant, Unit No. 2.

On March 20, 1985, the NRC issued a low power license for the Fermi Nuclear Plant, Unit 2, authorizing fuel load, precriticality testing, and low power operation for power levels up to 5 percent of full power.

The NRC Staff has prepared a presentation, and I understand that other members of the NRC Staff, as well as representatives of Detroit Edison, are available to answer any questions we may have.

I also understand that Bert Davis, Deputy Regional Administrator for Region III, is here today and is likewise available to answer any questions that might arise.

Also I understand that three interested groups have desire to present their views to the Commission. They are the Safe Energy Coalition, representatives of Monroe County in Michigan, and Detroit Edison.

Upon completion of the Staff presentation, five

1 minutes will be allowed for representatives from each of these
2 groups to express their views. At the end of five minutes, I
3 will let them know the five minutes are up and give them a
4 half minute to complete any statement they want to make.

5 Upon hearing these views, I intend to call for a 10
6 to 15 minute recess to allow each Commissioner to deliberate
7 on the information presented.

8 Upon reconvening the meeting, I intend to poll other
9 Commissioners on whether or not we should authorize the Staff
10 to issue the Fermi 2 full power license.

11 Would any other Commissioners like to offer any
12 comments at this time?

13 COMMISSIONER ZECH: No.

14 CHAIRMAN PALLADINO: Then I will turn the meeting
15 over to Mr. Dircks.

16 MR. DIRCKS: Mr. Chairman, we are going to make a
17 presentation and we will keep it as brief as possible. We
18 have Darrell Eisenhut representing NRR, and he has Tom N
19 and Dave Lynch, who is the Project Manager. As you mentioned,
20 Bert Davis is here with us today, and he has the resident
21 inspector whom I think we'd like to introduce to the
22 Commission and at least let you see him and he is prepared to
23 answer questions also. We have Paul Byron, the resident
24 inspector; Nick Chrissotomos, the branch chief from our
25 office; and Stan Stasek who is also a resident inspector at

1 Dresden. All three of them are here.

2 CHAIRMAN PALLADINO: All right. Thank you. Would
3 you like any one of them to join you at the table?

4 MR. DIRCKS: No, that's all right. We will go ahead
5 with the presentation and NRR will lead off, and then Bert
6 will pick up the condition of the plant today.

7 MR. EISENHUT: Thank you.

8 A brief comment before I ask Tom to undertake going
9 through the briefing slides. This is the next to the last BWR
10 MARK I containment plant that is still under construction and
11 in the licensing process. You may recall Fermi 2 started
12 construction of the site I believe, or the site preparation
13 work, anyway, back in about the 1970 timeframe and actually
14 received its construction permit in 1972.

15 It went through a period in the '70s where
16 construction work was discontinued for a number of years. It
17 was reactivated and cranked up in recent years.

18 Fermi 2 is the first MARK I containment plant,
19 boiling water reactor, that's been licensed since I believe
20 Hatch 2 was licensed in 1978. Hatch 2 was the last plant to
21 be licensed, as a matter of fact, I believe, prior to TMI, and
22 is a plant that's been operating along quite well.

23 So this is one of the plants of a rather old design,
24 but at the same time has gone through evolutions of quite a
25 number of modifications.

1 Tom Novak will go through the briefing slides.

2 CHAIRMAN PALLADINO: Has it had all the torus
3 modifications that were called for?

4 MR. EISENHUT: Yes, sir. To some degree it had all
5 of those in a fortunate stage. It didn't have to shut down at
6 the time. All the fixes, modifications that the BWR MARK I's
7 faced, this plant was reanalyzed for as time went along.

8 CHAIRMAN PALLADINO: All right. Thank you.

9 MR. NOVAK: Okay. Thank you, Darrell.

10 May I have slide 3, please.

11 [Slide.]

12 And the next one, please.

13 [Slide.]

14 As noted on this slide, Detroit Edison and Wolverine
15 are co-owners of the site. Detroit Edison owns approxima
16 80 percent of the plant and is the designated operator.

17 It is a conventional BWR MARK I containment with
18 almost an 1100 megawatt electrical output.

19 Detroit Edison has been its own architect-engineer
20 throughout the design and construction of this plant, and has
21 obtained assistance from architect-engineers such as Sargent &
22 Lundy and Stone & Webster, primarily in areas dealing with
23 seismic analysis and piping analysis.

24 Prior to that extended shutdown, the construction
25 manager at the site was the Parsons Company, or at least had a

1 lot to do with it. Following the delay in construction,
2 Detroit Edison then contracted with Daniel Corporation when
3 they had completed construction of the unit.

4 The site is located on the western shore of Lake
5 Erie in a predominantly rural area.

6 With regard to emergency planning, the Licensee has
7 committed to abide by any decisions reached by the Commission
8 in the Garde v. NRC decision, and we find that acceptable. We
9 have described this in Supplement 6 to our Safety Evaluation.

10 In addition, in the area of emergency planning, you
11 will note that there have been two exercises performed in '82
12 and '84, and recently the Licensee requested an exemption from
13 a requirement to Appendix E, which requires that an exercise
14 be performed no distance apart less than a year. They have
15 just gone over that, and we are prepared to have Mr. Dave
16 Matthews of the Office of I&E speak to that in more detail in
17 just a moment.

18 CHAIRMAN PALLADINO: Is there any problem with
19 granting that extension?

20 MR. NOVAK: No, sir. The Staff is recommending it.

21 CHAIRMAN PALLADINO: Is that an action the
22 Commission has to --

23 MR. NOVAK: No, sir, the Staff can take this action.

24 CHAIRMAN PALLADINO: All right. Thank you.

25 COMMISSIONER BERNTHAL: Let me ask a question on

1 that right now, since I had a question. Why wouldn't you
2 assume that just would have been done as part of the
3 construction process? Why is it -- the equipment
4 qualification, that is. Why is it --

5 MR. NOVAK: Let me see. What we are talking about
6 in the exemption -- this is the exemption on emergency
7 planning.

8 COMMISSIONER BERNTHAL: Oh, I'm sorry. I thought
9 you were -- sorry, go ahead. I was referring to a different
10 exemption. Okay.

11 MR. NOVAK: In the same area of emergency planning,
12 we have a request from a private individual regarding
13 emergency offsite planning in the event of flooding, and I am
14 going to ask Mr. Dave Matthews to just briefly touch on that
15 petition and also on the Staff's views on the granting of the
16 exemption.

17 Dave.

18 MR. MATTHEWS: I'm Dave Matthews of the NRC Staff.

19 Let me just recap very briefly the nature of the
20 findings that we have reached on Fermi with regard to
21 emergency preparedness.

22 Based on a review of FEMA findings and
23 determinations on state and local emergency planning
24 preparedness, the most recent of which was provided to us in
25 May, and on the NRC assessment of the Licensee's on-site

1 emergency plans and preparedness, we have concluded that the
2 overall state of onsite and offsite preparedness provides
3 reasonable assurance that protective measures can be taken in
4 the event of a radiological emergency.

5 These evaluations did include our review and FEMA's
6 review of two full participation exercises, the last of which
7 was conducted a little over a year ago on June 26th, 1984.

8 In view of the fact that it had been beyond a year
9 that the Licensee was planning to go above 5 percent power, on
10 June 14th Detroit Edison requested an exemption from the
11 requirement to conduct another full participation exercise.
12 And during the Staff's review of that exemption request, we
13 were also informed of a concern that Monroe County had with
14 regard to testing of some new communications equipment in
15 their emergency operations center.

16 On July 3rd, Detroit Edison informed us that they
17 have scheduled a test of this recently-installed emergency
18 communication equipment, and they have scheduled that test for
19 the week of July 15th, 1985, and are expecting to perform that
20 test prior to exceeding 5 percent of rated power, and the
21 county has agreed to this arrangement.

22 In addition, they have also agreed for arrangements
23 to participate in two additional preparatory drills prior to
24 the Licensee's onsite drill that is next regularly scheduled
25 for October of '85, and the county is volunteering to

1 participate in that as well.

2 So it appears that their concern with regard to the
3 granting of this exemption has been resolved by these
4 agreements that have been reached.

5 On the item of the 2.206 petition, the Staff, with
6 the assistance of FEMA, is evaluating this petition and it
7 regards evacuation routes during flooding conditions for
8 certain of the lakeshore areas near Fermi.

9 We have received information from the Licensee, from
10 FEMA, which forwards information as well from the state, and
11 we have concluded that this does not alter the favorable FEMA
12 finding on preparedness that had been previously provided.
13 And we also have concluded that this doesn't raise any issues
14 of concern with regard to our support for the full power
15 license.

16 CHAIRMAN PALLADINO: Was the opportunity for people
17 to litigate the results of the exercise on 6/26/84?

18 MR. MATTHEWS: I will have to check with the legal
19 staff on the scheduling for the hearing, as to whether that
20 was completed following that exercise.

21 MR. BURNS: The hearing had already been completed,
22 Licensing Board initial decision issued, appeals completed,
23 and the Commission's own opportunity to review the Appeal
24 Board's decision completed by that time in 1984.

25 However, there was no prohibition at the time of the

1 hearing, no prohibition on litigating emergency planning
2 exercise results. The timing of this proceeding was such that
3 the Commission's regulation which had removed emergency
4 planning exercises from litigation had not yet been
5 promulgated at the time.

6 So, there was the opportunity for the Intervenor to
7 raise an issue of emergency planning exercise results at the
8 hearing. It was not raised. There was no issue.

9 CHAIRMAN PALLADINO: Thank you.

10 All right, Tom.

11 MR. NOVAK: Thank you.

12 May I have the next slide, please.

13 [Slide.]

14 Under selective issues, I would just like to touch
15 briefly on a few of them.

16 The fire protection program that Detroit Edison
17 proposed to the Staff originally in 1982 was approved, and
18 implementation of that program continued, and in an inspection
19 that the Staff performed in May of 1984, significant
20 deficiencies in the Licensee's program were identified and, as
21 you will note, there were a number of meetings between the
22 Staff, made up of both NRR and Region III, and discussions
23 with DECo to identify those deficiencies.

24 A modified program was proposed to the Staff in
25 October of '84. The Staff found it to be an acceptable

1 program. This has been documented in Supplement No. 5.

2 Additionally, in March of '85 and later, Region III
3 performed some additional inspections of the fire protection
4 implementation dealing with procedures, also reviewed the SALP
5 performance on fire protection with Detroit Edison, and also
6 looked at the schedule that Detroit Edison and we had agreed
7 on for implementation of the alternate shutdown panel.

8 In these discussions, Detroit Edison, recognizing
9 also that they had a scheduled shutdown planned for late fall,
10 September and October, committed in a letter earlier this
11 month to accomplish all of the necessary modifications to the
12 plant to satisfy all requirements with regard to fire
13 protection by a shutdown scheduled in October, and they would
14 not --

15 CHAIRMAN PALLADINO: October of this year?

16 MR. NOVAK: October of this year.

17 This commitment will be reflected as a license
18 change in the full power amendment. It represents an ability
19 of the Licensee to combine certain equipment modifications he
20 has to make in order to satisfy environmental concerns of
21 equipment, and to do them at the same time as he does the fire
22 protection modification.

23 CHAIRMAN PALLADINO: I notice that the SALP rating
24 on fire protection had been 3's for the last two rating
25 periods. Was it because of the shutdown system, the standby

1 shutdown system?

2 MR. NOVAK: I think --

3 CHAIRMAN PALLADINO: Or what was the reason? Maybe
4 I should ask it that way.

5 MR. DAVIS: The period before the most recent one,
6 the SALP 3 rating I think was primarily based on the
7 Licensee's failure to install the systems that it committed to
8 install in FSAR. The most recent SALP 3 rating was based on
9 our continuing inspections of their implementation of their
10 latest commitments to meet the interim requirements before
11 having this shutdown panel that Tom just mentioned.

12 [Commissioner Asselstine entered the room.]

13 Our inspections continued to find problems, and it
14 required a fair amount of effort on our part to get them up to
15 the point where they had a satisfactory interim system.

16 CHAIRMAN PALLADINO: So they had problems beyond the
17 need to put in the safe shutdown system?

18 MR. DAVIS: That's right.

19 CHAIRMAN PALLADINO: Have those problems been
20 resolved?

21 MR. DAVIS: Yes, they have been resolved, and we
22 believe now that they can carry out their interim measures.

23 CHAIRMAN PALLADINO: All right. Thank you.

24 MR. NOVAK: Just as a final note, the Staff is of
25 the opinion that when the system is installed, it would

1 represent one of the best systems that we have seen to date.
2 It will be what we would classify as a better than average
3 system in terms of fire protection.

4 CHAIRMAN PALLADINO: Well, that's heartening. This
5 SALP rating didn't seem to indicate --

6 MR. NOVAK: Well, it wasn't that the equipment
7 design and the final installation is no good. I think the
8 SALP rating was more directed at the management aggressiveness
9 and attention to the implementation.

10 COMMISSIONER ASSELSTINE: In fact, the safe shutdown
11 system is a very interesting system, I thought, when I was out
12 at the plant last week, since you have a diverse independent
13 supply of water with its separate power system. It's a very
14 interesting system. It's one I hope the Staff will look at
15 very carefully, as they look at the overall decay heat removal
16 question.

17 MR. NOVAK: Yes, we recognize that.

18 COMMISSIONER ASSELSTINE: And also I was impressed
19 to find out that it was installed at at least relatively
20 moderate cost, about \$3.3 million, if I recall correctly,
21 which is a fair amount of added protection at a reasonable
22 cost. I think the Licensee is to be commended to at least
23 start on that course early on. It turned out to have some big
24 benefits to them when they ran into fire protection
25 difficulties, but the original concept, I think, showed some

1 forward thinking.

2 MR. NOVAK: With regard to Fairbanks-Morse diesels,
3 just to touch, late in the construction schedule as far as
4 last fall, there were some failures identified, some bearing
5 failures on two of the four engines. The cause of the failure
6 was identified as failure in the lubrication system. They had
7 just made a modification which would have removed the
8 requirement to manually pre-lube the engine before you plan to
9 start.

10 This was done based on vendor recommendations. We
11 have since gone back to the more time-proven element of
12 pre-lubing it manually before you start a planned test. This
13 just gives better performance.

14 We did look at whether or not this was a generic
15 problem, because there are about 40 units of this type out
16 there, and it is not generic, it was a unique situation, and
17 we think the problem has been solved.

18 With regard to --

19 CHAIRMAN PALLADINO: The license has a condition on
20 the lube oil surveillance program, and shall implement its
21 commitments according to some letters.

22 MR. NOVAK: Yes.

23 CHAIRMAN PALLADINO: Could you just -- what sort of
24 commitments?

25 MR. NOVAK: What this amounts to, Mr. Palladino, is

1 that we want to be sure that the lubrication problems were the
2 source of the problems. What the Licensee has embarked on is
3 a careful inspection of the machine, of the bearings, of the
4 wear surfaces that we saw a severe indication of and, in fact,
5 with the lubrication program, as we expect it to be
6 successful, we should see very little wear in subsequent
7 operation. And the license condition is just confirmatory.

8 With regard to environmental qualification, the
9 Licensee does have about four or five different types of
10 components yet to be qualified. They range from
11 hydrogen-oxygen monitors to some Rosemont transmitters. In
12 total there are about 135 or 136 specific components yet to be
13 qualified.

14 The majority will be replacement components. There
15 are about seven that are still under test and may be
16 successful. He does plan to have these done within the
17 requirements of 50.49.

18 In fact, that scheduled shutdown in the
19 September-October timeframe is for the purposes of
20 accomplishing those modifications.

21 CHAIRMAN FALLADINO: Are you saying then they will
22 meet the November 30 deadline?

23 MR. NOVAK: Their current plans are to meet it.
24 They do have, however, some material deliveries still coming
25 in this summer, and so it is going to be fairly close. But

1 they have not indicated that they can't meet the November time
2 date.

3 MR. EISENHUT: In fact, there's a license condition
4 which does impose November '85 as the deadline.

5 MR. NOVAK: Lastly, and with regard to low level
6 waste, this plant has in excess of a five-year storage
7 capacity. So clearly in that area there is no particular
8 problem.

9 COMMISSIONER ASSELSTINE: They did that fairly early
10 on, too, didn't they?

11 MR. NOVAK: Yes, sir, very early on. In fact, this
12 plant has the capability for going to something like 10 years
13 with compaction.

14 CHAIRMAN PALLADINO: What did you say, 10 years? I
15 thought you said five years.

16 MR. NOVAK: Well, it's five now, with the potential
17 with compaction to expand it to 10 years.

18 CHAIRMAN PALLADINO: Oh, I see.

19 MR. NOVAK: May I have the next slide, please.

20 [Slide.]

21 I think it is worthy to note that the training and
22 qualifications of operators developed by this utility in our
23 mind was outstanding.

24 CHAIRMAN PALLADINO: Was what?

25 MR. NOVAK: Was outstanding.

1 CHAIRMAN PALLADINO: Oh, I see.

2 MR. NOVAK: In terms of the passing rate of people
3 taking exams. There were 40 licenses granted, and 39 of those
4 applicants passed the first time around. I think that is
5 still the record as far as we know. And that one remaining
6 individual passed the next time within three months. So
7 clearly we think the Licensee views it as a good initial
8 screening program, plus good training.

9 You will note, however, that these operators do not
10 have the required hot operating experience, and so the
11 operating staff will be supplemented by shift advisers.

12 However, in this case, they have been onboard, they
13 are contract employees, but they are licensed SROs. They did
14 get their license in July of 1984, so they have held that
15 license for about a year.

16 CHAIRMAN PALLADINO: License for this specific
17 plant?

18 MR. NOVAK: For this specific plant.

19 COMMISSIONER ASSELSTINE: I was very impressed with
20 that. In fact, this is -- is this the only plant that's done
21 that?

22 MR. NOVAK: To my knowledge, it is.

23 COMMISSIONER ASSELSTINE: Or have gotten their
24 advisers their license.

25 MR. NOVAK: Yes. And the plan is to keep these

1 people onboard through -- I'm sorry.

2 MR. THOMPSON: Hugh Thompson here.

3 There are other plants who have had their advisers
4 licensed as an SRO. I don't know of anybody who had all their
5 advisers licensed as an SRO, but this was a fairly impressive
6 effort on their part.

7 COMMISSIONER ZECH: It's a valuable effort, though,
8 because they have a number of them, as you can see, without
9 previous commercial experience. So I think it's necessary.

10 COMMISSIONER ASSELSTINE: This is the best way to
11 assure that those advisers understand the plant and they're
12 well accepted by the shifts that they're working with.

13 COMMISSIONER ZECH: That's right.

14 COMMISSIONER ASSELSTINE: It's a very positive step.

15 COMMISSIONER ZECH: It's certainly the right thing
16 to do.

17 MR. NOVAK: As noted on the slide, the utility did
18 purchase and install a plant-specific simulator and it's been
19 used for over a year now, coming up on a year.

20 The plant does operate under a six-shift operation.
21 They do have some thoughts about modifying this operation to
22 possibly a five-shift with an extended work day. But this is
23 certainly in the preliminary stages of preparation.

24 CHAIRMAN PALLADINO: How long will the shift
25 advisers be working at the plant?

1 MR. NOVAK: They certainly will operate through the
2 rest of this calendar year. In talking to the Licensee, as a
3 minimum they will satisfy the conditions such that their own
4 staff has the prerequisite months of hot operating experience,
5 but not necessarily that as a minimum. In talking to the
6 utility they feel when they believe their own staff is at a
7 point now where they can remove these people, then they will
8 make the decision.

9 CHAIRMAN PALLADINO: Did I read a license condition
10 that they have to tell you 30 days in advance of these people
11 leaving?

12 MR. NOVAK: Yes. Yes.

13 I'd like now to turn over the remainder of the
14 presentation to Mr. Bert Davis.

15 MR. DAVIS: Thank you.

16 May I have slide 6, please.

17 [Slide.]

18 My discussion will focus on the areas of
19 construction assessment, allegations, and operational
20 readiness.

21 I want to note that the Fermi site has received
22 about 28,000 direct inspection hours of Region III's time
23 since the construction permit was issued.

24 With respect to construction, we believe the quality
25 of construction at Fermi 2 is satisfactory. In the

1 construction area we have conducted 286 inspections involving
2 about 9300 hours of direct inspection.

3 CHAIRMAN PALLADINO: How does the 9300 hours relate
4 to the 28,000?

5 MR. DAVIS: It's part of the 28,000. The 28,000
6 includes the construction and pre-operational testing and part
7 of the additional testing that's gone on since they got the
8 low power license.

9 COMMISSIONER BERNTHAL: You know, I have to
10 interject. I've done this before. Statistics are a funny
11 business. I pointed out in the case of another much more
12 ill-starred Michigan effort at Midland, way back when the
13 Commission still was considering that plant, that when you
14 break that huge sounding number of hours down, it turns out to
15 be a federal government commitment of less than one person per
16 year during the construction process.

17 I felt in the case of Midland that that was part of
18 the reason the people of Michigan were cheated in the case of
19 Midland, and although 28,000 sounds like a lot -- and in this
20 case clearly it would appear that's all worked out okay, and
21 the NRC has surely done the major job that it's required to do
22 for any plant, I would also suggest that when you consider
23 that the federal government has committed one person per year
24 throughout construction, that's some food for thought when the
25 Commission considers its quality assurance requirements down

1 the road, should we ever begin a new wave of construction in
2 this business.

3 I had to give my little sermon.

4 [Laughter.]

5 CHAIRMAN PALLADINO: Also when we consider budgets.

6 All right. Thank you.

7 MR. DAVIS: This number did compare favorably with
8 the budget. In fact, it exceeded the budget, the total did.

9 As part of this, we in Region III conducted what we
10 called a mini-CAT inspection. This was conducted using six
11 inspectors who spent about two weeks on site. We did this at
12 all construction sites in the region back in 1982, to try to
13 determine whether or not we had the problem at other
14 construction sites that we found at Zimmer.

15 The team concluded that the overall quality
16 assurance program at Fermi 2 was satisfactory, and they found
17 no significant hardware problems.

18 Another special team inspection was conducted in
19 March 1985. A five-person team compared safety-related
20 systems, components and structures as defined in the FSAR with
21 the final tech specs and the as-built drawing or the as-built
22 configuration, that is, and the team concluded that the
23 hardware did match the FSAR and the technical specification
24 requirements.

25 There have been no escalated enforcement actions

1 taken against Detroit Edison Company during the construction
2 phase and, for that matter, there have been none to date.

3 From the Licensee's standpoint during construction,
4 the QA program that they have was discussed in the Fermi QA
5 report. It was sent down with other material to you recently.

6 This report, I believe, demonstrates an acceptable
7 quality assurance program, and our inspection program
8 determined that that program was implemented.

9 The QA report also indicates that Fermi has had some
10 independent contractor assessments. In 1979, there was an
11 assessment done of project activities in quality assurance by
12 the Management Analysis Corporation.

13 As a result of this, there were some changes made to
14 project activities and to quality assurance. One step was
15 that Detroit Edison took direct management control of quality
16 assurance, and another step was that they moved principal
17 project people to the site.

18 I might add as an aside, and not part of the MAC
19 review, Detroit Edison Company also has their vice president
20 of Nuclear Operations and their manager of Nuclear Operations
21 located at the site. So there are two management levels above
22 what is normally called the plant superintendent at the Fermi
23 site, which we view as positive.

24 In 1984, there was another MAC review. This was
25 done to determine whether or not the quality assurance records

1 could attest that an adequate quality assurance program was
2 carried out at the site.

3 The net result was that the documentation was
4 adequate to show that.

5 A final construction assessment was performed by the
6 Duke Power Company at NRC's suggestion. This effort involved
7 about 4000 manhours. It was primarily hardware-oriented, but
8 it did involve the review of some QA records.

9 Duke made a number of findings and recommendations
10 and determined that the plant was acceptable, provided the
11 findings were correct and the recommendations were followed.
12 We inspected each one of those, and we have in turn verified
13 that they have been done.

14 Another plus, I believe for the company, is that
15 about one month after the TMI accident, the company began a
16 self-initiated study to determine the vulnerability of Fermi
17 to significant events.

18 A 21-member task force expended about 12,500
19 manhours of effort. They concluded that the basic design was
20 sound. However, they recommended a number of improvements, on
21 the order of 100, and 90 percent of those have been completed.

22 COMMISSIONER ASSELSTINE: Is that fairly unusual,
23 that kind of review by an individual utility?

24 MR. DAVIS: It's unusual in my experience. I know
25 of no other plant that has done that.

1 COMMISSIONER ASSELSTINE: I also gathered that that
2 very closely tracked the things that we ultimately did, in
3 terms of the TMI action plan items.

4 MR. DAVIS: Yes.

5 COMMISSIONER BERNTHAL: I would just agree and say
6 that having pointed out that the NRC has neither the resources
7 nor the support of the Congress in assuring quality assurance
8 of construction -- although many people have the idea that
9 we're literally crawling all over the plant every day, it just
10 isn't so. This case shows you what enlightened management can
11 do and it takes a certain levelheadedness, I think, to admit
12 that it might be worthwhile to go out and contract with
13 another utility, no less, to come in and take a look at what
14 you have done and ask your peers in the field whether what you
15 have done is adequate. And I think they are to be commended
16 for that, and some of the other steps that you have described.

17 MR. DAVIS: I would agree with that. The Duke Power
18 Company brought up some highly qualified people with a lot of
19 experience, and we assigned a full-time inspector just to
20 follow up that effort, and we thought it was a good effort.

21 Moving on to allegations. Region III has received
22 about 50 allegations to date concerning the Fermi facility.
23 All have been resolved from a hardware and safety standpoint.

24 CHAIRMAN PALLADINO: Who has received the 50
25 allegations?

1 MR. DAVIS: Received directly at Region III.

2 CHAIRMAN PALLADINO: To NRC.

3 MR. DAVIS: Right, to NRC.

4 Three of these were substantiated. Two had no
5 safety or hardware implications. The third involved fire
6 protection sprinkler installations, and when we looked at it
7 we found the allegation was correct. I think it is only fair
8 to say, however, that the Licensee had not yet inspected this
9 particular installation, and they were scheduled to inspect
10 it, so they may have found the problem.

11 CHAIRMAN PALLADINO: But whatever the problem was,
12 has been resolved?

13 MR. DAVIS: That is correct.

14 Detroit Edison Company also initiated SAFETEAM in
15 1983. This was discussed with you yesterday. We found
16 weaknesses in the program. Because of these weaknesses, the
17 region and Detroit Edison Company reinspected a large sample
18 of the SAFETEAM's work. No hardware or safety problems were
19 identified in this reinspection.

20 MR. EISENHUT: Bert, if I can interject on that,
21 making sure we keep this in the right context, over the last
22 few years the number of allegations, concerns and issues that
23 come to the Staff has certainly grown and, in fact, I would
24 venture to say five years ago we really didn't have
25 allegations per se coming to the NRC.

1 The utility in this case undertook a program called
2 the SAFETEAM concept whereby they interview people, they bring
3 them in, they try to get the concern from their own employee.
4 We strongly encourage that.

5 In fact, many utilities I have met with, I have
6 encouraged them to open up the communication dialogues. While
7 we do have some comments and concerns about this program, we
8 don't want to lose sight of the fact that we think the utility
9 ought to be commended for having the program to start with,
10 that he did embark upon it, it is a voluntary program, it is a
11 program over and above, it is beyond the level of base
12 knowledge that we normally have on a plant that gives us the
13 requisite amount of confidence.

14 So we don't want to lose sight of the fact that we
15 need to encourage the industry to have these kinds of
16 programs, we commend Detroit Edison for having it. Detroit
17 Edison also has a trademark, I believe, on the program, and is
18 selling it, in fact, to other utilities around the country
19 was told I believe something like 10 utilities are either
20 using it or are considering using it.

21 The Staff does have some comments on it, some
22 problems with it, as Mr. Davis said; but they're really
23 comments on how to improve the program. I just want to make
24 the comment that we don't take it out of context. There are a
25 number of places we think the program can be improved to be

1 more valuable to the industry and to the Staff. But we think
2 the utility took a major step forward in getting the program
3 in place.

4 COMMISSIONER ASSELSTINE: Darrell, has the company,
5 in your view, been receptive and responsive to the kinds of
6 concerns that you've had in the areas where you found some
7 maybe soft spots or areas where further improvement could be
8 made in the SAFETEAM approach? And have they taken some steps
9 to upgrade the program for the longer term as they look
10 towards operation of the plant?

11 MR. EISENHUT: Yes. I think everything I've heard
12 from the Staff -- and Tom and Bert might want to comment on it
13 more -- is that the utility has been receptive, and I think
14 the other utilities who are using the SAFETEAM concept are
15 equally receptive. They all recognize that this is a program
16 that's just really getting underway, and I have quite a bit of
17 confidence that the industry, as we give them the comments,
18 sit down and interact with it, will be quite responsive to
19 those comments.

20 MR. DIRCKS: I might want to add, too, on this whole
21 area of SAFETEAM, I have asked the Staff to pull together some
22 thoughts on this subject so that we could come down and treat
23 it as a policy issue with the Commission, so we have a
24 Commission paper in very rough form on my desk now. I haven't
25 gone over it. But I think we do want to get into this issue,

1 pose some questions to the Commission, get some policy
2 guidance back, and we may want to treat it as an issue that we
3 could give some guidance to the industry on.

4 COMMISSIONER ASSELSTINE: I think as you look down
5 the road and see other cases coming along, that's a good idea,
6 and I think we have all felt the same way, but if we want to
7 provide some guidance in this area, the sooner we do that, the
8 better. I agree with what Darrell said, I think these are
9 positive, good programs, and what we want to do is make sure
10 that they are as good as they can be, so that we can rely on
11 them and use that information, and not have to duplicate work
12 that's already been done.

13 MR. DIRCKS: I think we have to have guidance on how
14 much we do rely on them and how much we encourage utilities to
15 ask us to give them credit for it.

16 COMMISSIONER ASSELSTINE: That's right.

17 MR. DIRCKS: And once we get into that realm, then
18 we have to figure out what sort of criteria we want to
19 establish to provide them a basis for the program.

20 But as I said, I have asked the Staff to put
21 something down. I haven't even reviewed it yet, so I'll be
22 getting something down to the Commission on this subject.

23 COMMISSIONER ZECH: I'd like to just add, too, that
24 during my visit to Fermi a couple months ago, I had a chance
25 to discuss this SAFETEAM concept in some depth with management

1 and look at it firsthand. I think it is an excellent
2 concept. There's just no question about it. It's an
3 excellent concept. It does appear to me, though, that it's
4 important for the Staff to work closely with the utility on
5 the execution, because as we develop the program, as the
6 utility develops the program, I think it's important that we
7 do indeed provide them some kind of NRC guidance.

8 So I hope it can be something that you can work
9 closely with the utility and the utility will be responsive to
10 the execution, because although I think the concept is sound,
11 I do think there are some things that probably need to be
12 worked out, as far as responsibilities are concerned, NRC
13 responsibilities, utility responsibilities and so forth.

14 So I think that its management certainly impressed
15 me as being responsive to that kind of an approach, and the
16 initiative is one that I agree should be commended and
17 extended to other utilities.

18 CHAIRMAN PALLADINO: Let me add that I concur in
19 what Commissioner Zech has said.

20 I do have a question. I understand that there are
21 unresolved issues before the SAFETEAM, and do we have any idea
22 on their plan for resolving them, or when they expect to be
23 resolved?

24 MR. DAVIS: We -- as a result of some of the
25 weaknesses that were identified, there were 459 safety-related

1 concerns that were identified that were given to the SAFETEAM
2 over the years. We have sampled a large number of those, and
3 we asked the Licensee to look at them. The NRC has looked at
4 them, and we have looked also at some of the ones we asked the
5 Licensee to look at.

6 Out of the 459, I think there are only less than 10
7 that have not been completely closed out at this point, and we
8 have determined that none of them involve any hardware
9 problems.

10 CHAIRMAN PALLADINO: So you're satisfied with the
11 rate of progress on them, and the resolution?

12 MR. DAVIS: That's right. I expect them all to be
13 done in the next day or two.

14 CHAIRMAN PALLADINO: In the next what?

15 MR. DAVIS: In the next day or two.

16 CHAIRMAN PALLADINO: Oh, I see. Okay, good. That's
17 what I was interested in.

18 COMMISSIONER ASSELSTINE: Before we move on, it just
19 struck Commissioner Bernthal and myself that perhaps a lot of
20 people might not understand what the SAFETEAM concept is, or
21 what this was all about.

22 CHAIRMAN PALLADINO: Yes.

23 COMMISSIONER ASSELSTINE: You might want to just say
24 a few words about what the concept is and what you see as some
25 of the benefits, both to us and to the Licensee.

1 MR. EISENHUT: I appreciate that. In fact, that's
2 why I wrote the comments at the time I did.

3 Bert, do you want to try?

4 MR. DAVIS: Want me to do that?

5 COMMISSIONER BERNTHAL: One of the virtues of a
6 public meeting is the hope that the public understands what is
7 going on, so maybe we ought to try and explain what we're
8 talking about.

9 MR. DIRCKS: We can cover it, too, but it might a.
10 be good to get the company itself to give you the more
11 positive image of this.

12 COMMISSIONER BERNTHAL: Right. But a quick
13 definition may be helpful.

14 MR. DAVIS: Okay. Well, in 1983, the company
15 recognized that there were a lot of allegations that concerned
16 workers and others were -- particularly workers -- were
17 bringing to the NRC or bringing to outside groups. And they
18 thought it would be a good idea to create a climate with the
19 workers and individuals to bring their concerns to the
20 company, so that the company could act upon them and correct
21 any problems that existed, and then to avoid a last-minute
22 rush of a lot of allegations.

23 They set up a group to do that, which was somewhat
24 independent of the normal construction and operating people in
25 that company. They wanted to have people interviewed by an

1 interviewer who was not intimidating to them and who could
2 draw them out and get their concerns.

3 Then the company's plan was to take these concerns
4 and provide them to company staff, depending upon what kind of
5 a concern there was. If it was a concern of wrongdoing, it
6 would go to a nuclear security department; if it was a
7 technical kind of a concern, it would go to another group.

8 Then these concerns would be looked at, corrected,
9 and there would then be a response provided to the concernee
10 about what was done with respect to this concern.

11 CHAIRMAN PALLADINO: That's an important feature.

12 MR. DAVIS: That's right.

13 CHAIRMAN PALLADINO: That some other programs, I
14 don't think had at the beginning.

15 MR. DAVIS: Then there was also a follow-up, and I
16 believe it was four or six months later, where they would
17 reestablish contact with the person to find out if his
18 concerns were satisfied. And they would provide an 800 number
19 to call in, in case they didn't believe the concern was
20 satisfied.

21 And based on the number of allegations that we have
22 received from Fermi, compared to some of the other plants,
23 why, you can either say that the system apparently worked, or
24 else the work environment was such that the workers did not
25 have as many concerns as some other plants did.

1 COMMISSIONER BERNTHAL: Thank you.

2 MR. DAVIS: I had two selected issues to discuss,
3 electrical drawing discrepancies. Prior to the issuance of
4 the low power license, the NRC had identified some cases where
5 the installed hardware did not agree with the drawings.

6 In most cases it was determined that the hardware
7 was correct and the drawings were in error. The hardware
8 problems which could affect safe operation were corrected
9 before issuance of the low power license.

10 The company has revised key safety drawings and
11 further drawing updates are now in progress. We followed this
12 problem carefully, and we are satisfied with the corrective
13 actions.

14 COMMISSIONER ZECH: You're assured then that the
15 drawings, for example, that are in the control room now and
16 are available to the operators are as-built and current?

17 MR. DAVIS: All the drawings in the control room
18 are, yes.

19 COMMISSIONER ZECH: Okay.

20 MR. DAVIS: Now all the drawings throughout the
21 plant are not, but the Licensee has come up with what they
22 call a -- if I can remember the name, LDDI, lead design
23 document index, which is a system that allows them to go to
24 the proper place, whether it be a drawing, a specification, or
25 some other document, to find the correct information that a

1 person needs to know to do maintenance or work in the plant.

2 So that exists for the entire plant, whereas the
3 control room drawings, however, are 100 percent updated.

4 COMMISSIONER ZECH: Okay. Thank you.

5 MR. DAVIS: I had a fire protection issue on the
6 viewgraph. I think Tom has said about all that I had to talk
7 about on that, so I don't have anything further.

8 May I have slide 8, please.

9 [Slide.]

10 The pre-operational test program to support power
11 operation has been completed. We have expended over 13,000
12 hours of direct inspection effort on this program. We found
13 that management's initiatives to previously-identified
14 problems were thorough and aggressive.

15 The Licensee has been rated a Category 1 in our SALP
16 evaluation in pre-operational testing. This is only the
17 second Category 1 we have ever given in this area. So I think
18 that was a real accomplishment on their part.

19 With respect to operational history, the Licensee
20 received an operating license for Fermi 2 on March 20th, as
21 has been stated, and initial fueling commenced within 10 hours
22 of receiving the license.

23 They completed fueling in less than the scheduled
24 time, with no personnel errors or regulatory problems.

25 May I have slide 9, please.

1 COMMISSIONER ZECH: Before you go away from that
2 one, are you going to come back to this one or not?

3 MR. DAVIS: Well, I just --

4 CHAIRMAN PALLADINO: What's your question?

5 COMMISSIONER ZECH: Unplanned scrams, because I
6 understand there was one last night.

7 MR. DAVIS: I'm going to get to the scrams.

8 COMMISSIONER ZECH: All right. Thank you.

9 MR. DAVIS: Slide 9, please.

10 [Slide.]

11 This slide shows a comparison of number of LERs from
12 low power license issuance till full power license issuance
13 for all facilities except Fermi, and Fermi's is as of today.
14 These are LERs that have been issued by the Licensees to the
15 NRC.

16 You can see that the number of licensee events at
17 Fermi compares very favorably with those of other Region III
18 plants that we compared with.

19 COMMISSIONER ASSELSTINE: Is that on a consistent
20 enough basis so that that comparison is real meaningful?

21 MR. DAVIS: I think it is reasonably meaningful with
22 these plants because they are relatively new.

23 COMMISSIONER ASSELSTINE: Okay.

24 MR. DAVIS: Of course, Callaway is a PWR.

25 COMMISSIONER BERNTHAL: For that matter, so is

1 Byron.

2 CHAIRMAN PALLADINO: And which one -- are we
3 comparing PWRs and BWRs, or mixing them?

4 MR. DAVIS: Well, if you want to compare LaSalle 1
5 and Fermi 2, you've got two BWRs, and Byron and Callaway are
6 two PWRs.

7 COMMISSIONER BERNTHAL: I'm confused about your
8 times up there, though. I'm not sure what they correlate
9 with. Fermi 2 you've got since last October. I guess
10 the bottom line is Fermi 2 looks awfully good, but it looks
11 even better than you've indicated here, because you've got a
12 period since last October, and in one case you have a period
13 of only two months.

14 MR. EISENHUT: I think, Commissioner, there's an
15 error there.

16 COMMISSIONER BERNTHAL: Oh, okay.

17 MR. EISENHUT: I think you also have to take a look
18 at it. You're certainly right, I think this data does mix Bs
19 and Ps. It mixes a BWR with a different containment mode,
20 which historically we've seen have different LER rates, and
21 you also modify -- you have to at least adapt it somehow for
22 the periods of time.

23 COMMISSIONER ASSELSTINE: Some of that for LaSalle
24 is probably under the old LER rule, too, isn't it?

25 MR. EISENHUT: I think that's right.

1 I think the point Bert is trying to make is that a
2 number --

3 COMMISSIONER ASSELSTINE: They still look good.

4 MR. EISENHUT: It still looks good for Fermi, except
5 I think we'd agree, these numbers here are a little
6 misleading.

7 COMMISSIONER BERNTHAL: Well, in fact, I think the
8 next page, the next slide, may be --

9 CHAIRMAN PALLADINO: Well, before we go on --

10 COMMISSIONER BERNTHAL: Oh, excuse me. Go ahead.

11 CHAIRMAN PALLADINO: Was the date for the Fermi LERs
12 from March 20th?

13 MR. DAVIS: March 20th, '85.

14 CHAIRMAN PALLADINO: To the present?

15 MR. DAVIS: Right.

16 CHAIRMAN PALLADINO: Go ahead.

17 COMMISSIONER BERNTHAL: I was just going to say that
18 the next slide shows the results of what you've already
19 discussed as apparently being a very effective training
20 program, where 39 of the 40 passed the first time around,
21 where you have shift technical advisers that have their senior
22 reactor operator license, and lo and behold, we have seven
23 personnel errors compared to -- oh, I don't know, four or five
24 times that in the other cases.

25 MR. EISENHUT: But again, Commissioner, I'll make

1 your point 00

2 COMMISSIONER BERNTHAL: Apples and oranges.

3 MR. EISENHUT: You've got to remember that LaSalle
4 is the plant, for example, that had the very, very, very long
5 period between during low power, and it goes almost
6 chronologically with time. If you double the period of time
7 in low power, you really have to halve the rates. You have to
8 take a look at the months of time it was in the low power,
9 full power rate.

10 COMMISSIONER BERNTHAL: Then why does it say 4/17,
11 6/21/82 for LaSalle?

12 MR. EISENHUT: I'm sorry, the next slide -- the last
13 one I'm referring to says low power issuance to full power
14 issuance. I'm just saying you've got to look at them both.
15 It turns out -- I had the same reaction you did, that they're
16 on different bases to start with.

17 But I think the point is the rates still appear low
18 for Fermi, no matter how you do it.

19 MR. DAVIS: And the numbers -- and I acknowledge all
20 of the weaknesses in them.

21 COMMISSIONER ASSELSTINE: They're good for
22 qualitative purposes.

23 MR. DAVIS: The numbers confirm our qualitative
24 feeling with respect to the plant.

25 COMMISSIONER BERNTHAL: If you trend.

1 MR. DAVIS: That's right.

2 Now, Commissioner Zech, you asked about scrams, and
3 I'll have to say that as far as personnel errors here, the
4 chart is in error, since last night there was a scram.

5 There have been four scrams that have occurred since
6 the initial criticality, and that occurred on June 21st,
7 1985. One of these scrams -- and that's the one that occurred
8 last night -- resulted from an operator problem in the control
9 room. That's the only scram that has resulted from a control
10 room operator.

11 CHAIRMAN PALLADINO: You say an operator problem?

12 MR. DAVIS: Yes. We have not fully analyzed it yet,
13 but I have talked to somebody over the telephone. They were
14 doing a test where the reactor water level could be expected
15 to be affected. The water level instrument was out of
16 service, requiring maintenance, and the water level went down
17 to the trip point.

18 So I think one can say that more prudent operation
19 would have had an operator stationed at the location,
20 monitoring water level.

21 COMMISSIONER ZECH: Well, these things happen, of
22 course, during testing phases, but I think it's just a good
23 example of how important the personnel are, how important the
24 training program is, how important it is to pay attention to
25 details during this testing period. And I just hope that

1 lessons will be learned from this that will be applied,
2 because although they do have shift advisers that are
3 experienced -- and I think that's the proper thing to do --
4 the operators themselves are not that experienced, and so I
5 think that if the utility looks at this in a constructive and
6 positive sort of way and learns the lessons from it, it will
7 be valuable.

8 Things do happen, but we should not accept the fact
9 that even though they've got such a good record, it should not
10 be treated seriously, because I think it should be treated
11 seriously. Every personnel error, every unplanned scram,
12 ought to be treated very seriously, and learn the lessons from
13 it. And I think that's, I'm sure, what the company has in
14 mind to do, and I would certainly encourage that effort,
15 because even though they do happen, we don't accept that as
16 just, you know, a general occurrence. We should learn from it
17 and correct any errors.

18 Every control room operator, every single one -- not
19 just the ones involved in it -- should know exactly what
20 happened and be prepared for any kind of a similar occurrence
21 in the future. But you learn the lessons from it, that's the
22 important thing.

23 MR. DAVIS: I agree.

24 I was just handed a note by one of the Region III
25 staff that says that this was the only operator error in the

1 control room so far, since they have loaded fuel, so -- or
2 went critical, so that's very good.

3 And I might add that it has been our experience that
4 the company really does focus a lot of attention on any kind
5 of problems and try to correct and learn from them.

6 COMMISSIONER ZECH: Well, I was impressed by the
7 management involvement when I was out there. That's a very
8 key issue, and I think if the management is involved, then
9 they will benefit from these mistakes, and again that's what
10 that testing period -- you expect some of these things to
11 happen. But with management involvement and looking at the
12 systems and the symptomatic parts of what happened -- I
13 haven't examined this casualty in great detail, but low
14 feedwater level is something that we should be very careful
15 with. But if the management is involved and looks at it and
16 sees was there something wrong, even with the training
17 program, as good as it was, is there something -- what
18 happened? Not just the mechanical part of the casualty, but
19 is there anything involved in it that would really lead you to
20 changing any method, procedure, training, whatever.

21 In other words, if management is involved in this
22 kind of incidence -- and my experience has been usually you do
23 come out with learning a considerable amount. It's the hard
24 way, but you can learn from it. And so I think my experience
25 at the plant with management attitudes and the positive

1 attitudes and involvement would lead me to believe that they
2 will indeed learn from this, and I think they should.

3 CHAIRMAN PALLADINO: Proceed.

4 MR. DAVIS: Slide No. 11, please.

5 [Slide.]

6 This slide shows the SALP 5 and SALP 6 ratings for
7 the Fermi Unit 2. I won't say much about them except it does
8 show Category 1 SALP ratings for emergency preparedness,
9 fueling and pre-operational and start-up testing. It's
10 primarily pre-operational testing was the basis of it. All
11 the rest are 2's, except fire protection, 3; and we have
12 already discussed that.

13 [Commissioner Bernthal left the room.]

14 MR. DAVIS: One final note:

15 During the week of June 17th, Region III conducted a
16 special operational readiness inspection at the plant. What
17 we did was we took a senior resident inspector from one of our
18 facilities and three resident inspectors from other
19 facilities, and went to the plant. We inspected in the areas
20 of operations, maintenance, surveillance, health physics, and
21 administrative programs that control and support operations.

22 I think this was a valuable inspection. It did two
23 things: It exposed the resident inspectors to another plant,
24 but it also enabled us to use their experience to look at
25 Fermi.

1 The conclusion from this inspection was that things
2 locked pretty good. There were adequate management controls
3 in place, adequate coordination between groups to support the
4 full power operation, and they identified no violations.

5 COMMISSIONER ASSELSTINE: I think that was an
6 excellent idea, and I think we've talked a lot about residents
7 in the past, about being valuable resources to us, and I think
8 using residents in different plants to give them a little
9 exposure to other plants, and also to bring in different ideas
10 from other places is a really good idea. I commend you for
11 doing that in this case, and I think we ought to do that --

12 COMMISSIONER ZECH: I agree.

13 COMMISSIONER ASSELSTINE: -- in other instances as
14 well.

15 MR. DIRCKS: That was an initiative we talked about
16 last meeting we had with the regional administrators. I think
17 we're going to try it in other regions.

18 COMMISSIONER ASSELSTINE: Good, good. Very good.

19 MR. DAVIS: That concludes my portion of the
20 discussion.

21 MR. EISENHUT: The Staff's conclusion basically is
22 simply that upon completion of the three 5 percent conditions,
23 there's a couple remaining conditions to be completed which
24 are expected to be completed in the next couple of days, that
25 Staff concludes the Licensee satisfies all the requirements

1 for the issuance of a full power license.

2 CHAIRMAN PALLADINO: Thank you. Is there more?

3 MR. EISENHUT: No, that completes what the Staff is
4 proposing to present today.

5 CHAIRMAN PALLADINO: Well, I think I will turn to
6 Commissioner questions. I had a number of questions, but
7 you've answered all but two along the way, and I wonder if I
8 could ask those two.

9 The first one has to do with the solid radwaste
10 system. You have a temporary one, as I understand, at the
11 site, and they are planning a permanent one, and I was
12 interested in when will the solid radwaste system be in place.

13 MR. DAVIS: The permanent solid radwaste --

14 CHAIRMAN PALLADINO: Permanent one, yes.

15 MR. DAVIS: -- is installed now. Pre-operational
16 testing of it is expected to begin within about the next week,
17 and I would expect that it would be finished by September. Of
18 course, when you're pre-operational-testing things like this,
19 you can have some problems. But we would expect it would be
20 operational before the end of the year.

21 CHAIRMAN PALLADINO: Is there any commitment from
22 the Licensee on this particular item?

23 MR. DAVIS: No formal commitment. However, the
24 temporary solid radwaste system is installed and it's
25 operational. So it can do the job until the permanent one is

1 finished.

2 CHAIRMAN PALLADINO: Well, I gather this will be
3 something you will be following.

4 MR. DAVIS: Yes.

5 CHAIRMAN PALLADINO: Okay. My second question has
6 to do with maintenance training and facilities. Could you
7 speak a bit about what special maintenance training they may
8 have, and what special maintenance facilities? Unfortunately
9 I didn't get to visit this plant yet.

10 MR. DAVIS: I think Mr. Russell -- Bill was on the
11 site visit, and I know we put special emphasis on their
12 maintenance program. Bill.

13 MR. RUSSELL: I made several visits in the last year
14 with particular focus on maintenance capabilities and
15 facilities and the training programs. And this site compared
16 very favorably -- in fact, it impressed me as being better
17 than the other ones. I didn't feel it was quite up to Palo
18 Verde, which I felt was about the best, but I believe,
19 Mr. Chairman, you were at Palo Verde and have --

20 CHAIRMAN PALLADINO: Incidentally, I was at Fermi 2
21 a number of years ago before I was a Commissioner. As a
22 matter of fact, I visited both Fermi 2 and a nearby coal
23 plant.

24 MR. RUSSELL: But in general, both in looking at the
25 facilities, talking to the supervisors for instrumentation

1 control, maintenance -- mechanical maintenance, that is, and
2 electrical maintenance, and discussing with their management
3 the mechanisms they have for managing and organizing their
4 activities, we found it was quite good.

5 CHAIRMAN PALLADINO: Do they have a training program
6 for maintenance activities?

7 MR. RUSSELL: I don't know the status of the
8 accreditation review. I believe that's still pending.

9 CHAIRMAN PALLADINO: Well, maybe I'll ask the
10 Licensee when they come up.

11 MR. RUSSELL: We did discuss some training that was
12 done, on-the-job training and some training with respect to
13 sending people back to vendors.

14 CHAIRMAN PALLADINO: All right. Let me turn to my
15 colleagues. Jim.

16 COMMISSIONER ASSELSTINE: I think really I've just
17 got one left. I noticed in the license on page 5, you have a
18 study of multiple control system failures, and I was wondering
19 whether that's in all licenses, or whether there was a special
20 design question or issue at Fermi 2 that led to that license
21 condition.

22 MR. NOVAK: No, it's a generic license.

23 COMMISSIONER ASSELSTINE: Okay. So it's in all of
24 them?

25 MR. NOVAK: It's in all of them. It's just a

1 question of whether they were completed prior to the license.
2 If that was the case, it wouldn't show up.

3 COMMISSIONER ASSELSTINE: Okay. Maybe one other
4 one, too. The resolution on the fire protection issues -- and
5 I apologize for not being here earlier -- when you compare
6 that to Appendix R, would this be in the nature of an
7 exemption or not, assuming Appendix R applied to the plant or
8 not? Or given the fact that it's going to be resolved fairly
9 quickly, is it not in that same kind of situation?

10 MR. NOVAK: We have -- I've talked to Mr. Davis
11 about this question, because I know you asked him his opinion,
12 and he gave us his opinion. We have also reviewed it in NRR,
13 and we come back with the bottom line that in our judgment it
14 is not a backfit. The work that's being done is in compliance
15 with the FSAR commitments, and on that basis there is really
16 no backfit. The Applicant committed to certain improvements
17 in fire protection in the early 1980s. The deficiencies were
18 just deficiencies, and his corrections were just a change in
19 tack in order to accomplish his initial objective.

20 [Commissioner Bernthal returned to the room.]

21 MR. NOVAK: So I would not judge it per se as a
22 backfit.

23 COMMISSIONER ASSELSTINE: Good.

24 CHAIRMAN PALLADINO: Fred, do you have any
25 questions?

1 COMMISSIONER BERNTHAL: Well, I don't want to go
2 over territory that we might already have gone over. I think
3 you may have addressed this briefly before, but remind me
4 again. At one point here I brought it up and I was trying to
5 read and listen at the same time. I was slightly surprised
6 that we apparently go up to the November 30th deadline on
7 equipment qualification and, as a matter of curiosity, was
8 wondering why that wouldn't have been a routine part of
9 current construction project.

10 MR. NOVAK: Well, first of all, I think it's a
11 question of a change in the criteria today versus the criteria
12 the Licensee felt he was designing to when he originally
13 placed the equipment. In terms of electrical, I think there's
14 some 1500 components or pieces, of which now there's remaining
15 about 135 specific pieces.

16 If, in fact, our understanding of accident behavior
17 changes over 10 years, for example, and the containment
18 pressure temperature response changes, then he has to go back
19 and reexamine the ability of those components to meet new
20 environmental conditions.

21 Also I think if you look at some of the specific
22 points, dealing with vendors today -- at least that's the
23 utility's view -- is very difficult. There are some areas
24 where they have had to contend with long delivery of
25 replacement components. This has been a pacing factor.

1 MR. EISENHUT: Yes, I was going to support the
2 second end of it. It's really not so much a function of when
3 the plant is getting its OL as it is the fact that the same
4 widget, the same individual component out there that's getting
5 qualified and demonstrated to be qualified, that same piece of
6 equipment is in all the plants.

7 The industry has really been struggling to be
8 qualified by November 30. We have now for some time been
9 putting the November 30 deadline on all the OLs, a little bit
10 along the lines of, of course, that's the policy on operating
11 reactors, but on OLs we felt they ought to adhere to the same
12 policy. OLs after November 30, 1985, we put them on record
13 there should be no license conditions.

14 And the industry as a whole has really been
15 struggling with those last pieces of equipment. And as we
16 discussed back in April at the Commission meeting, I think as
17 plants go on, what you see is the number of components is
18 getting smaller.

19 In this case, of course, the utility committed to
20 shut down its plant and get it in conformance with those extra
21 hundred to 200 items of equipment put in the plant, are
22 replaced, or whatever he has to do to them, to be totally in
23 conformance by November 30.

24 The counterargument from the industry has been that
25 that itself is a major impact on the industry. The component

1 very well, you know, the one that's in there, may easily go on
2 for another six months until a scheduled shutdown.

3 But I think the utility, by and large, the OLs, are
4 making the commitment to try to get there by November 30. And
5 in this case they have to shut the plant down in the fall.

6 COMMISSIONER ASSELSTINE: Equipment supply was a
7 problem here, too, in particular, wasn't it, on some of these
8 items?

9 MR. EISENHUT: Yes, I think there were some items
10 here. I was trying to give more of a generic -- general
11 answer which applies to all the OLs.

12 CHAIRMAN PALLADINO: Out of the -- what did you say,
13 135 different items --

14 MR. NOVAK: Just specific. There was about four or
15 five different types of items.

16 CHAIRMAN PALLADINO: Okay. That's what I --

17 MR. NOVAK: If you sum them up, it's about 135.

18 CHAIRMAN PALLADINO: So they're duplicates of one
19 another?

20 MR. NOVAK: Yes, sir.

21 CHAIRMAN PALLADINO: Any more?

22 COMMISSIONER BERNTHAL: Well, I have one last short
23 question. I think any realist here knows that I don't dream
24 up all the questions, nor do any of us, that I might bring up
25 here, but my staff has found something that I certainly

1 wouldn't have found, I suspect, and maybe you can tell me
2 what it means.

3 In the proposed full power operating license here,
4 page 6, item 10, there is a reference to Detroit Edison
5 implementing its commitments regarding the surveillance
6 program for the lubricating oil system. What in the world
7 does that mean?

8 CHAIRMAN PALLADINO: We discussed that earlier.

9 COMMISSIONER BERNTHAL: What are its commitments?
10 You already discussed that when I was out?

11 CHAIRMAN PALLADINO: No, go ahead, I raised it.
12 Sorry.

13 MR. EISENHUT: I'll give you a simple answer. This
14 is the diesel. The diesel at Detroit Edison had a bearing
15 problem. It had to do with the way the lube oil system would
16 pre-lubricate the bearings prior to a restart. I think this
17 same problem occurred on a very similar diesel in another
18 operating plant also. But the fix is to go in and they're
19 going to go in and modify the lube oil system. They're going
20 to put a fix in, rather than rely upon the manual system to
21 pre-lube the bearings.

22 COMMISSIONER BERNTHAL: Okay. That's all I had.

23 COMMISSIONER ZECH: No other questions,

24 Mr. Chairman, thank you.

25 CHAIRMAN PALLADINO: All right. Well, then, I think

1 we will excuse the Staff and we will call for the
2 representatives of Safe Energy Coalition.

3 Would you please begin by introducing yourself and
4 your colleague?

5 MS. PUNTENNEY: Would you like me to go first? I
6 think Sr. Barbara would like to go first.

7 SR. BACCI: My name is Sr. Barbara Bacci, IHM. I
8 speak today as a member of the Sister Servants of the
9 Immaculate Heart of Mary Congregation. We are a religious
10 order of women of approximately 1000 women whose headquarters
11 are located in Monroe, Michigan.

12 We have continued to oppose the Fermi 2 Nuclear
13 Power Plant because of the environmental and social
14 implications for the people of Michigan, especially those
15 within the 10-mile radius of the plant.

16 We have two major concerns yet:

17 First, the lack of a national facility for safe
18 permanent storage of radioactive waste, and the inadequate
19 safety evacuation plan for the residents of Monroe County.

20 It is estimated that Fermi 2 will generate 30 metric
21 tons of high level radioactive waste each year. Neither the
22 nuclear power industry nor the federal government has devised
23 yet safe and adequate methods for dealing with the radioactive
24 waste from one element, plutonium, which may be lethally toxic
25 for up to 250,000 years.

1 Now it seems until a site is located and testing is
2 completed, these wastes will be stored on the plant site for
3 some unknown length of time. It is imperative that the
4 federal government hasten the political process of identifying
5 and developing permanent safe storage sites for these wastes,
6 so that this hazard can be removed from our area.

7 The evacuation plan for Monroe County in the event
8 of a nuclear incident at Fermi 2 is also inadequate. In fact,
9 we have been informed by the county officials that the
10 responsibility for the evacuation of our 300 retired and
11 infirm members of the IHM congregation residing at our mother
12 house would be basically our own, because the county has
13 inadequate staff and equipment to service the large number of
14 senior citizens in the 10-mile radius of the plant.

15 So our concern here is not just for our own sisters,
16 but that there are many groups, and particularly many groups
17 of senior citizens in the area, that will not have appropriate
18 help in the event of a nuclear incident.

19 Therefore, because of our continued concern for the
20 health and safety of the people of southeastern Michigan, it
21 would be far more socially responsible for the Commission to
22 completely address these two vital issues prior to issuance of
23 a full power license for Fermi 2.

24 Thank you.

25 CHAIRMAN PALLADINO: Thank you.

1 MS. PUNTENNEY: Good afternoon. My name is Jennifer
2 Puntenney, and I am here representing an organization from
3 southeastern Michigan, the Safe Energy Coalition of Michigan.
4 Some of our members were involved with the Citizens for
5 Employment and Energy, the intervenors in the licensing
6 hearing in 1982.

7 We are alarmed and concerned residents of
8 southeastern Michigan. We do not believe it is in the best
9 interest of our health and safety and the protection of the
10 environment for you to allow Detroit Edison Company to go
11 beyond the 5 percent power ceiling, when there are so many
12 incomplete and untested safety systems and so many unanswered
13 questions at Fermi 2.

14 There are too many technical problems to warrant
15 approval at this time. The assurance of safety in operating
16 this plant and preventing a serious accident has been
17 compromised in your issuance of a license already with
18 conditions, exemptions and extensions in this full power
19 license.

20 Significant areas of concern include the following:

21 The fire protection issue; the environmental
22 qualification of electrical equipment; the emergency planning
23 and evacuation issues; radioactive waste permanent facility;
24 exemptions to the testing of the primary containment;
25 unresolved generic safety issues of boiling water reactors;

1 control room design review and habitability.

2 This is a long statement and I know you only have
3 given us five minutes, so I will be skipping over some of this
4 written text.

5 Your staff has claimed about the fire protection
6 that without implementation of the alternate shutdown panel
7 that you have discussed today, that there is no way to bring
8 this plant to a safe shutdown if a fire hits the control
9 room. This is one reason why we would like to see you not
10 issue a license until this panel is in place and is operating
11 and has been tested.

12 The NRC Staff has not adequately addressed the
13 environmental qualification of electrical equipment, and in a
14 recent article of "Inside NRC," quote:

15 The Sandia Laboratories, under an NRC contract, is
16 raising questions about your environmental qualification
17 standards and the testing procedures used to develop them. If
18 Sandia's findings were adopted by the NRC at any point, it
19 would mean that the utilities would have to spend large sums
20 to bring their plants into compliance with incorrect
21 requirements, and the adequacy of equipment to perform under
22 accident conditions raises serious questions about your
23 licensing review and the pending approval of the full power
24 license for Fermi 2.

25 Emergency planning and evacuation. Many problems

1 and incomplete aspects of offsite emergency planning still
2 remain for the 10-mile emergency planning zone. And in
3 Supplement 5 of the Safety Evaluation Report it is indicated
4 that you are satisfied with the support groups that exist for
5 Detroit Edison Company.

6 But the fact is that the support groups, the offsite
7 response personnel, will not be trained until October of 1985
8 by the county of Monroe. This situation is inadequate, and
9 without trained personnel, there is not an implementable plan
10 as required by 44 CFR 350.

11 In addition to that, alternative evacuation routes
12 have not been built for the Lake Erie beach communities which
13 have to drive toward the plant to escape in case of a serious
14 accident. There have been many flooding problems, it's a
15 common-place event for flooding. You have questioned the
16 shore barrier for this plant. We still think it's a problem.

17 The radioactive waste facility. We are very
18 concerned about the permanent facility not being in place, and
19 the fact that the original system had to be completely
20 redesigned. Documents and letters from Detroit Edison to your
21 Commission indicate portions of the permanent facility will
22 not be completed until warranty run.

23 The NRC must ensure the safe operation of this
24 facility. The inherent features and problems of the original
25 design must not inhibit the safe and efficient operation of

1 the radioactive waste system.

2 And in addition to that, you have granted exemptions
3 for the leak testing for the primary containment, and one of
4 those includes an area that is really bothersome to us,
5 because it is our understanding that the Atomic Energy Act
6 contains no provision that allows for the NRC to grant
7 exemptions from compliance with its regulations. You may
8 grant exemptions, but it has to be a system that's either
9 comparable or safer for the utility to implement it.

10 But in the Safety Evaluation Report, Supplement 5,
11 Detroit Edison admitted that the reason that the air lock test
12 would not be done at this time is that it would create
13 significant hardships, and this is unacceptable to our
14 organization and the many people who live in this area, that
15 this containment should be tested properly for leaks.

16 In addition to that, serious unresolved generic
17 issues remain at boiling water reactors, and the whole list of
18 them are in the draft license and the initial license that was
19 issued.

20 Our organization requests resolutions of these
21 generic issues before you proceed with the issuance of a full
22 power license.

23 The Commission under the United States Code --

24 CHAIRMAN PALLADINO: You have a half minute to
25 close.

1 MS. PUNTENNEY: Okay. I'm closing right now. Thank
2 you.

3 CHAIRMAN PALLADINO: Okay. Go ahead.

4 MS. PUNTENNEY: The Commission under the Federal
5 Code states that the Commission may issue a license only to
6 those applicants who are equipped to observe and who agree to
7 observe such safety standards to protect health and to
8 minimize danger to life or property, as the Commission rule
9 may establish. But we feel that the expedition of this
10 license is not in order because of the unresolved issue that I
11 have presented to you, and we are quite worried of the fact
12 of your recent incidence at the Davis-Besse Nuclear Plant,
13 which is very near us in southeastern Michigan, that your
14 record and the circumstances surrounding it should be an
15 indication to all of us that greater oversight and strict
16 adherence to your safety regulations are needed.

17 Thank you very much.

18 CHAIRMAN PALLADINO: Thank you.

19 Let me ask only one question, and it may be the same
20 question for both of you:

21 For Sr. Bacci, with regard to the IHM Congregation
22 home, was that litigated or taken up with our hearing board?

23 MS. BACCI: No, it was not. We have been in
24 communication with, you know, Detroit Edison. We have, you
25 know, been in dialogue with them on the issue --

1 CHAIRMAN PALLADINO: But did you not apply -- did
2 you not apply to --

3 MS. BACCI: I guess, quite frankly, I was unaware of
4 that. You know how it is when you work full time, you do what
5 you can, you know, on your concern. So I did not do that at
6 that time, no. I wasn't aware of it, as a matter of fact,
7 personally.

8 CHAIRMAN PALLADINO: How about you, Ms. Puntenney?

9 MS. PUNTENNEY: Well, I have been involved with
10 Citizens for Employment and Energy, the intervenor group, and
11 one of our issues was emergency planning, but we were denied
12 bringing that up, and the contention was narrowed to just
13 evacuating the Stony Point area. We appealed it to the Appeal
14 Board. It was denied in that arena and, as you know, the cost
15 of litigation is exorbitant, and people in organizations like
16 ours do not have funding for this. It would be nice if our
17 taxpayer dollars could go to intervenor funding

18 [Laughter.]

19 CHAIRMAN PALLADINO: Thank you.

20 Let me see if other Commissioners have questions.
21 Jim?

22 COMMISSIONER ASSELSTINE: I guess I don't have
23 questions, but I would like perhaps the next speaker, and then
24 maybe the Staff after that, if they could talk a little bit
25 about the emergency planning question that both Sr. Bacci and

1 Ms. Puntenney have raised. I would like to hear a little bit
2 more about both of those items.

3 I guess I'd say my comments to Sr. Bacci, I think
4 most all of us here share your concern on waste disposal.

5 MS. BACCI: Yes.

6 COMMISSIONER ASSELSTINE: That is something that I
7 have spent a good deal of time on, and I think the rest of the
8 Commission has as well. We all want to make sure that we have
9 an effective process that is going to give us a safe disposal
10 facility so that the waste can be properly disposed of.

11 I think we're on the right track. We've got a long
12 way to go, but at least what the Commission said last year was
13 that we seem to be on a process, on a course now, we've got a
14 program that is likely to lead to a successful result. It's
15 going to take some time, which means that the spent fuel will
16 be stored at the reactor sites, but it looks like we're on the
17 right course. And I think I'd just convey that to you as at
18 least our sense for the time being.

19 And also for Ms. Puntenney, on the unresolved safety
20 issues, I think we share a lot of your frustration about the
21 lack of resolution of the unresolved safety issues. In fact,
22 we have been talking about our budget for next year and that
23 is one of the points we have been discussing, is how can we
24 move ahead on these items and get more of these issues
25 resolved.

1 One thing I'd say is that at least our staff takes a
2 careful look at those issues to assure themselves that during
3 the interim, until we can get those resolved and
4 satisfactorily laid to rest, we have to have assurance that in
5 that interim period, the plant can operate safely. And each
6 of those issues has been examined.

7 The fact that the license is conditioned on
8 ultimately satisfying those requirements I think should be
9 read in the context of at least looking at the issue in terms
10 of interim operation. I think all of us would like to see
11 those issues resolved as soon as we can.

12 MS. PUNTENNEY: Can I ask you something about that?

13 COMMISSIONER ASSELSTINE: Sure.

14 MS. PUNTENNEY: I guess it's bothersome to us a lot
15 of times when things are resolved or completed, and it's only
16 the paperwork and not the actual modifications or the final
17 resolution, and that is extremely bothersome to us who have to
18 live around a nuclear power plant.

19 COMMISSIONER ASSELSTINE: Well, that's true, and
20 that's a good point. There are two parts to it. One is
21 deciding what needs to be done, and then second, making sure
22 that that gets done in the plant, and I think you're right, in
23 the past, we haven't moved perhaps as aggressively as we
24 should on both of those items, and again I would tell you that
25 that is one of the things that I think all of us are fairly

1 concerned about. Getting both parts of it in place as soon as
2 we can, consistent with getting the job done right, so that
3 when it is done, we have a resolution that technically makes
4 sense; and second, that we get the changes that are needed
5 into the plants as quickly after that as is possible.

6 CHAIRMAN PALLADINO: All right. Commissioner
7 Bernthal?

8 COMMISSIONER BERNTHAL: I wanted to make a comment
9 or two, and first of all I'll just add to what Commissioner
10 Asselstine has raised on the issue of nuclear waste.

11 Let me see if I can also set your mind at ease a
12 little bit on that subject. I think it is fair to say that
13 saying that the federal government, as you did, has not yet
14 devised safe and adequate methods for dealing with nuclear
15 waste is a little bit off the mark.

16 I think the methods are devised, they just haven't
17 been implemented yet, and a number of European countries,
18 oddly enough, since this business began in this country, have
19 clearly demonstrated that those methods are available. It's
20 just that we're rather slow, and we have belatedly finally --
21 when I say we, I mean the Congress, as you know, has passed
22 the Nuclear Waste Policy Act, in 1982, I guess it was, and
23 that has set us off on a course now, as Commissioner
24 Asselstine points out, for implementation of what, by all
25 expert evidence and testimony, is an eminently doable

1 project. We just haven't finished it in this country yet.

2 As for the storage of waste onsite, Congress
3 mandated that. In fact, encouraged it. And left the utility
4 no option in the first instance but to do just that. The
5 utility is obliged in the meantime to the extent possible to
6 take care of its own nuclear waste onsite.

7 I agree with you as a matter of principle that I
8 would far rather have those materials stored underground, but
9 unfortunately we aren't to that point yet.

10 Let me make one other comment. It's certainly true
11 that we do want to hasten the day that that comes, but at the
12 same time in the process now of implementation, there are
13 those who justifiably are urging and giving us many entreaties
14 to make haste every slowly in carrying out that process, so
15 that we are sure it's done right in this country.

16 So I think we are embarked on a responsible course
17 here, and I think you and the people you represent and the
18 public deserves to know and understand that.

19 I would also like, on one or two of your other
20 points, to hear further what the next speakers would have to
21 say about the implementation of the plan. You have suggested
22 that there is not an implementable plan, yet we are being told
23 that there have been two full exercises successfully carried
24 out.

25 How far is it from the plant site to your particular

1 foundation?

2 SR. BACCI: Our mother house is within the five-mile
3 radius of the plant, so we are less than the five miles from
4 Fermi 2.

5 COMMISSIONER BERNTHAL: It's five miles, not Inman
6 Road? I thought Inman Road was eight miles.

7 SR. BACCI: It is Inman Road, yes, we're within --

8 COMMISSIONER BERNTHAL: Okay. Well, that's a
9 detail.

10 SR. BACCI: My major concern is the fact that I know
11 that we can as a congregation get our sisters to the door.
12 Our concern is beyond the door. You know, it's such a limited
13 number of ambulances available in the area. We are aware that
14 the state, you know, is promising that aid will come to us,
15 but yet we have no specific understanding of how many
16 ambulances and specifically what that aid will be, or that we
17 can count on it at the time of an incident.

18 So that's, you know, just a very practical problem,
19 and I guess in comment to you, the question that also came to
20 me was if you see that the testing is down the road, do you
21 have any indication of the time table in terms of when this
22 testing will begin, when it will complete, and what we can
23 hope for in terms of a permanent site?

24 COMMISSIONER ASSELSTINE: It looks like the latter
25 years of this century, the late 1990s.

1 COMMISSIONER BERNTHAL: The late 1990s, I think, is
2 the target date at this time.

3 COMMISSIONER ASSELSTINE: The good news is that at
4 least what the Congress has done is established a program with
5 a number of milestones along the way, so that it is possible
6 to look at the progress being made as we go along and know
7 whether we're on track or whether there are problems that need
8 to be addressed. The license application would come to us
9 from the Department of Energy some time around 1991, '92, and
10 then with operation of the facility in the late 1990s.

11 COMMISSIONER BERNTHAL: But I think it's very
12 important the public understand that it is not so that nobody
13 knows what to do with nuclear waste. In fact, Congress has
14 laid down a fairly explicit time table and set of broad
15 criteria which are now being carried out by the Department of
16 Energy. We have to license the facility in conformance with
17 the other requirements of environmental law.

18 SR. BACCI: Yes. Would it be possible for the
19 Commission to make that information available to us?

20 COMMISSIONER BERNTHAL: Certainly.

21 COMMISSIONER ASSELSTINE: Sure.

22 SR. BACCI: I would appreciate that. Thank you.

23 COMMISSIONER BERNTHAL: I had one other point that I
24 would like someone to address here, and that was the comment
25 that there is no way to shut down the plant safely if a fire

1 hits the control room. I think that's an issue that --

2 CHAIRMAN PALLADINO: Why don't we bring it up when
3 the Licensee is here.

4 COMMISSIONER BERNTHAL: That needs to be clarified.
5 And one last point, if you will bear with me, is that it
6 should be understood that the fact that there is an unresolved
7 safety issue does not mean that the plant is necessarily
8 unsafe. We have a large number of so-called USIs around here,
9 unresolved safety issues. That means that they, I hope and
10 are supposed to receive high priority. They are something we
11 don't entirely understand. But it does not necessarily follow
12 that any particular one of those safety issues renders the
13 plant unsafe for operation, and I think that is a very
14 important distinction that needs to be made. That's my only
15 comment.

16 CHAIRMAN PALLADINO: All right. Commissioner Zech?

17 COMMISSIONER ZECH: I would just like to say that
18 you are absolutely correct in that permanent storage of
19 radioactive waste is a very important initiative for our
20 country across the board, not just the Commission, but the
21 Congress and DOE is involved and, of course, we will license
22 that facility eventually.

23 So it is an important issue, and it is getting the
24 attention. It's not coming as fast as many of us would like.
25 On the other hand, perhaps all the study and analysis going in

1 will give us a safer and better facility.

2 Your concern about the evacuation plan, I hope, as
3 my fellow colleagues have noted, that the following speakers
4 will address that plan, because it is an important issue, and
5 I would just like to thank both of you for coming before us
6 today and giving us your views.

7 CHAIRMAN PALLADINO: Well, thank you very much.

8 COMMISSIONER BERNTHAL: I would just add one comment
9 which I forgot to make. I hope I'm not being presumptuous,
10 but I would urge you to approach the utility on the particular
11 issue and concern that you have about emergency evacuation for
12 your facility. If there is one message that has come through
13 to a number of members on this Commission, I think -- I
14 visited the site about a year ago, in fact -- it's that this
15 is a very responsive management there, and I suspect you will
16 find them responsive. I think most of us have been very
17 pleased with the management attitude.

18 SR. BACCI: I would just like to say that we have
19 been in dialogue with the company through stockholder
20 resolutions and recently through management, a meeting with
21 them, and I would just like to say that up until this year we
22 did not bring up the evacuation plan in our resolution. We
23 had to decide on, you know, which issues we really wanted to
24 bring to the fore, primarily the social implications, other
25 issues that we were discussing.

1 So I think it is important to know that we have been
2 in dialogue, for you to know that, so that we are in continual
3 dialogue with the company.

4 CHAIRMAN PALLADINO: Well, thank you very much, the
5 both of you, and we will ask you to retire to the audience,
6 and we will ask the representatives from Monroe County to join
7 us.

8 MR. CHILK: Mr. Eckert and Mr. Pettigrew?

9 CHAIRMAN PALLADINO: Would you please introduce
10 yourselves and indicate who is going to speak.

11 MR. ECKERT: Yes, I am John Eckert. I am the
12 Director of Civil Preparedness for Monroe County. I will be
13 very brief in my statement.

14 I wish to thank the Commission for allowing us to be
15 on the agenda this afternoon, and I will yield to the chairman
16 of the Monroe County Board of Commissioners, Mr. Richard
17 Pettigrew, who has a brief statement for you.

18 CHAIRMAN PALLADINO: All right, thank you.

19 MR. PETTIGREW: Mr. Chairman and members of the
20 Commission, I'd like to thank you for allowing us on the
21 agenda also, and I would like to just let you know we have
22 resolved the issue of testing the new communications
23 equipment, the new OCP building, which we have agreed to do on
24 the 15th of this month. We have a good working relationship
25 with Edison officials, and hope to continue this relationship.

1 At this time we have no objection to issuing a full
2 power license. The governor, Mr. Blanchard, of the state of
3 Michigan in regard to responding to the mother house of
4 St. Mary's, we have a letter on file committing the state of
5 Michigan to the unmet needs which I will refer back to
6 Mr. Eckert who can address that, in the event of an emergency
7 of ambulance and transportation, and which he is proceeding at
8 this time, and I'd also like to refer the plan back to him.

9 MR. ECKERT: To address the governor's statement
10 that was sent to the board of commissioners last year in
11 December, I believe it was, the governor pledged all the
12 necessary resources to the county of Monroe. We realize that
13 we have some unmet needs, which is ambulances, school buses
14 and so forth. That unmet needs list was forwarded to the
15 governor's office and again to the emergency services division
16 of the Michigan State Police who we work with in the state of
17 Michigan.

18 I will be scheduling meetings with those individuals
19 and both our representatives to sit down and get a commitment
20 from the different areas of where those unmet needs will be
21 met from.

22 There were certain numbers of ambulances and rescue
23 vehicles that were needed. I'd prefer, and I think we prefer,
24 to have the overall commitment of whatever we need instead of
25 specifying strict numbers. So that is in the process of being

1 worked out.

2 As far as the planning process, Monroe County has
3 been in the planning process for six years. We have engaged a
4 private consulting firm in 1982 which completely rewrote our
5 plan, again with the cooperation of Detroit Edison Company,
6 and they were involved very much in that.

7 The firm that we hired, we felt should not have any
8 connection with the utility, and they did not have. They were
9 totally independent from the utility.

10 We also wanted to be a total partner in the planning
11 process with the state. We feel that we have a good plan. No
12 plan is perfect, as I stated to the board of commissioners
13 when it was adopted last December. We are continuing to work
14 and update the plan.

15 We are looking at the safety of the citizens of
16 Monroe County and will continue to do so, and have had great
17 cooperation from the utility.

18 CHAIRMAN PALLADINO: All right. Thank you. Any
19 more?

20 MR. ECKERT: I have nothing more.

21 CHAIRMAN PALLADINO: Let me ask you just one
22 question. Do you have a time table for meeting the unmet
23 needs of the mother house?

24 MR. ECKERT: We again will be, Mr. Chairman, meeting
25 with the state people. I plan to meet with them within the

1 next week or two. Again the governor has indicated that we
2 will have those unmet needs available to us. I'm not in a
3 position to question the governor's authority in the state of
4 Michigan. He has assured the county board that those unmet
5 needs will be met.

6 CHAIRMAN PALLADINO: But no time table has yet been
7 established?

8 MR. ECKERT: No time table.

9 CHAIRMAN PALLADINO: All right. We might want to
10 ask the Staff something about that later. All right.

11 COMMISSIONER ASSELSTINE: Just a couple of questions
12 -- maybe it's not a question, it's sort of an observation on
13 the last point that the Chairman just raised. I would hope
14 that -- it seems to me that ought to be a solvable problem,
15 fairly easily, in terms of identifying what you need to help
16 move those people if they need to be moved, and making the
17 arrangements to do that, and I hope that you're working with
18 the company and with Sr. Bacci's organization to get those
19 arrangements in place on a fairly expeditious basis.

20 MR. ECKERT: If I could clarify that for you,
21 Commissioner. We have identified our needs.

22 COMMISSIONER ASSELSTINE: Okay.

23 MR. ECKERT: It's a question of where those needs
24 will come from, what counties or what areas, and that the
25 state will have to give to us.

1 COMMISSIONER ASSELSTINE: Okay.

2 MR. ECKERT: That's what we are asking the state.
3 We know the numbers of ambulances, the number of school buses
4 and so forth that are needed. That was put together by the
5 consulting firm, and so we are aware of that.

6 COMMISSIONER ASSELSTINE: Okay. How about a couple
7 of the other questions that Ms. Puntenney raised about
8 training, evacuation routes, and then I want to talk briefly
9 about the exercises. But training and evacuation routes, if
10 you could address that.

11 MR. ECKERT: Training program is in the process and
12 -- in a cooperative effort with the utility. We feel it is a
13 good program. It is in a four-part series. The plant,
14 operation of the plant, the state, what the state obligation
15 is, and the federal area involved in it, and then it goes into
16 local programs, modulars we call them. It breaks down into
17 fire, police, law enforcement, rescue services, direction and
18 control. Each one of those modulars is put together, and
19 input is put into that from the people that will be involved
20 in that program.

21 I feel that the training program will be underway --
22 in fact, there are classes scheduled starting this week. They
23 have already signed up approximately 300 agencies in our
24 area. There's a lot of volunteer agencies such as fire
25 agencies that have to be trained.

1 We plan to have the total program completed, the
2 first phase of it, by September, and that will involve school,
3 school bus drivers, superintendents, principals, and so forth
4 in that area.

5 After that program is completed, we intend to go out
6 to outside the 10-mile area to address the concerns of elected
7 officials, of school officials out there, to let them know
8 what to expect in case of an evacuation at that facility. We
9 feel they are entitled to know that, and we have had that
10 question posed to us, so we are going to be working on that.

11 CHAIRMAN PALLADINO: May I just ask a piggy-back
12 question?

13 COMMISSIONER ASSELSTINE: Sure.

14 CHAIRMAN PALLADINO: Will the training be repeated
15 as the personnel leave and new ones come in?

16 MR. ECKERT: Yes, the training program is going to
17 be an ongoing training program, the same thing as updating the
18 plan and redoing the plan. We will continue to do that. It's
19 a cooperative effort.

20 COMMISSIONER ASSELSTINE: And the evacuation routes?

21 MR. ECKERT: Evacuation routes, first of all, in
22 1982 I believe the Licensing Board -- and I want to clarify
23 that for everybody -- the Licensing Board did approve the
24 present evacuation routes. It was a concern of the county of
25 Monroe that additional routes were needed.

1 At that time the chairman of the board of
2 commissioners addressed that question to Detroit Edison.
3 Detroit Edison in turn agreed to look at additional evacuation
4 routes. One area was Frenchtown; one was the Astral Beach
5 area. Being independent jurisdictions from the county
6 government, which townships were involved, the chairman and
7 the Edison Committee, as we called it at that time, turned
8 that over to the local areas to work out a solution to that.

9 My understanding is that the Astral Beach area has
10 been addressed and that the Frenchtown township area is being
11 addressed. My understanding through the supervisors, they're
12 having a little problem. The DNR has purchased some of the
13 ground where the evacuation route was supposed to be taken
14 through. Their engineers are working on that. The commitment
15 is there from Edison, according to the supervisor. I have
16 letters in my office to back that statement up. So that's
17 where we stand there.

18 COMMISSIONER ASSELSTINE: Last question had to do
19 with the exercise, the annual exercise requirement. I gather
20 that you are just outside of the one year.

21 MR. ECKERT: That's correct.

22 COMMISSIONER ASSELSTINE: Is that a full scale
23 exercise?

24 MR. ECKERT: There were two full scale exercises;
25 one in 1982 and one in 1984, preceded by two drills at each

1 one. I will be very honest, I was very concerned about not
2 having another full scale exercise prior to the operation of
3 the plant. I think the chairman, myself, and some Edison
4 officials sat down and discussed the issue. My concerns were
5 the new communication equipment that is in place. I feel that
6 should be tested. We agreed to test that communication
7 equipment. We have also agreed to have an exercise with the
8 utility on October 2nd of this year, which is a voluntary
9 exercise, and we have agreed to have a scenario that I feel
10 will be realistic, or my people feel, and work with the
11 utility on that.

12 We also will in the very near future have a,
13 possibly a surprise exercise or drill or test, and as I say,
14 I'm not going to reveal those dates. We've come to some dates
15 and some conclusions, but we are going to work on it. And I
16 think the county of Monroe is interested in the safety of its
17 citizens. We work very hard.

18 COMMISSIONER ASSELSTINE: That's an interesting
19 concept.

20 CHAIRMAN PALLADINO: Surprise situations are
21 supposed to be surprises.

22 [Laughters.]

23 COMMISSIONER ASSELSTINE: Were the results of the
24 '84 exercise good in terms of deficiencies?

25 MR. ECKERT: Yes. We had some deficiencies, and I

1 just can't recall them exactly right now, and we have, we
2 feel, corrected those deficiencies. They had the critique in
3 the morning at the community college, and in the afternoon
4 the public hearing on them, which I attended and a number of
5 the citizens attended.

6 COMMISSIONER ASSELSTINE: Okay. Thank you. That's
7 all I have.

8 CHAIRMAN PALLADINO: All right. Lando.

9 COMMISSIONER ZECH: Did I understand you to say that
10 the governor has made a commitment to provide whatever is
11 necessary to evacuate the individuals at the mother house?

12 MR. ECKERT: The governor has made a commitment to
13 supply the county of Monroe with any additional unmet needs or
14 resources that we need to --

15 COMMISSIONER ZECH: In case of emergency.

16 MR. ECKERT: In case of emergency. It's a broad
17 commitment from the governor.

18 COMMISSIONER ZECH: Are you satisfied that the
19 emergency plan, if needed, could be executed and executed
20 properly?

21 MR. ECKERT: Yes. I feel that it's a good plan.
22 Again, there's no plan that's perfect, and we continue to work
23 on that plan and upgrade it. But I do feel we have a plan --

24 COMMISSIONER ZECH: That's workable?

25 MR. ECKERT: Yes. And the reason I say that, the

1 plan was put together by local people who had input into that,
2 the directors of different agencies that will be operating out
3 of the EOC themselves.

4 COMMISSIONER ZECH: Certainly.

5 MR. ECKERT: And I feel that local input was
6 essential in our planning process.

7 COMMISSIONER ZECH: Thank you very much.

8 CHAIRMAN PALLADINO: Well, thank you, gentlemen. We
9 appreciate your being here.

10 I wonder if at this time we might have the
11 representatives from Detroit Edison join us here at the table.

12 MR. MC CARTHY: Mr. Chairman, Commissioners, thank
13 you very much for having us before you this afternoon. My
14 name is Walter McCarthy, I'm chairman of the board and chief
15 executive officer of Detroit Edison.

16 On my right is Charles Heidel, who is president and
17 chief operating officer of Detroit Edison; and on his right,
18 Wayne H. Jens, who is vice president-Nuclear Operations for
19 our company.

20 I am just going to very briefly talk about a few
21 corporate management items and then turn it over to Chuck and
22 Wayne for the answers to some of the questions that have been
23 raised this afternoon in some other statements.

24 First, I think one of the characteristics of Detroit
25 Edison over the past 16 years of building Fermi 2 has been the

1 involvement of the top management of the company.

2 We have over the past five years, when things were
3 coming to a conclusion, really tightened up on that and have
4 had all of the officers of the company very much involved in
5 knowing what's going on at Fermi, not just the people who were
6 in direct line of command, but also other officers, because
7 they need to know what's going on in this very important part
8 of our company.

9 We went out about three years ago and started
10 looking for a member of our board of directors who would be
11 completely knowledgeable in the nuclear business, because I
12 felt that we needed to have a board committee that was
13 specifically devoted to the Fermi system. And we have, I
14 think, either the first or the second nuclear review committee
15 of the board of directors composed of four members of our
16 board, headed by Lou Rahtus, whom many of you know, who has
17 been in the nuclear program for about 35 years, and a
18 scientist member, a very practical man member, and a woman
19 member who has the ability to ask some very tough questions of
20 us.

21 So we have a committee of the board to keep advised
22 at all times, and we have done that in a completely open way.
23 The individual members of the board can come down to the
24 plant, can meet with the people at the plant. They have
25 essentially an audit opportunity on whatever goes on at the

1 plant.

2 Our corporate objectives specifically include
3 excellence at Fermi, excellence in economy, excellence in
4 efficiency, excellence in safety, both to the personnel and to
5 the public.

6 All three of us are heavily involved also in INPO.
7 I and the board and the executive committee of the board,
8 Chuck with the NUMARK operation and Wayne now on the
9 accreditation board.

10 So this management views the operation of Fermi as a
11 very serious matter, has for a long time, and knows what's
12 going on at the plant, and intends to do things right down
13 there.

14 I'll turn to Chuck.

15 MR. HEIDEL: To continue on with the thrust of Mac's
16 discussion there, he indicated that the senior management of
17 the company has been and will be involved as we go into
18 operation. We will continue to do that, not just the three of
19 us, but some other officers of the company.

20 I personally have been reviewing once a month all of
21 the QA issues at the plant, all of the issues during the
22 construction period, and the area of review, ongoing review,
23 that I will personally continue, is that of operations.

24 In response to your statement, Commissioner Zech,
25 about the review of scrams, operations, training, and so I --

1 because this is such an important area to the corporation. We
2 have a good staff at the plant, but I will continue to
3 personally give that my oversight.

4 COMMISSIONER ZECH: Good.

5 MR. HEIDEL: I'll let Wayne, I think, respond to
6 many of the detailed questions that were raised here.

7 MR. JENS: Mr. Chairman and Commissioners, I think
8 it goes without saying that I was very pleased with the many
9 favorable comments we heard here today. I have a lot of
10 people here with me in my staff, and I'm sure they share that
11 with me.

12 The plant has many unique features that I told you
13 about when you were out on your visits. It's a plant I think
14 the company can be proud of. It's a clean plant. It's
15 trailerless. We've got rid of all the trailers, which is
16 unusual at nuclear plants.

17 But it goes without saying that the key in any of
18 these operations is the people; how well they're trained, how
19 well they're qualified, the experience they have. And you've
20 heard what we've done in that area, so I won't repeat that.

21 They're dedicated to safety. They're careful and
22 will be careful. They're disciplined, and we have a strong
23 fitness-for-duty program at Fermi, because I think it goes
24 without saying, a part of what it's all about.

25 We're ready to run the plant at full power, and we

1 won't disappoint you in our performance in doing that.

2 I was personally disappointed when we got our SALP
3 rating 3 on fire protection, and I think the Region III people
4 know how disappointed I was. We're going to do better than
5 that from now on.

6 We would like to encourage more NRC inspections, as
7 you pointed out, Commissioner Bernthal.

8 COMMISSIONER BERNTHAL: Would you care to say that
9 again?

10 [Laughter.]

11 MR. JENS: Let me tell you, that's unusual for
12 somebody to say that, but we benefited a great deal, once we
13 got the inspection we did get toward the end of the
14 construction program. I wish we'd had it sooner, because I
15 think we could have avoided some of our problems.

16 COMMISSIONER ASSELSTINE: We need to make him an
17 appointment.

18 [Laughter.]

19 MR. JENS: Well, I'm not saying that just -- I
20 believe in what I'm saying.

21 As far as SAFETEAM is concerned, I would like to
22 point out that we have finished up all of the investigations
23 on the SAFETEAM allegations except one item, and that is
24 associated with industrial safety, it's not part of the plant
25 safety, so we're caught up to date and we will continue that

1 program on into operation, and we will make the improvements
2 that we find necessary.

3 We are also going to pass on what we have learned
4 during this recent inspection by Region III to the other
5 plants that are using the SAFETEAM program.

6 We talked about an acronym LDDI, this drawing issue,
7 and we are also committed to eventually eliminate that index
8 that we have on drawings and come up with a consistent design
9 data base for the plant over its lifetime.

10 CHAIRMAN PALLADINO: Wayne, the five minutes are up,
11 but you can take another half minute or so.

12 MR. JENS: Well, I do have some questions that I've
13 got to answer. Would you --

14 CHAIRMAN PALLADINO: Our questions don't count.
15 We'll take care of that on our own time.

16 COMMISSIONER BERNTHAL: We can cancel the next
17 meeting.

18 [Laughter.]

19 MR. JENS: There was one question about the
20 maintenance training program. First of all, let me tell you
21 --

22 CHAIRMAN PALLADINO: Yes, I was about to ask about
23 that.

24 MR. JENS: -- that we are committed to have our
25 programs accredited by INPO. Three of the programs have been

1 self-evaluated and are now in for accreditation. The
2 maintenance program will be totally committed by June of next
3 year, and we really plan to have them all ready by the end of
4 1986.

5 CHAIRMAN PALLADINO: Do you have any special
6 training facilities?

7 MR. JENS: Yes. Our company, I think, is somewhat
8 unique in maintenance training, because we train in all of our
9 plants, the journeyman maintenance people, JMGs, as we call
10 them, so they come to our plant with basic training, and we
11 then supplement that training at Fermi.

12 We believe strongly in training at nuclear
13 operations. I think we have a staff right now of about 43
14 people in our training department. We have committed the \$9
15 million simulator that we have, and I think it's the key to
16 our operations.

17 MR. HEIDEL: I should say, just a continuation, that
18 many of our people have been trained at the GE facility in San
19 Jose, maintenance facility. There's been a lot of that going
20 on.

21 CHAIRMAN PALLADINO: Well, I don't want to preach
22 too much, but I think maintenance is a very important feature
23 of any operation in a nuclear power plant. It's one item that
24 has not received the attention throughout the industry that we
25 might have given, had we started earlier.

1 You do have so many things that are commendable that
2 you have undertaken. I'd like to make sure that in the
3 maintenance area your initiative is just as forward-looking as
4 it has been in other areas.

5 COMMISSIONER ASSELSTINE: The nice thing about
6 maintenance is that it improves both safety and reliability.

7 CHAIRMAN PALLADINO: That's right.

8 MR. JENS: It pays off.

9 There was a question on fire protection, and I would
10 just like to address that. We do have, as you know, two
11 shutdown panels in the plant at the present time, one in each
12 of two divisions, so we are -- we have protection in that
13 regard.

14 In addition to that, until the third shutdown panel
15 is put in place, which is totally independent of the control
16 room and the relay room and the cable spreading room, we have
17 compensatory measures which would be permanent fire watches
18 and roving fire watches in the areas where we would be
19 vulnerable to a very large fire. And in general those types
20 of measures are equivalent to having the third shutdown panel,
21 and for a limited period of time certainly would be
22 acceptable.

23 Obviously we have an incentive to get the panel in
24 in a hurry, as quickly as possible, so that we can eliminate
25 those people that are in on fire watches. So there is an

1 economic justification even for moving forward. And we have
2 in our original license, low power license, have a commitment
3 to have this panel ready by a certain time. We also had to
4 have an outage for the EQ, and therefore we have in addition
5 now committed to have the panel in no later than October 31st
6 at that particular time for that outage.

7 So we believe at that time, as was stated here, that
8 we'll have one of the better fire protection systems in the
9 country. We worked very closely with Monroe County, as they
10 indicated, and we will continue to do so, and we will continue
11 to work closely with any of the concerned citizens -- IHM or
12 SECO.

13 As far as the radwaste facilities are concerned, the
14 only radwaste facility that isn't in place is the solid
15 radwaste system which will be pre-op starting some time this
16 month, the middle of the month, and we hope to have that ready
17 by the end of the year.

18 Again, as Mr. Davis said, we can't ever predict on a
19 pre-op just when it will finish, but that's our plan.

20 CHAIRMAN PALLADINO: All right. Well, thank you.
21 I've made my comment, you've answered my question. Let me
22 turn to my colleagues here.

23 COMMISSIONER ASSELSTINE: I don't have any
24 questions. I don't know whether this is the appropriate time
25 for comments, or whether -- but I have just a few comments.

1 I'd have to say that fire protection and EQ, I'm
2 real pleased at the commitments you've made to get those
3 issues put to bed within the next few months, including the
4 outage, and I think that's good, and hopefully the three won't
5 reappear any more on those ratings.

6 And SAFETEAM, I'm also pleased you're going to look
7 at that program and make some changes, that I think will make
8 it a more effective program, and I think it's very commendable
9 that you share that view with others that are using similar
10 programs. I think that will help down the road.

11 I thought there were a number of things about this
12 plant and this Licensee that were very impressive when I
13 visited the plant last week. The operators, the high pass
14 rate that we heard referred to before. I got a chance to see
15 one of the shifts in action in your simulator, and I was
16 impressed by the job that they'd done.

17 The shift advisers, getting them licensed was a very
18 positive step, I thought, and your approach after TMI to
19 taking a look at what you thought needed to be done, quite
20 apart from what the Commission thought, and the extent to
21 which you developed many of the same items that the Commission
22 ultimately ended up imposing, I think, is a sign of a
23 forward-thinking and a forward-looking organization, and
24 particularly for a utility that was then in the process of
25 building a plant, I think that's a commendable step.

1 The safe shutdown system I mentioned earlier, and I
2 was also most impressed with that, and I think that's an
3 interesting concept and an interesting capability that should
4 help not just in fire protection, but perhaps is something
5 that deserves further thought in other areas as well.

6 In the low level waste storage capacity, the fact
7 that you made a commitment early on to putting something like
8 that into place.

9 The Duke construction review, the extent that you
10 were prepared to bring in somebody else and have an outside
11 organization, another utility with experienced people, take a
12 tough look at your program and at your plant I think shows the
13 farsightedness and a concern for quality that I was impressed
14 with.

15 I also was impressed with your control room design.
16 I thought that you had an excellent control room, one of the
17 better ones that I have seen.

18 And you mentioned the trailers. Quite apart from
19 the esthetics, the fact that you're providing good facilities
20 for your people is, I think, a smart step. But maybe what
21 impressed me the most was management involvement in this
22 project, the fact that you have so many corporate managers
23 that have been heavily involved in the project is something
24 that I found most impressive, and I agree with the comment
25 that Commissioner Zech made earlier, that I think that is an

1 essential element, and I think that that in large measure is
2 reflected in the performance that you have had in many of the
3 areas.

4 So those are the things that I saw that I was
5 particularly impressed with, and I also agree with the comment
6 that Commissioner Zech made, learn from the trip yesterday and
7 pay attention to what it means, and make sure you don't get
8 overconfident.

9 CHAIRMAN PALLADINO: All right, thank you.
10 Commissioner Bernthal?

11 COMMISSIONER BERNTHAL: Well, I don't have a great
12 deal to add to what Commissioner Asselstine has said. He's
13 gone through a laundry list here of complementary items. I
14 hope it doesn't go to your head. As you know, this is a
15 different business from any other form of electricity
16 generation. It's high technology energy production and I know
17 you-all understand and appreciate that.

18 I don't think my friend Jim would object if I point
19 out that I think he forgot to mention one item, that I visited
20 your plant too early really to evaluate, and that was his
21 impression of the cleanliness of the plant.

22 COMMISSIONER ASSELSTINE: Oh, that's true, that's
23 right.

24 COMMISSIONER BERNTHAL: How good your housekeeping
25 was, how clean it was. In fact, I believe Jim told me that it

1 was one of the cleanest, if not the cleanest plant he had seen
2 outside of Europe, and I think I recall when I visited Detroit
3 Edison, or rather the Fermi 2 site a year ago, nearly a year
4 ago, that I had just come back from a visit to Europe, and
5 probably waxed a bit enthusiastic, overenthusiastic about how
6 at least one plant over there was, I felt, literally so clean
7 I could have eaten my lunch off the floor. I don't think
8 there was any question that I could have had my lunch off the
9 floor that day.

10 And so what Jim has suggested here is truly
11 complimentary, and I think reflects an attitude that will go
12 far in your entire operation.

13 I have one last comment, and that is that I wish you
14 would tell the Commission how to get a trailerless operation
15 because we've got about 11 equivalents of trailers that this
16 organization is housed in, and you-all know how important that
17 is, obviously, to good management to get out of trailers and
18 into appropriate housing. I wish you'd help us in convincing
19 the Congress.

20 That's all I have to say, Mr. Chairman.

21 MR. JENS: Let me tell you, he told me to get rid of
22 them.

23 [Laughter.]

24 CHAIRMAN PALLADINO: That's what we need to be told.

25 Commissioner Zech?

1 COMMISSIONER ZECH: Just a minute, because most of
2 my comments have already been made. But fitness-for-duty
3 program is one of the best I've seen at your plant, and I just
4 have to emphasize that again. The plant was clean and as has
5 just been mentioned, again, it's one of the cleanest ones I've
6 seen.

7 The operators were good, their attitude was good.
8 They're not too cocky, but they're confident in the business.
9 They're disciplined. That's important. But we're about a
10 serious business, all of us, and even though you've got off to
11 what seems to be a good start, I would only commend you to
12 keep your attention to detail, watch the discipline and the
13 formality, and management involvement again is the key, and I
14 agree with my colleagues that they have noted that, too, as I
15 did. But it's got to be continuing. You've got to follow
16 through and keep up these things. It's just not getting the
17 plant started, it's a matter of not only getting it started
18 but keeping it going and following through on all the details
19 of this very complex business that we are about.

20 So I think that if you keep that management
21 involvement and that goes down the line, it will be the
22 biggest strength perhaps that your organization will have.

23 Thank you, Mr. Chairman.

24 CHAIRMAN PALLADINO: Okay, thank you.

25 COMMISSIONER BERNTHAL: I just want to make one

1 other very brief comment. I think some of you might recall
2 that I lived in the state of Michigan, East Lansing for seven
3 or eight years, something like that, not so long ago. The
4 state of Michigan has had mixed experience, to say the least,
5 with its efforts in nuclear power, going back to the rocky
6 beginnings of Palisades. I don't need to mention Midland
7 again, and I think it's good and commendable and perhaps
8 timely that Detroit Edison and particularly the management of
9 Detroit Edison has shown that it's possible to do this
10 business the right way and do it right the first time.

11 CHAIRMAN PALLADINO: Thank you.

12 COMMISSIONER ZECH: One last thought, Mr. Chairman,
13 if I may. I would also strongly suggest that you continue as
14 you have suggested here, that you work closely with the
15 Immaculate Heart of Mary Congregation and also with the SECO
16 organization. It seems to me that if management, you know, is
17 involved, as well as it looks like you are, why, you should
18 have a good relationship with these ladies that appeared
19 before us today, too.

20 CHAIRMAN PALLADINO: I think we all share that.

21 COMMISSIONER ASSELSTINE: Those problems ought to be
22 easily solvable.

23 CHAIRMAN PALLADINO: Well, unless there are other
24 questions or comments, we thank you gentlemen.

25 Now as you retire to the audience, let me ask the

1 Commission a question. In my opening remarks, I stated I had
2 intended to call for a 10 or 15-minute recess and allow each
3 Commissioner to deliberate on the information that was
4 received, but that was on the assumption that that's what you
5 want to do.

6 Let me ask you, do you feel that you need the
7 recess?

8 COMMISSIONER ASSELSTINE: No.

9 COMMISSIONER ZECH: No.

10 COMMISSIONER BERNTHAL: No.

11 CHAIRMAN PALLADINO: All right, then I gather we are
12 prepared to address the question. Does the Commission
13 authorize the Staff to issue Fermi 2 a full power license?

14 All those that feel that we should authorize the
15 Staff to have them issue the full power license to Fermi 2,
16 say aye.

17 Aye.

18 COMMISSIONER ZECH: Aye.

19 COMMISSIONER ASSELSTINE: Aye.

20 COMMISSIONER BERNTHAL: Aye.

21 CHAIRMAN PALLADINO: Opposed?

22 I think I heard four ayes.

23 All right. Well, thank you very much, gentlemen.
24 Anything more to come before us at this meeting?

25 Well, we thank you all, and we stand adjourned.

1 [Whereupon, at 4:36 p.m., the meeting was
2 adjourned.]

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1 CERTIFICATE OF OFFICIAL REPORTER

2
3
4
5 This is to certify that the attached proceedings
6 before the United States Nuclear Regulatory Commission in the
7 matter of: Commission Meeting

8
9 Name of Proceeding: Discussion/Possible Vote on Full Power
10 Operating License for Fermi-2
(Public Meeting)

11 Docket No.:

12 Place: Washington, D. C.

13 Date: Wednesday, July 10, 1985

14
15 were held as herein appears and that this is the original
16 transcript thereof for the file of the United States Nuclear
17 Regulatory Commission.

18
19 (Signature)

(Typed Name of Reporter) Ann Riley
Ann Riley

20
21
22
23 Ann Riley & Associates, Ltd.
24
25

7/10/85

SCHEDULING NOTES

TITLE: DISCUSSION/POSSIBLE VOTE ON FULL POWER OPERATING
LICENSE FOR FERMI-2

SCHEDULED: 2:30 P.M., WEDNESDAY, JULY 10, 1985 (OPEN)

DURATION: APPROX 1-1/2 HRS

SPEAKERS: NRC STAFF

5 MINS - JENNIFER PUNTENNEY
MARY JOHNSTON
SAFE ENERGY COALITION OF MICHIGAN

SISTER BARBARA BACCI
SISTERS OF IMMACULATE HEART OF MARY

5 MINS - JOHN ECKERT
DIRECTOR OF CIVIL PREPAREDNESS
MONROE COUNTY

RICHARD PETTICREW, CHAIRMAN
MONROE COUNTY COMMISSION

5 MINS - DETROIT EDISON COMPANY

COMMISSION BRIEFING

FERMI-2

JULY 10, 1985

FULL POWER OPERATING LICENSE

CONTACT:

M. D. LYNCH

X27050

SLIDE 1

BRIEFING OUTLINE

- * LICENSEES/BACKGROUND
- * SELECTED ISSUES
- * STAFFING/OPERATING EXPERIENCE
- * CONSTRUCTION ASSESSMENT/ALLEGATIONS
- * OPERATIONAL READINESS
- * CONCLUSION

LICENSEES/BACKGROUND

* LICENSEES

- DETROIT EDISON COMPANY
- WOLVERINE POWER SUPPLY COOPERATIVE, INCORPORATED

* PLANT

- REACTOR - GE BWR/4, MK I, 3292 MWT, 1093 MWE
- ARCHITECT/ENGINEER - DETROIT EDISON AND SARGENT & LUNDY
- CONSTRUCTOR - DANIEL INTERNATIONAL CORPORATION

* SITE

- LOCATED IN SOUTH EASTERN MICHIGAN
- NEAREST TOWN - MONROE, MICHIGAN
DISTANCE 8 MILES
POPULATION - 23,000 (1980)
- POPULATION CENTER - DETROIT, MICHIGAN
DISTANCE 30 MILES
POPULATION - 1.2 MILLION (1980)

* OFFSITE EMERGENCY PLANNING

- TWO SUCCESSFUL FULL-PARTICIPATION EXERCISES
(02/01/82 & 06/26/84)
- FEMA EVALUATION OF MAY 3, 1985, CONCLUDES THAT
OFFSITE PLAN IS ADEQUATE
- EXEMPTION REQUESTED FROM ONE YEAR REQUIREMENT FOR
FULL-PARTICIPATION EXERCISE (APP. E, 10 CFR 50)

SELECTED ISSUES

* FIRE PROTECTION PROGRAM

- PROGRAM APPROVED IN SSER NO. 2 (*JANUARY 1982*)
- APPENDIX R INSPECTION IN MAY 1984
- MEETINGS (*NRR, R III, DECo*) REGARDING FIRE PROTECTION IN JUNE, JULY, SEPTEMBER, OCTOBER 1984
- REVISED PROGRAM INCLUDING INTERIM PROCEDURES PROPOSED IN OCTOBER 1984
- EVALUATED IN SSER NO. 5 (*MARCH 1985*)

* FAIRBANKS-MORSE DIESELS

* ENVIRONMENTAL QUALIFICATION

* LOW-LEVEL WASTE STORAGE

STAFFING/OPERATING EXPERIENCE

STAFFING

- * 40 LICENSES IN OPERATING DEPARTMENT
(21 SRO/19 RO WITHOUT PREVIOUS COMMERCIAL EXPERIENCE)
- * 5 SHIFT ADVISORS *(EACH HOLDS A FERMI-2 SRO LICENSE)*
- * PLANT-SPECIFIC SIMULATOR IN USE SINCE OCTOBER 8, 1984
- * 6 SHIFT OPERATION/SHIFT COMPOSITION
 - 2 SENIOR REACTOR OPERATORS
 - 2 REACTOR OPERATORS
 - 1 SHIFT TECHNICAL ADVISOR
 - 1 SHIFT OPERATING ADVISOR

CONSTRUCTION ASSESSMENT/ALLEGATIONS

NRC

- * OVERALL INSPECTION EFFORT - 9297 MANHOURS
- * REGIONAL CAT INSPECTION IN JUNE 1982
- * TECHNICAL SPECIFICATION/FSAR COMPARISON INSPECTION IN
MARCH 1985
- * NO ESCALATED ENFORCEMENT ACTIONS

LICENSEE

THIRD PARTY AUDITS

- * MAJOR AREAS OF PROJECT ACTIVITIES BY MAC *(1979)*
- * QA PROGRAM ASSESSMENT BY MAC *(FEBRUARY/APRIL 1984)*
- * FINAL CONSTRUCTION ASSESSMENT BY DUKE POWER COMPANY
(JUNE/JULY 1984)

POST-TMI REVIEW OF PLANT DESIGN AND TRANSIENT RESPONSE *(1979)*

ALLEGATIONS

- * 50 ALLEGATIONS RECEIVED AND ALL HAVE BEEN RESOLVED

SAFETEAM *(DECo INITIATED)*

- * 1839 CONCERNS RECEIVED *(734 WERE SAFETY-RELATED)*
- * NRC REVIEWED ALL CONCERNS AND THEIR DISPOSITION

SELECTED ISSUES

- * ELECTRICAL DRAWING DISCREPANCIES
- * FIRE PROTECTION INSPECTION

PREOPERATIONAL TESTING/STARTUP EXPERIENCE

PREOPERATIONAL TESTING

- * REGION III DIRECT INSPECTION - 13,513 MANHOURS
- * EARLY PROBLEMS RESOLVED
- * PROGRESSIVE IMPROVEMENT

OPERATIONAL HISTORY

- * LERs
- * UNPLANNED SCRAMS DURING STARTUP
- * PERSONNEL ERRORS

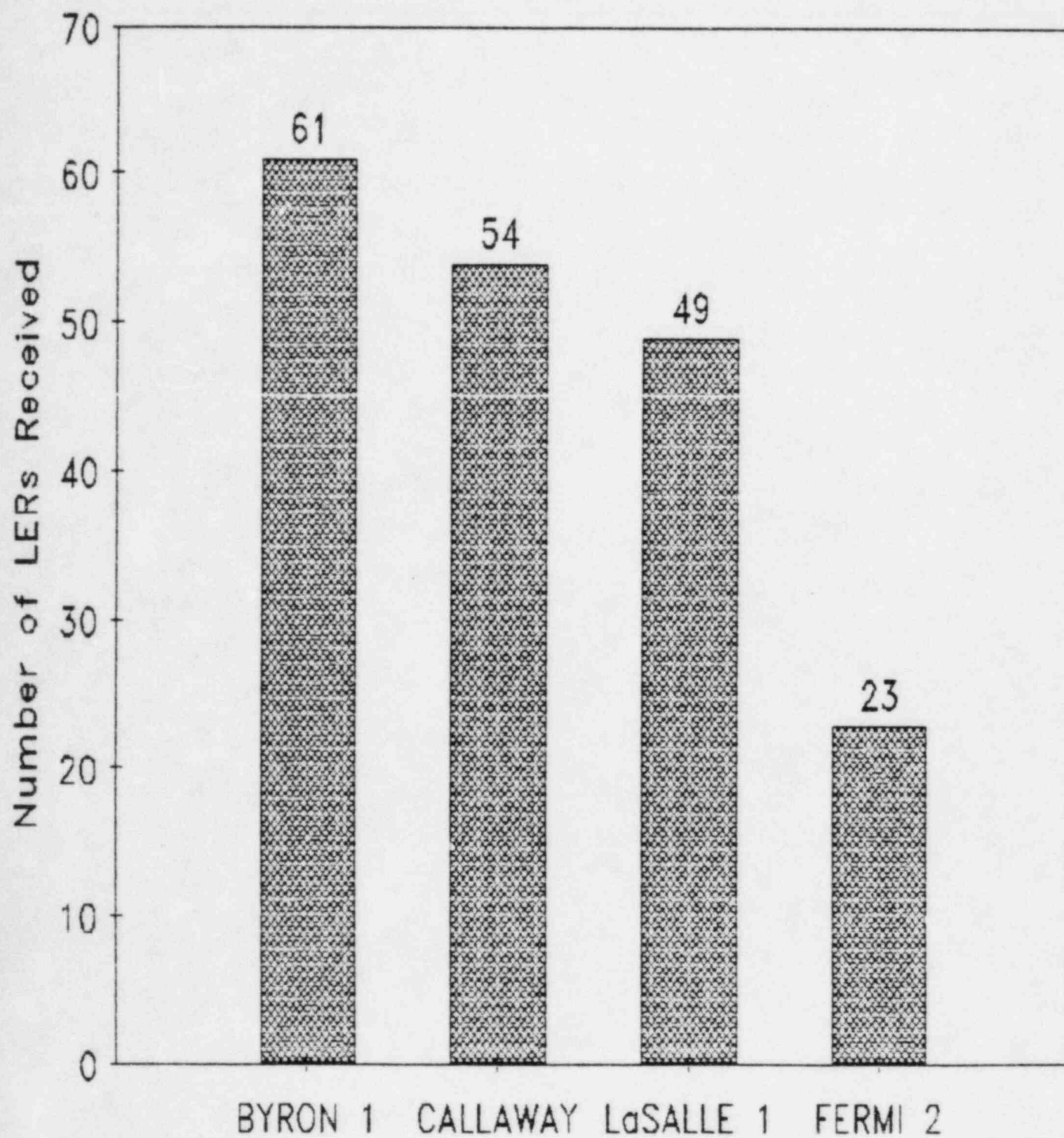
SALP 6 (PERIOD 10/01/84 TO 06/30/85)

OPERATIONAL READINESS

- * TEAM INSPECTION CONDUCTED

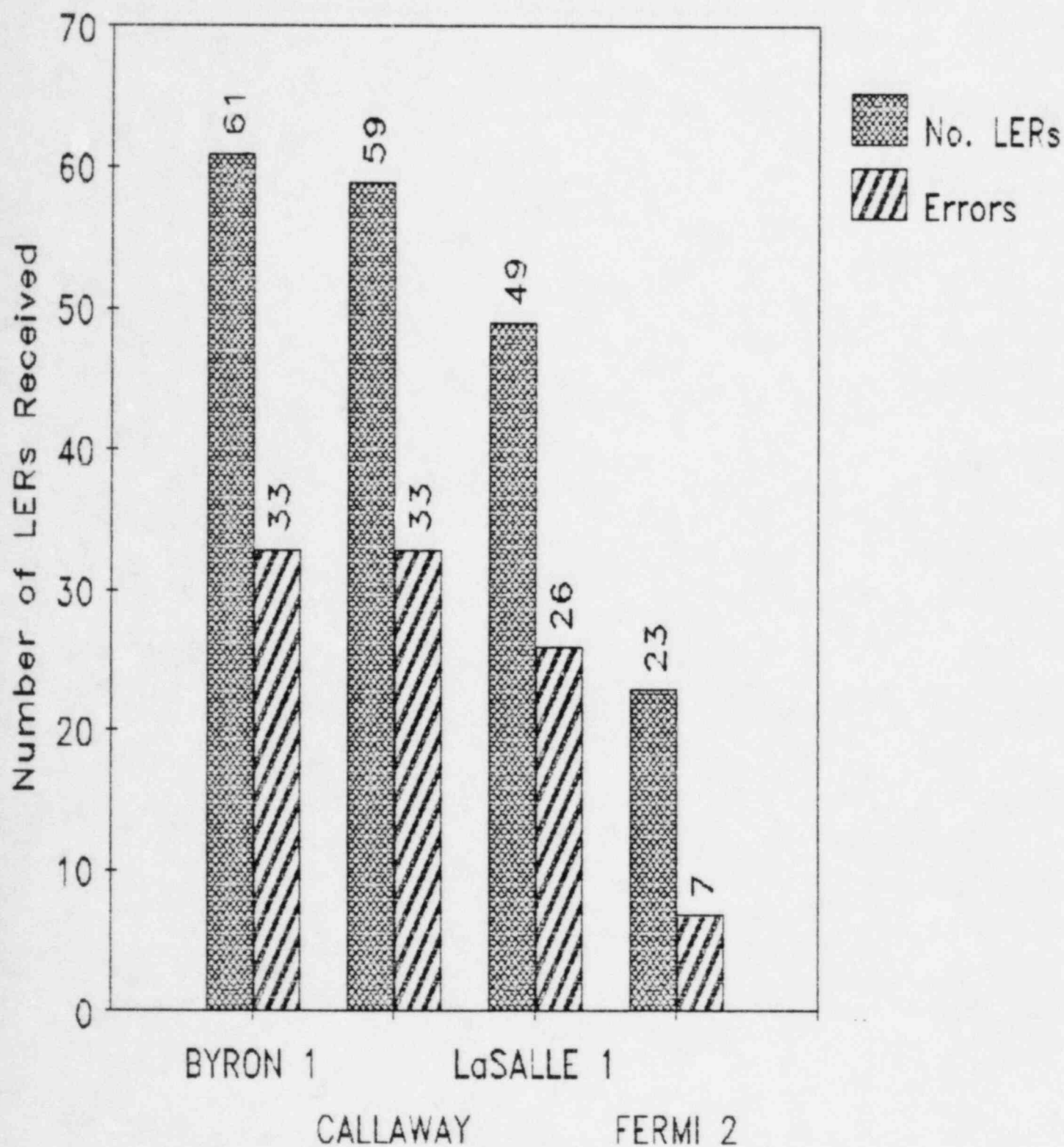
NUMBER OF LERS SENT TO REGION III

Callaway 06/11/84-10/18/84; Byron 1 10/31/84-02/15/85
LaSalle 1 04/17/82-06/21/82; Fermi 2 10/18/84-Present



PERSONNEL ERRORS/LER REPORTS

Low Power Issuance to Full Power Issuance



SALP

<u>FUNCTIONAL AREAS</u>	<u>SALP5 RATING</u>	<u>SALP6 RATING</u>
1. Operations	NR	2
2. Radiological Controls	2	2
3. Maintenance	NR	2
4. Surveillance	NR	2
5. Fire Protection	3	3
6. Emergency Preparedness	1	1
7. Security	2	2
8. Fueling	NR	1
9. Piping Systems & Supports	2	2
10. Electrical Power Supply & Distribution/Instrumentation & Control Systems	3	2
11. Preoperational and Startup Phase Testing	2	1
12. Quality Programs and Administrative Controls	2	2
13. Licensing Activities	2	2

CONCLUSION

STAFF CONCLUDES THE LICENSEES SATISFY ALL THE
REQUIREMENTS FOR ISSUANCE OF A FULL POWER LICENSE

Testimony Before the Nuclear Regulatory Commission

July 10, 1985

My name is Sr. Barbara Bacci, IHM. I am a member of the Sisters, Servants of the Immaculate Heart of Mary Congregation, which is a religious order of women of approximately 1,000 women, whose headquarters is located in Monroe, Michigan.

We have continued to oppose the Fermi 2 Nuclear Power Plant because of the environmental and social implications for the people of Michigan, especially those within the 10 mile radius of the plant.

We have two major concerns: First, the lack of a national facility for the safe, permanent storage of radioactive wastes and the inadequate safety evacuation plan for the residents of Monroe County.

It is estimated that Fermi 2 will generate 30 metric tons of high-level radioactive wastes each year. Neither the nuclear power industry nor the federal government has devised safe and adequate methods of dealing with the radioactive waste from one element, plutonium, which maybe lethally toxic for up to 250,000 years. Until a site is located, these wastes will be stored on the plant site for some unknown length of time. It is imperative that the federal government hasten the political process of identifying and developing permanent safe storage site for these wastes so that this hazard can be removed from our area.

The evacuation plan for Monroe County in the event of a "Nuclear Incident" at Fermi 2 is inadequate. In fact, we had been informed by the County officials that the responsibility for the evacuation of the 300 retired and infirm members of the IHM Congregation residing at our Motherhouse would be basically our own because the County has inadequate staff and equipment to service the large number of senior citizens in the 10 mile radius of the plant.

Therefore, because of our continued concern for the health and safety of the people of southeastern Michigan, it would be far more socially responsible for the Commission to completely address these two vital issues prior to issuance of a full-power license for Fermi 2.

Respectfully submitted,

Sister Barbara Bacci, IHM

Sister Barbara Bacci, IHM

12/82

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DATE:

7/12/85

cc: OPS File

FROM:

SECY OPS BRANCH

C&R (Natalie)

Attached are copies of a Commission meeting transcript(s) and related meeting document(s). They are being forwarded for entry on the Daily Accession List and placement in the Public Document Room. No other distribution is requested or required. Existing DCS identification numbers are listed on the individual documents wherever known.

Meeting Title: Dis/Pass Vote on Full Power
Operating License for Fermi-2

Meeting Date: 7/10/85 Open ☒ Closed ☐

DCS Copies
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1. TRANSCRIPT When checked, DCS should send a copy of this transcript to the LPDR for: <u>W/scheduling notes & micrographs</u>	1	1	—	—
2. <u>Testimony of Sister</u> <u>Barbara Bacci</u>	1	1	—	—
3. _____	—	—	—	—
4. _____	—	—	—	—

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