

JUL 9 1985

Mr. W. G. Dick
[REDACTED]Information in this record was deleted
in accordance with the Freedom of Information
Act, exemptions b
FOIA- 8852

Dear Mr. Dick:

This refers to your March 5, 1985 interview with Mr. W. Lazarus of this office and specifically about our conduct of the Readiness Assessment Team Inspection at Shoreham in January 1983. As committed to you in our letter of April 10, 1985, we have appraised the concerns which you expressed regarding: (1) LILCo's Quality Accountability Program; (2) NRC followup of individual inspection findings; and (3) the overall conclusions of our readiness team. We appreciate your bringing these concerns to our attention, and offer the following pertinent considerations.

The purpose of the Readiness Assessment Team Inspection was to assess LILCo's overall readiness to load fuel at Shoreham. The consensus reached by the team was that the plant would not be ready for fuel load for a period of at least 5 to 6 months from the time of the inspection. That conclusion was based upon our examination of a number of significant indicators, one of which was the quality and results of final QC construction inspections. However, the team also assessed the progress of Shoreham's Preoperational Test Program including emergency diesel testing, system turnover priorities, and the tracking and disposition of test exceptions and outstanding commitments to the NRC such as unresolved inspection items and IE Bulletins and Circulars. Also evaluated were improvements towards plant housekeeping and fire protection practices, the development of station administrative and operating procedures, and the use of controlled drawings. Finally, the team reviewed the qualifications and resources of LILCo staff assigned to operational programs. All of these were factored into our determination of the status of operational readiness of the Shoreham facility and an eventual recommendation for issuance of an operating license.

One finding of the Readiness Assessment Inspection was that additional attention by LILCo management was needed in the area of final system inspection. Identification of component discrepancies during inspections following the baseline QA/QC Program for construction were resulting in high rejection rates. Of particular concern were large and small-bore pipe hangers, cable tray and conduct supports, and structural steel. Since LILCo management agreed that acceptance of construction should receive "front-end" attention, so as not to rely heavily upon final QA/QC inspections to correct deficiencies, initiatives were undertaken to improve the quality and effectiveness of both construction activity and final field QC inspection. As you are aware, a Quality Accountability Program was promptly formulated at the conclusion of the Readiness Inspection, as generally described in a January 1983 letter to our Senior Resident Inspector and in more detailed letters to this office in February and March 1983. The scope and conceptual guidelines for the program were also discussed during a management meeting at NRC Region I on January 25, 1983, and again at a meeting held onsite on April 6, 1983.

Regular observation by our Senior Resident Inspector of these quality enhancement measures during the period January through June 1983, verified that construction activities were being surveilled on a sampling basis by qualified LILCo personnel. Region I management were periodically appraised of program status not only during the meetings described above, but also by the Senior Resident Inspector's observations and our review of the Quality Accountability Reports generated through June of 1983. As part of the program the statistics associated with Deficiency Correction Orders (DCO's) and Nonconformance and Disposition Reports (N&Ds) were analyzed for the four principal work categories of interest. These data showed no obvious adverse trends, and that the frequency of findings (rejections) which resulted in corrective field rework had been maintained at or reduced to acceptably low levels by the end of May 1983. Our May 6, 1983 letter to LILCo noted the aggressive steps taken in response to these issues. Further, during NRC followup of individual findings from the team inspection, the implementation of the Field QA Verification and Quality Accountability Programs was surveyed. The programs were judged to be in accord with the intent of the guidelines and commitments established by LILCo to assure that items accepted by final QC inspection met acceptable standards. LILCo management attention towards construction accountability, and in trending and evaluating inspection findings, was observed to be evident and effective. These conclusions were documented in NRC Region I Inspection Report No. 50-322/83-13 issued on May 23, 1983. A copy of that report is attached for your information.

While most types of rework items were determined to be minor in nature, the intent of our assessment was (and continues to be) to monitor the effectiveness of LILCo's QA programs. Our conclusion, which was affirmed by the Shoreham Atomic Safety and Licensing Board in their September 1983 Partial Initial Decision, was that these programs were effective and generally timely in the detection and followup of construction deficiencies. What the Board concluded was that LILCo's QA Program met the NRC requirements outlined in Appendix B to 10 CFR Part 50. Notwithstanding the mathematical rigor of statistical sampling techniques, the licensing board and NRC Staff concluded that sound technical judgement was applied and a solid foundation established for providing reasonable assurance of adequate protection of the health and safety of the public.

The findings of NRC inspections, both prior to and after the Readiness Assessment, have verified that no lapses, breakdowns or inconsistencies exist in LILCo QA programs for Shoreham construction, preoperational testing and operation. This judgement was integral to and consistent with our recommendation for issuance of a low power operating license for Shoreham on December 7, 1984.

Sincerely,

Original Signed By:

Richard W. Starostecki, Director
Division of Reactor Projects

Enclosure: NRC Inspection Report No. 50-322/83-13

Mr. W. G. Dick

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bcc:

Allegation File for RI-85-A-0037 ✓

S. Collins/J. Linville

H. Kister

A. Cerne, SRI, Seabrook

JS
6/4/85
C. Kelly
RI:DRP
Strosnider/sm
06/5/85


RI:DRP
Kister
06/25/85


RI:DRP
Starostecki
06/2/85

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06/05/85

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ALLEGATION RECEIPT REPORT

Date/Time Received: 8 OCT 86 / 11:00 a.m.

Allegation No. _____

(leave blank)

Name: W. Gordon Dick [redacted]

Address [redacted]

Phone: unknown

City/State/Zip: [redacted]

Confidentiality Requested: Yes _____

No ☒ Implied _____

Allegor's Employer: unknown

Position/Title: Unknown

Facility: Shoreham (Nine Mile 2?)

Docket No.: 50-322

Allegation Summary (brief description of concern(s)): The NRC failed to adequately monitor construction activities, failed to detect deficiencies, and failed to adequately follow-up on deficiencies identified to it by others

Number of Concerns: _____ (for Allegation Panel Only)

Employee Receiving Allegation: R. L. Fuhrmeister
(first two initials and last name)

Type of Regulated Activity: (a) ☒ Reactor (d) _____ Safeguards
(b) _____ Vendor (e) _____ Other: _____
(c) _____ Materials (Specify)

Materials License No. (if applicable): _____

Functional Area(s): ☒ (a) Operations ☐ (e) Emergency Preparedness
☒ (b) Construction ☐ (f) Onsite Health and Safety
☐ (c) Safeguards ☐ (g) Offsite Health and Safety
☐ (d) Transportation ☐ (h) Other: _____

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