

NUCLEAR REGULATORY COMMISSION

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IN THE MATTER OF:

CAROLINA POWER AND LIGHT COMPANY

(Shearon Harris Nuclear Power Plant,  
Units 1, 2, 3, and 4)

Docket Nos. 50-400  
50-401  
50-402  
50-403

Place - Raleigh, North Carolina

Date - 27 February 1979

Pages: 2164 - 2361

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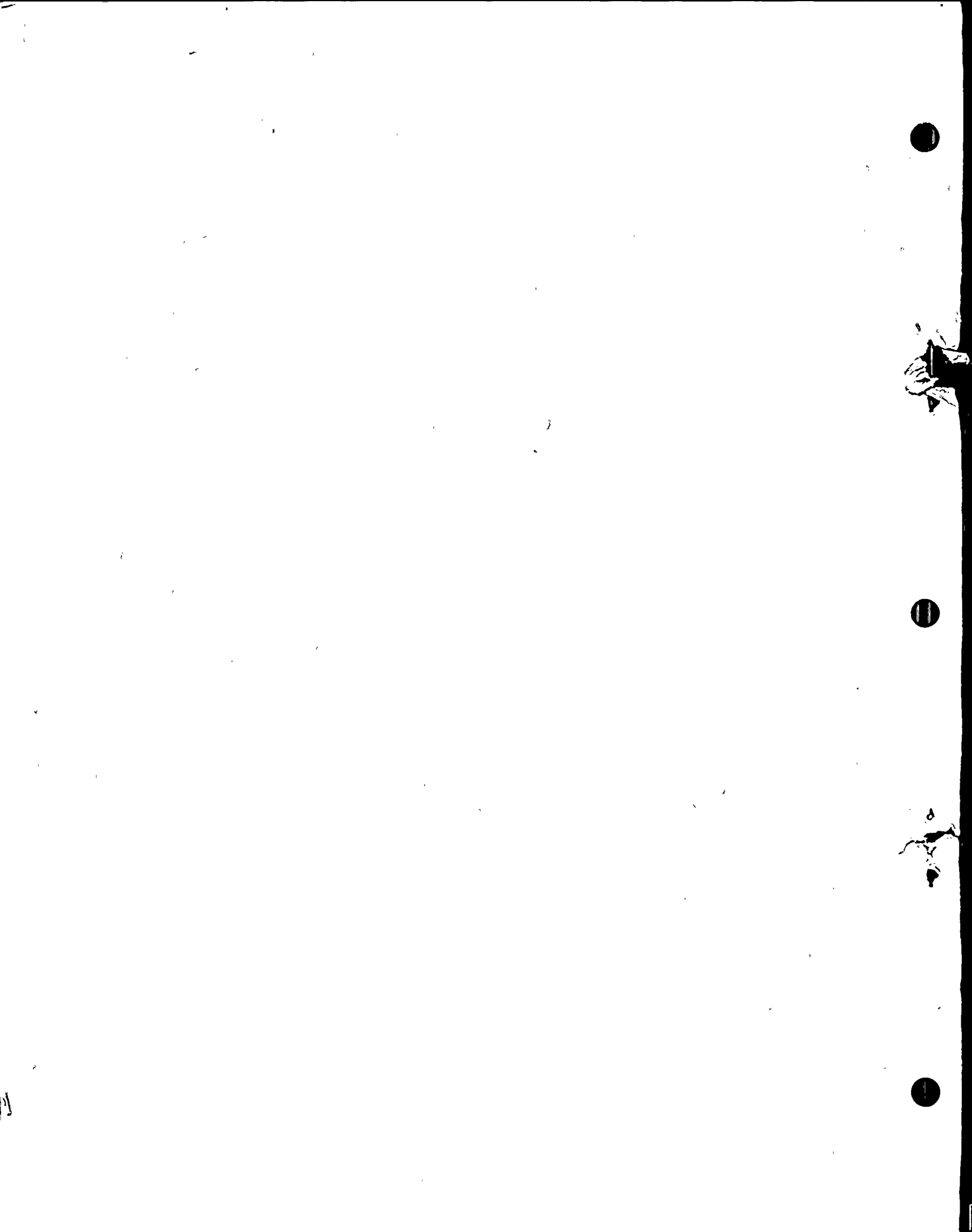
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UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

In the matter of:

CAROLINA POWER AND LIGHT COMPANY

(Shearon Harris Nuclear Power Plant,  
Units 1, 2, 3 and 4)

: Docket Nos. 50-400  
: 50-401  
: 50-402  
: 50-403

Courtroom 2,  
Federal Building,  
310 New Barn Avenue,  
Raleigh, North Carolina.

Tuesday, February 27, 1979.

The hearing in the above-entitled matter was  
convened, pursuant to notice, at 9:00 a.m.

BEFORE:

IVAN W. SMITH, Esq., Chairman,  
Atomic Safety and Licensing Board.

DR. J. VENN LEEDS, Esq., Member.

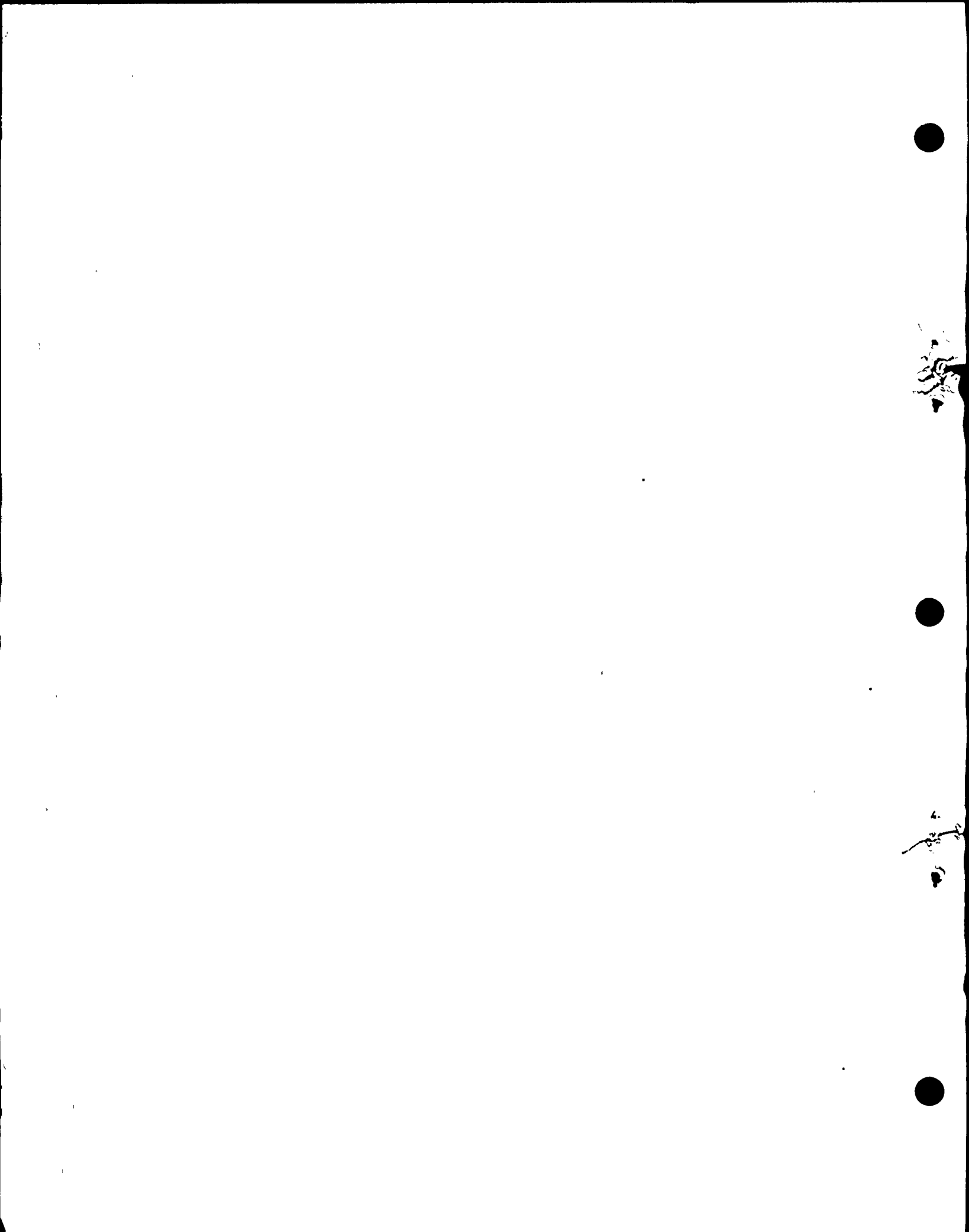
GLENN O. BRIGHT, Member.

APPEARANCES:

On behalf of the Applicant:

GEORGE F. TROWBRIDGE, Esq., and JOHN H. O'NEILL, JR., Esq.,  
Shaw, Pitman, Potts and Trowbridge,  
1800 M Street, NW, Washington, D.C. 20036

RICHARD E. JONES, Esq., Associate General Counsel,  
Carolina Power and Light Company.



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On behalf of the NRC Regulatory Staff:

EDWIN J. REIS, Esq., Office of the Executive  
Legal Director, Washington, D. C.

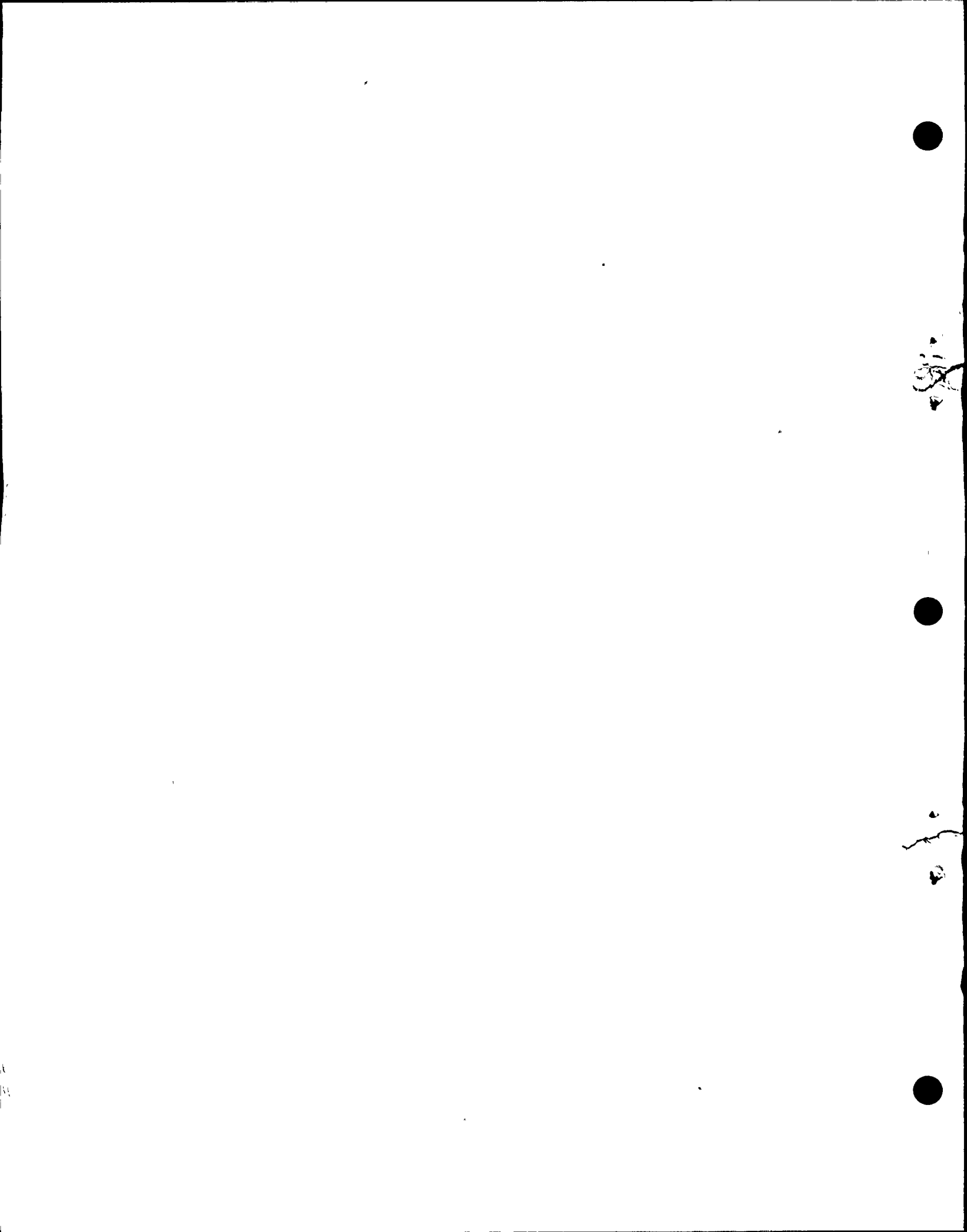
On behalf of the Attorney General of North Carolina:

DENNIS P. MYERS, Esq. and DAVID GORDON, Esq.,  
Office of the Attorney General, Raleigh,  
North Carolina.

On behalf of the Conservation Council and Wake  
Environment, Inc.

THOMAS S. ERWIN, Esq., Water Tower Court,  
115 W. Morgan St., Raleigh, North Carolina 27602

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C O N T E N T S

<u>Witnesses:</u>	<u>Director</u>	<u>Inspector</u>	<u>Encl. by</u>	<u>BI</u>
Charles F. Murphy :	2107	2110	2312	
Virgil L. Brownlee)				
Francis J. Long :				
Hugh C. Dance )				
<u>Exhibits:</u>			<u>Is.</u>	<u>Enc.</u>
Staff exhibits:				
12 - Computer Printout Summary of Inspections at Robinson, Brunswick & Shearon Harris, July '75 - August '78			2179	
13 - Computer Printout Summary of Licensee Event Reports at Robinson, and Brunswick Facilities, '69 to October 1, '78			2179	
14 - NRC-CP&L correspondence re civil penalty assessed in 1978			2179	
15 - Ltr, 2/21/79 to CP&L (insp rpt)			2179	
Board exhibit:				
8 - Board Notification - Licensee Regulatory Performance Evaluation, February 1979			2353	





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P R O C E E D I N G S

CHAIRMAN SMITH: Good morning, ladies and gentlemen.

The Atomic Safety and Licensing Board with these members issued an Initial Decision on January 23rd, 1978, authorizing a construction permit for the Shearon Harris Nuclear Power Plant.

The Atomic Safety and Licensing Appeal Board, by decision dated August 23rd, 1978, affirmed our Initial Decision but raised certain questions concerning Carolina Power and Light's operating experience. This was reported in 8 NRC 234.

The Nuclear Regulatory Commission, by order dated September 5th, 1978, remanded the matter to this board for further hearing on the management capabilities of Carolina Power and Light to construct and operate the proposed Shearon Harris facility without undue risk to the health and safety of the public. That order was published at 8 NRC 293.

On February 1st, 1979, we published in the Federal Register a notice of continuation of hearing, reciting the fact of the Commission's remand and setting the hearing for this time and place. That was at 44 Federal Register page 6533.

The Commission's language remanding this hearing appears to be rather broad, but it is our responsibility to establish the scope of the remanded hearing to be consistent



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ab2 with the Commission's order and what we understand to be the  
purpose and background of that order which is somewhat -- as  
a matter of fact quite a bit narrower than the Commission's  
language.

The question then to be determined, and this is  
for the benefit of the lay members of the public and not a  
binding legal ruling for the lawyers involved, is whether  
the operating experience of Carolina Power and Light in  
other plants, nuclear plants, brings into question its  
technical competence to construct and operate Shearon Harris,  
particularly was all available evidence considered by this  
Board when it issued the Initial Decision authorizing the  
construction permit and, even more particularly, were dis-  
senting or differing opinions of certain members of NRC staff  
excluded improperly from our consideration.

All of this is germane only as it relates to the  
management capacity of CP&L to operate and construct the  
Shearon Harris Plant.

We have no authority to reconsider all of the  
legal elements of the construction permit proceeding. There  
is simply nothing we can do with evidence which exceeds the  
scope of our remand if we were to receive it. We simply have  
no authority to receive any evidence outside the scope of the  
issues remanded by the Nuclear Regulatory Commission.

For this reason we have not invited public

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statements. We will consider written public statements, that is, limited appearance statements from the public, limited to the remanded issues. If a given written statement is very, very narrowly confined to the issues that we are permitted to consider, we will give additional consideration to allowing that written statement to be read on the public record.

This would be a good time to introduce the participants in this proceeding.

My name is Ivan Smith. I'm an attorney and I'm the Chairman of the Hearing Board, the Atomic Safety and Licensing Board.

To my left is Dr. J. Vann Leads of Rice University, who is serving in the traditional function of the environmentalist on the Board, and is an electrical engineer and also a member of the Texas bar.

To my right is Glenn Bright, who is a full-time employee of the Nuclear Regulatory Commission Atomic Safety and Licensing Board Panel, and he serves in the traditional function as the expert in nuclear reactors.

Mr. Trowbridge, may I ask that you introduce the people at counsel table?

MR. TROWBRIDGE: Mr. Chairman, my name is George F. Trowbridge. I'm a member of the Washington law firm of Shaw, Pittman, Potts and Trowbridge.

1 ebd  
2 On my left is Richard E. Jones, Associate General  
3 Counsel, Carolina Power and Light Company.

4 To his left is John O'Neill, an associate in my  
5 office.

6 I would like to explain, Mr. Chairman, that while  
7 I will deal with some procedural matters, Mr. Jones will  
8 handle primarily the presentation of testimony, and he will  
9 be assisted by Mr. O'Neill in cross-examination of witnesses.

10 CHAIRMAN SMITH: Mr. Reis.

11 MR. REIS: My name is Edwin J. Reis. I am  
12 Assistant Chief Hearing Counsel with the Nuclear Regulatory  
13 Commission.

14 Sitting at counsel table with me is Sidney Minor  
15 who is Project Manager of the Shearon Harris facility.

16 CHAIRMAN SMITH: I recognize Mr. Erwin. However,  
17 I haven't met Counsel for the Attorney General yet.

18 MR. MYERS: Mr. Chairman, my name is Dennis P.  
19 Myers. I am with the Attorney General of North Carolina.

20 To my left is David Gordon, an associate in our  
21 office.

22 CHAIRMAN SMITH: Mr. Erwin.

23 MR. ERWIN: My name is Thomas S. Erwin. I  
24 represent the Conservation Council of North Carolina and Wake  
25 Environment, Inc.

26 CHAIRMAN SMITH: We have a motion from the Attorney

eb5 1 General of North Carolina filed by Mr. Myers requesting, as  
2 I recall, at least two evening sessions. The Board has  
3 considered the motion and has decided not to grant it for  
4 several reasons. I guess the most pressing reason is that  
5 this Courthouse closes down at six o'clock. People cannot  
6 enter after that time. The heat is turned off. And they do  
7 not have the facilities, as I understand it, or at least  
8 they are not offered to us to conduct these night hearings.

9 We have had three requests from the public for  
10 evening hearings. Due to the very limited scope of this  
11 proceeding, due to the fact that the direct testimony is  
12 presented in written form making it difficult for a member of  
13 the public to follow the proceeding, we have felt that it is  
14 probably more appropriate to, in any event to conduct the  
15 hearings during the daytime hours where the press will have  
16 access, the media will have access to all the documents, and  
17 be better prepared to report the proceedings to the public.

18 So therefore, we have not tried, even if it were  
19 possible, to arrange other quarters for evening sessions.

20 Therefore, your motions are denied.

21 On Friday afternoon, or Thursday afternoon last  
22 week, Mr. O'Neill called at about the same time a letter from  
23 Applicant's Counsel was being delivered, which invited us to  
24 visit the Training Center out at the Shearon Harris Plant  
25 site.

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I told Mr. O'Neill that perhaps it would be a good idea to save him about the other Board matters. If he wished to proceed with tentative arrangements he could do so far early tomorrow morning.

Well, I'm sorry to report to you now, Mr. O'Neill, that your efforts along that line are in vain because both the technical members of the Board are quite familiar with control room simulators, PWR control room simulators, and I myself have seen them demonstrated sufficient to the point I'm sure that the technical members can bring me up to date if it affects the -- if it is necessary as the evidence comes in.

We sure appreciate your invitation and regret any effect that you may have gone to to arrange it for us.

Do the parties have any other preliminary matters before we proceed with the evidence?

MR. REIS: Mr. Chairman, I know some time ago you wrote and asked that everything be in prior to hearing. However there are two matters.

One, a Board notification was sent out yesterday that deals with Licensee regulatory performance evaluation. I think as it applies to management capabilities, the Board ought to have it during the next hearing and I would like to supply the Board and other interested parties with copies of this publication which you would receive normally in the mail.

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1 DR. LEEDS: What is it, sir?

2 MR. REIS: The Licensee regulatory performance  
3 evaluation. It's the study of L&E and a contractor on the  
4 management performance of various utilities who operate  
5 nuclear facilities.

6 CHAIRMAN SMITH: I can see it is germane to our  
7 hearing. The problem that concerns me is it seems to be a  
8 very thick document. Would you expect to make proposed  
9 findings based upon that document, sir?

10 MR. REIS: No. But I do believe that being that  
11 it is published and it is out that it ought to be -- and since  
12 it was mailed out yesterday I believe and you haven't had an  
13 opportunity to get it yet because it was mailed out  
14 yesterday, I brought it with us. It returned from the printer  
15 yesterday, also let me say.

16 CHAIRMAN SMITH: I think your bringing it to our  
17 attention is quite appropriate and we appreciate it. You can  
18 distribute copies if you wish.

19 MR. REIS: I will in a moment.

20 CHAIRMAN SMITH: Yesterday was the normal time  
21 for distributing this to all people?

22 MR. REIS: All Boards.

23 CHAIRMAN SMITH: Fine.

24 MR. REIS: The other matter I have is last week,  
25 at the end of last week, on Thursday -- I'm sorry, on



Wednesday, the results of an inspection of a portion of the quality assurance activities and procedures of CSPL was sent to the contractor -- was sent to the utility and we have received from them orally an indication as of that time that there was no proprietary data, and that it might be made public and turned over, and we would also propose to put that in evidence in that it is relevant to what you are considering.

Again I realize that it is coming in at a late date. I have notified the utility about it and told them that I was trying to get permission for any waiver of any finding of proprietary material. They did agree that it might go in provided I produced a witness who could testify orally to the nature and type of inspection and the background of it.

And I intend to distribute that also in that it would be the normal sort of thing-- Considering the subject matter here, it would be the normal sort of thing as a Board notification, and I feel I should bring this to the attention of the Board.

CHAIRMAN SMITH: Do you intend to offer this as an exhibit in this proceeding, sir?

MR. REIS: I think I do.

CHAIRMAN SMITH: Then I would request that you distribute it as soon as you possibly can. Apparently Counsel for Applicant is already familiar with this document.

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MR. REIS: Yes, he is.

CHAIRMAN SMITH: Does this change your presentation, Mr. Jones or Mr. Trowbridge?

MR. TROWBRIDGE: Mr. Chairman, I would like to say a word about the document.

This is a quality assurance inspection report at Brunswick. We received a copy on Friday, due to expedited service by the Staff. We have no objection to it being introduced into evidence. When the Board sees it you will see it is a lengthy document, not easy to dissect.

Our suggestion to the Board is that we go ahead and receive the document into evidence. We would like a sponsoring witness, not because we are in a position at this point to ask detailed questions about the inspection but we would like to ask some background questions about the nature of the inspection and on the occasion of the inspection.

We would suggest to the Board, if this is agreeable to other parties, that we file with the Board as part of the evidence in this proceeding our response to that inspection report which, by Commission regulations, is due 20 days after the report. We will try and deal in our response-- We will try to include information that will be useful to the Board, as well as information in response to the inspection and as to the non-conformances indicated in that inspection.

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I think in the nature of things the rules of the game should be that any party on, after providing our response, ask for opportunity to be heard on it, and for hearing, but this is something the Board could decide, and I would ask that it be resolved in evidence.

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1 MR. LEEDS: Mr. Reis, was there an exit meeting  
2 or an oral interview held in that inspection?

3 MR. REIS: I believe, as I recall there was.

4 DR. LEEDS: What was the date?

5 MR. REIS: What was the date of the interview?  
6 January 16th.

7 MR. LEEDS: Thank you.

8 MR. REIS: I would like to pass these up at this  
9 time and distribute them to counsel.

10 CHAIRMAN SMITH: Are you prepared to have this  
11 report marked as an exhibit now, Mr. Reis?

12 MR. REIS: Yes, I am prepared to have it marked as  
13 an exhibit now.

14 CHAIRMAN SMITH: I think the last exhibit-- The  
15 applicant and the staff are not using the same exhibit  
16 system, and I think it would be helpful if they did. The  
17 last exhibit in the evidentiary hearing on the construction  
18 permit was Staff Exhibit 11. However in your attachments to  
19 the testimony you have used a -- you began again from No. 1.  
20 I think that that is just as good as any, however the applicant  
21 continued the numbering system from the construction permit  
22 proceeding. And it's just a toss-up. Do you have any  
23 preference which way you go? Let's do it the same way.

24 I have a slight preference to continue the number-  
25 ing system of the evidentiary hearing as more likely to avoid

1 objection.

2 MR. SPENCER: Mr. Chairman, I have to the  
3 123, the same exhibits that I have referred  
4 to the testimony.

5 CHAIRMAN SMITH: They are related exhibits; and I  
6 assumed they were intended to be prima exhibits rather than  
7 testimony.

8 MR. REIS: There are some computer printouts that  
9 we have and correspondence involving a civil penalty that  
10 we have labeled exhibits in contrast to appendices to the  
11 testimony.

12 CHAIRMAN SMITH: Would you object, then, if we  
13 renumbered your exhibits to be Exhibits 12, 13, 14 and then  
14 the final one which you have offered this morning to be 15?

15 MR. REIS: Not at all.

16 CHAIRMAN SMITH: I think that would probably be  
17 the better procedure.

18 Okay, then, what you have marked as Staff Exhibit 1,  
19 Computer Printout Summary of Inspections at Robinson,  
20 Brunswick and Shearon Harris Facilities, July 1975 through  
21 August 1978, will be marked as Staff Exhibit 12.

22 What you have now marked as Staff Exhibit 2,  
23 Computer Telephone Summary of Inspections at Shearon Harris and  
24 Robinson and Brunswick Facilities, 1975 to December 1, 1978,  
25 will be marked Staff Exhibit 13.

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1 And NRC-CP&S correspondence regarding the civil  
2 liability assessed in 1976 under the Energy Reorganization Act of 1974  
3 be marked as Staff Exhibit 14.

4 The letter dated February 21st, 1979 to Carolina  
5 Power and Light in the form of an inspection report to the  
6 Nuclear Regulatory Commission, then, is marked as Staff  
7 Exhibit 15.

XXXXXXXXX  
8 (Whereupon the documents referred to,  
9 were marked Staff Exhibits 12, 13,  
10 14 and 15 for identification.)

11 CHAIRMAN SMITH: Are there any further preliminary  
12 matters?

13 MR. TROWBRIDGE: Mr. Chairman, I think the matter  
14 of order of presentation has been the subject of some--

15 CHAIRMAN SMITH: I'm going to bring that up. That  
16 will be my next order of business.

17 Mr. Reis?

18 MR. REIS: Mr. Chairman, I have another matter.

19 I sent to the Board a letter indicating the re-  
20 assignment of personnel. The testimony does not reflect that  
21 reassignment of personnel. I take it that I don't have to go  
22 further than that letter, which will be a part of the record  
23 and will bring things up to date on the reassignment of per-  
24 sonnel.

25 CHAIRMAN SMITH: I think that's fine. However, I

1 think you should either arrange to have it exhibited or maybe  
2 just as the witnesses appear why don't you have it exhibited  
3 to the charge. What say is with it of the appropriate place  
4 in the record.

5 There is another matter, Mr. Reis. The Staff was  
6 requested to provide responses to Mr. Murphy's memorandum.  
7 Let's see: we issued a Memorandum and Order. Are those  
8 responses available?

9 MR. REIS: Yes, they are. I have them right here.  
10 I thought I would put them in during the testimony of the  
11 panel that refers to them.

12 CHAIRMAN SMITH: Okay, that's fine. Except I would  
13 appreciate it if you would circulate them as soon as you  
14 possibly can. And this will be a part of the testimony of  
15 Panel No. 2, as I recall.

16 That will be attached, then, to the testimony of  
17 Panel 2, Mr. Reis.

18 MR. REIS: Yes.

19 CHAIRMAN SMITH: Are there any other preliminary  
20 matters, other than the order of proceeding?

21 The Board had issued an order setting the order of  
22 proceeding as receiving the applicant's testimony first. But  
23 the parties have orally, by a phone call from Mr. Devill, the  
24 same phone call I referred to earlier, advised the Board that  
25 they prefer the order of proceeding reverse that by counsel for

1 the applicant; what is, the Staff will proceed first.

2 So the order of proceeding, as I understand it,  
3 will now be Panels 1, 2, 4 and then either Mr. Miller or  
4 Mr. Westman, followed by Mr. Cantrell, followed by the  
5 applicant's panels, followed then by any additional testimony  
6 required from the Staff.

7 We have one modification to make on that, and that  
8 is: at the conclusion of the testimony of Panel 3 we would  
9 ask that panel questions about the original testimony filed  
10 in this case. And, for that reason, we are requesting  
11 Mr. Brownlee, who appears on Panels 1 and 2, to also remain  
12 to participate in that aspect with Panel 3. If he can be  
13 made available for that it would be a better form of  
14 organization, I think.

15 MR. REIS: I'm sure he can.

16 CHAIRMAN SMITH: Okay. With that, are there any  
17 other preliminary matters? Are there any problems with that  
18 order of proceeding?

19 MR. REIS: Mr. Chairman, you refer to it as four  
20 panels. I intended to put on what you refer to as the fourth  
21 panel and I have designated as Mr. Minor, Mr. Schwencer and  
22 Mr. Raass last, just prior to Mr. Cantrell. For convenience  
23 of witnesses I told them to come down tomorrow. And if we  
24 don't get through Panel 3 by today then of course they can  
25 go on in the order you suggested. Otherwise, I would like to



1 plan them in January's meeting.

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Is there a distinction there about we're missing? Messrs. Minor, Haase and Schwencer will not be appearing as a panel?

MR. REIS: I thought they-- They will be as a panel.

CHAIRMAN SMITH: But you didn't call them Panel 4?

MR. REIS: No. I just labeled it as the testimony of Minor, Haase and Schwencer.

CHAIRMAN SMITH: Okay.

DR. LEEDS: I think we labeled them Panel 1.

MR. REIS: That's right.

DR. LEEDS: Do any of the parties have opening statements?

(No response)

Other than the position which may be inferred from the Staff's testimony, does the Staff have any position in the issues on this record that you wish to advise us about?

MR. REIS: I think our position is reflected in our testimony. That is our position.

CHAIRMAN SMITH: There is one point that might be noteworthy. Early in the proceeding we asked the Staff

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or the parties to advise us as to the legal standards that should be applied in the remand. And the Staff addressed themselves to the burden. That wasn't quite what we had in mind. So any additional help that you can give us as to legal standards that must be applied to the factual record in this case will be appreciated as early as you can do it.

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MR. REIS: Perhaps I could be more helpful if I asked a question of the panel:

Do you mean by burden, the extent of the burden, convincing beyond a reasonable doubt, preponderance? When you said standards ---

CHAIRMAN SMITH: Well, I was referring not to the burden of proof or the quality of the evidence. I don't think there's much of a problem there. The unrelieved burden rests upon the Applicant throughout. The quality of the evidence is not really in dispute. And I think we understand that.

What legal standards are applied, the substantive legal standards that are applied to the specific issues, is more what we had in mind.

Understand, that was a request, and you aren't required. I would expect that in proposed findings you might want to embellish on anything you feel about it right now.

DR. LEEDS: It might be better to, at the conclusion of the hearing, to re-discuss this. I think that would be an appropriate time, at least in my mind, because then we will have had the results of cross-examination and seen at least what the parties are thinking and what the Board is thinking about and various things by the questions, or at least by the nature of the questions. Therefore, I'd

1 certainly like to bring that point up before we conclude.

2 Would you remind me of it, Mr. Reis, in case I  
3 forget?

4 MR. REIS: I hope I remember.

5 DR. LEEDS: Thank you.

6 CHAIRMAN SMITH: Now that the direct written  
7 evidence and proposed exhibits have been filed, the Board  
8 would like to hear from the Attorney General and Mr. Erwin,  
9 counsel for the consolidated intervenors, in order, as to  
10 whether you have a position on the remanded issues.

11 MR. MYERS: Mr. Chairman, the Attorney General at  
12 this time does not have a position on these issues.

13 CHAIRMAN SMITH: Mr. Erwin?

14 MR. ERWIN: Mr. Chairman, the Intervenors do not  
15 have a position at this time.

16 CHAIRMAN SMITH: Since we began the hearing at  
17 9:00 o'clock, members of the public have come in -- quite a  
18 few of them -- and perhaps have missed our statement.

19 Because of the very narrow nature of the issues  
20 to be heard here, we have not invited the public to make  
21 oral statements, but we have reminded them that written  
22 statements, limited to the issues that we have authority to  
23 consider, will be received by the Board. And, within our  
24 discretion, if any such written statement seems to be  
25 sufficiently narrowly confined to the issues, we will permit

1 it to be read in public.

2 So, we are inviting you to submit a written state-  
3 ment if you wish. The written statement will not be evidence  
4 in the proceeding, but it would suggest to the Board and the  
5 parties avenues where the evidence could be developed.

6 (The Board conferring.)

7 VOICE FROM THE AUDIENCE: Gentlemen, I have some-  
8 thing to say. I'm a member of the public, and it seems  
9 like --

10 CHAIRMAN SMITH: Would you take your seat, please?

11 VOICE FROM THE AUDIENCE: No, sir.

12 CHAIRMAN SMITH: Mr. Minor, would you get the  
13 United States Marshal, please? --

14 VOICE FROM THE AUDIENCE: I've got a gag, if you  
15 would like to put it on me. I came as a member of the public,  
16 sir, and I have a right to say something.

17 CHAIRMAN SMITH: We have given the members of the  
18 public an opportunity to make statements in writing, and that  
19 opportunity will be extended to you, sir. We will assist you  
20 in doing it. We have paper here and the supplies to help  
21 you do it, but we're not prepared to take general statements  
22 from the public.

23 VOICE FROM THE AUDIENCE: I think that's one of the  
24 purposes of this hearing, is it not, sir?

25 CHAIRMAN SMITH: That is not one of the purposes

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1 of the hearing. We decide what the purposes of the hearing  
2 are, which is to take evidence on the remanded issues.

3 Now, would you please take your seat?

4 VOICE FROM THE AUDIENCE: I have something to say.

5 CHAIRMAN SMITH: Will you take your seat, please?

6 You have no opportunity to make a statement, unless you make  
7 your statement in writing.

8 VOICE FROM THE AUDIENCE: Can you give me a good  
9 reason why not, sir?

10 CHAIRMAN SMITH: Take your seat.

11 VOICE FROM THE AUDIENCE: No, sir.

12 CHAIRMAN SMITH: All right, we'll stand in recess.

13 (Recess.)

14 CHAIRMAN SMITH: Do you have a statement, Mr. Reis?

15 MR. REIS: I have been given three statements by  
16 members of the public who wish me to transmit them to the  
17 Board, and at least one of the people said she would also  
18 like to read this statement.

19 (Documents handed to the Board.)

20 CHAIRMAN SMITH: This morning at 9:00 o'clock, when  
21 this hearing began, we explained the background of this  
22 particular hearing, how we happened to be here, and what the  
23 issues are for consideration.

24 As it turned out, many of the members of the public  
25 now present were not present when the hearing began, and

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1 apparently did not understand or have information about this  
2 hearing.

3 So I will repeat it and maybe explain it somewhat  
4 more.

5 The three members of this Board conducted evidentiary  
6 hearings in this very courtroom in October of 1977, and there  
7 were earlier hearings in 1974. At that time we heard from  
8 witnesses on all issues, all safety and environmental issues,  
9 which are required by law to be heard with respect to an  
10 application for a construction permit.

11 We also received many written and oral statements  
12 from the public.

13 The hearing was participated in by the Applicant's  
14 attorneys, the Staff attorneys, counsel for the Attorney  
15 General of North Carolina, and counsel for the Consolidated  
16 Intervenors in this case.

17 After the record was closed this Board issued an  
18 initial decision on January 23, 1978, authorizing a  
19 construction permit for the construction of the Shearon Harris  
20 plant. The Atomic Safety and Licensing Appeal Board affirmed  
21 that decision by a decision on October 23, 1978, but the  
22 Appeal Board raised certain questions about Carolina Power and  
23 Light's management capacity as it is reflected by its  
24 operating experience.

25 The Nuclear Regulatory Commission, the Commissioners

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1 themselves, in an order dated September 5, 1978, observed the  
2 problems that were brought to its attention by the Appeal  
3 Board and by this Board, and remanded the matter for further  
4 consideration. By remanded, they said to this Board, you go  
5 back, reopen the record, and consider the problems which  
6 were highlighted in the Appeal Board's decision.

7 Specifically, the Commission remanded the matter  
8 to this Board for further hearing on the management capabil-  
9 ities of Carolina Power & Light to construct and operate the  
10 proposed Shearon Harris facility without undue risk to the  
11 health and safety of the public.

12 Now, this was a rather narrow issue, but in  
13 practicality it is even narrower than it seems, because it is  
14 our responsibility to delineate the issues bearing in mind  
15 the background and the purposes of the Commission's order  
16 to us. And that's what we are doing.

17 We are going to receive testimony concerning the  
18 management organization of Carolina Power & Light, and we  
19 want to receive testimony concerning some experiences, both  
20 good and bad, in the views of witnesses that the Nuclear  
21 Regulatory Commission has had with the Carolina Power & Light  
22 in other nuclear plants.

23 Now, this is not a hearing to determine from the  
24 very beginning whether the plant design is satisfactory or  
25 any of the other issues generally routinely associated with



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1 the construction permit proceeding.

2 The members of this Board do not have the authority,  
3 the power, to do anything but conduct a hearing in the very  
4 narrow issues assigned to us by the Commission. Even if we  
5 were so inclined, we don't have the authority to do it. We  
6 don't have the authority to compel witnesses to testify  
7 outside of that issue. And we don't have the authority to  
8 conduct any sort of hearing beyond the narrow issues that I  
9 have described.

10 For this reason we have not invited the public  
11 to make public statements on this remanded hearing. We have,  
12 however, provided that any member of the public can submit  
13 to us a written statement, and that written statement must or  
14 should be limited to the issues on this remand. Otherwise,  
15 you are addressing your written statement to somebody who  
16 can't do anything about what you're talking about.

17 When we receive the written statement if time  
18 permits we will read the written statement, and if we believe  
19 that it is narrowly enough addressed to the issues that we  
20 have any responsibility or any authority over, we will read  
21 the statement into the record here in this room. All other  
22 statements will be received into the record of this proceeding,  
23 and will be given consideration by us and by all of the  
24 appellate authorities. They will not, however, be evidence,  
25 because evidence is received under oath and through routine

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1 evidentiary procedures. But if these statements suggest to  
2 us or to anyone where reliable evidence may be found or where  
3 the evidentiary trail should lead, then we will take those  
4 statements in for that purpose.

5 We will not permit anyone to disrupt this proceed-  
6 ing by making uninvited, unauthorized oral statements. If  
7 anyone, such as the man who before the recess, attempts to do  
8 that, he most assuredly will not succeed, because you will  
9 have no Board to make your statement to. We will just go  
10 away --

11 (Laughter and applause.)

12 -- to come back and conduct the hearing as we are charged with  
13 doing under the law.

14 We have now received four written statements. One  
15 of the statements is from Mr. Wells Eddelman. Mr. Eddelman  
16 has sent many communications to the Commission, some of them  
17 being of rather great length. He asked to be admitted as an  
18 intervenor on behalf of himself and for his organization, and  
19 that petition was denied by this Board. That denial was  
20 affirmed by the Appeal Board.

21 Now Mr. Eddelman has submitted a limited appearance  
22 written statement. I have not had an opportunity to read it  
23 all. However, I read much of it during the recess. Mr.  
24 Eddelman's statement contains many, many matters which are  
25 beyond our authority to consider. Therefore, it will go

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1 into the record, but will not be read at this public hearing.

2 The three other statements we will consider at  
3 our next recess, and if they are sufficiently circumscribed  
4 to pertain to this hearing, we will read them into the record.  
5 Otherwise, they will go into the record and be considered at  
6 some other time.

7 MR. EDDELMAN: Mr. Smith, I observed that you read  
8 one of those pages at a glance, and another one in five  
9 seconds time, and they're both ---

10 CHAIRMAN SMITH: Mr. Eddelman, if you have  
11 a communication to make to the Board, would you make it in  
12 writing, please? Otherwise, it would be a discrimination to  
13 permit you to speak and not permit other people who also have  
14 viewpoints, to deny them that opportunity:

15 (The Board conferring.)

16 Dr. Leeds pointed out to me that after we explained  
17 that this Board has a very limited jurisdiction, very limited  
18 authority in what we consider and what we hear, the Nuclear  
19 Regulatory Commission as a whole has procedures by which the  
20 views of the public on the general issue of the plant are  
21 received and considered. So if you have views that you feel  
22 should be make known to the Nuclear Regulatory Commission  
23 about this plant, and those views exceed our authority, you  
24 may write to the Secretary of the Commission expressing your  
25 views, and those will be turned over to the Staff and

wel 10

1 considered.

2 Now, I think that we have completed all the  
3 preliminary matters, gentlemen. Is that correct?

4 MR. ERWIN: Mr. Chairman, I would like to briefly  
5 clarify the position of the Conservation Council. You asked  
6 us earlier what our position was, or whether we have a  
7 position at this time, and I had earlier, I believe, heard  
8 you state that the issue of the hearing was whether the  
9 operating experience of Carolina Power & Light Company brings  
10 into question the technical competence to construct and  
11 operate the Shearon Harris Nuclear Power Plant.

12 I believe that if, in fact, that is the issue,  
13 that our position would be that in fact the evidence, prima  
14 facie, is that their operating experience brings into question  
15 their technical competence.

16 I was under the impression that the issue was, as  
17 you later stated it, the management capability to construct  
18 and operate, as it was phrased in the remand order.

19 I'd like it clarified as to what the issue is,  
20 because if in fact it is as you earlier stated it, we would  
21 like to take a public position at this time to the effect that  
22 yes, it does bring into question the technical competence of  
23 the Company to operate and construct the plant.

Madelon Ellis  
24

25

1 Madelon  
2 Elws 1 WEL  
3 mpbl

CHAIRMAN SMITH: Mr. Erwin, we put twice on the record what the almost verbatim language of the Commission was in remanding the consideration to us, and the language is broad. It is for further hearing on the management capabilities of CP&L to construct and operate the proposed Shearon Harris facility without undue risk to the health and safety of the public.

MR. ERWIN: That was my understanding of what the issue is, correct, that is the issue?

CHAIRMAN SMITH: That is the broad issue, right.

Issues that have been presented to us through the evidentiary filings by the Applicant and the Staff are factually more narrow.

Does that take care of your problem/

MR. ERWIN: Yes, Mr. Chairman.

I was under the -- as I say, that is the reason that we didn't take the position earlier because we considered that the broad issue was the issue in the hearing itself.

CHAIRMAN SMITH: Well, Mr. Erwin, as you know, time -- you haven't filed any testimony in the case.

MR. ERWIN: That's correct.

CHAIRMAN SMITH: You in order proposed exhibits, and the way the hearing is beginning, we are receiving the

mpb2 1 exhibits proposed by the Applicant and proposed by the Staff  
2 in their written testimony. We are going to ask questions  
3 of those witnesses. You will be given an opportunity to  
4 cross-examine. And your cross-examining of those witnesses  
5 will be consistent with the traditional rules of evidence.

6 You will be able to cross-examine within the  
7 issues and with respect to the direct testimony.

8 MR. ERWIN: Mr. Chairman, my comment was directed  
9 solely in response to your earlier comment.

10 CHAIRMAN SMITH: I'm telling you more than you  
11 want to know, is that it?

12 MR. ERWIN: Well, I believe that I'm straight.

13 CHAIRMAN SMITH: Okay.

14 I think we're ready for panel number one.

15 MR. REIS: Mr. Long, Mr. Murphy, Mr. Dance,  
16 and Mr. Brownlee.

17 Mr. Chairman, where would you like these  
18 gentlemen to sit? In the jury box?

19 CHAIRMAN SMITH: May I suggest that we take  
20 advantage of -- there's not room for them in the jury box --  
21 take advantage of the two counsel tables and the chairs  
22 and trade a witness box for the open place here in the room.

23 MR. REIS: Fine.

24 CHAIRMAN SMITH: The gentleman from the press  
25 standing in the door told me that you couldn't hear very well.

mpb3 1 I've asked the clerk to provide -- the clerk of courts to  
2 provide microphones which appear to be missing from the  
3 hearing room, and he indicated he would try to do that.  
4 But I understand there is a problem hearing.

5 And would the people in the back of the room  
6 indicate when you're unable to hear?

7 VOICE FROM THE AUDIENCE: Sir, what constitutes  
8 an indication that we can't hear?

9 CHAIRMAN SMITH: Would you raise your hand,  
10 please, if you can't hear.

11 (Raising hand.)

12 CHAIRMAN SMITH: Okay.

13 Gentlemen, the lady in the rear of the room has  
14 indicated that she hasn't been able to hear very well, so I  
15 guess it's incumbent upon us to speak up.

16 Would you stand, please?

17 Whereupon,

18 CHARLES E. MURPHY,

19 VIRGIL L. BROWNLEE,

20 FRANK J. LONG,

21 and

22 HUGH C. DANCE

23 were called to the stand as witnesses on behalf of the  
24 Regulatory Commission Staff, and, having been first duly  
25 sworn, were examined and testified as follows:

mpb4 1

## DIRECT EXAMINATION

2

BY MR. REIS:

3

Q Gentleman, starting with Mr. Murphy, would you please identify yourself?

5

A (Witness Murphy) I'm Charles Murphy. I am chief of the Reactor Construction and Engineering Support Branch, Region II, NRC, Atlanta.

6

7

8

A (Witness Brownlee) Virgil Brownlee, Quality Assurance Engineer, Operations Branch, I&E Office, Atlanta.

9

10

A (Witness Long) Francis J. Long. I'm presently acting deputy director of Region II, Atlanta.

11

12

A (Witness Dance) I'm Hugh C. Dance, chief, Reactor Project Section number 1 in Atlanta.

13

14

Q Gentleman, are you familiar with the testimony that has been prefiled in this proceeding, labeled Panel Number 1, Panel 1 - Long, Murphy, Dance, Brownlee?

15

16

17

A (Witness Murphy) I am.

18

A (Witness Brownlee) I am.

19

Q And do any of you have any corrections or additions you wish to make to that testimony that has been previously filed?

20

21

22

A (Witness Murphy) I do not.

23

A (Witness Brownlee) No.

24

Q Okay.

25

If you were asked the questions propounded in



mpb5 1 that testimony at this time, would you all answer as is  
2 indicated in that testimony previously filed?

3 A (Witness Murphy) I would.

4 A (Witness Brownlee) I would.

5 A (Witness Long) Yes.

6 A (Witness Dance) Yes.

7 MR. REIS: I submit the testimony previously  
8 filed in this proceeding.

9 CHAIRMAN SMITH: If there are no objections,  
10 the testimony is received as if stated in the transcript  
11 and will be bound into the transcript.

12 (The testimony of Panel 1 follows:)

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Panel I - Long, Murphy, Dance, Brownlee

Q. Mr. Dance, have you testified in this proceeding before?

A. Yes.

Q. Mr. Brownlee, have you testified in this proceeding before?

A. Yes.

Q. Mr. Murphy, can you give us your experience with regard to CP&L facilities, how long you have been dealing with them and the nature of your duties and responsibilities as to those facilities?

A. Since March, 1974, I have held the position of Chief, Reactor Construction and Engineering Support Branch, Region II. During this period of time inspectors under my supervision have conducted inspections of the construction activities at Brunswick and Harris. Additionally, inspectors from this Branch provide engineering support to the Reactor Operations Branch in such areas as inservice inspections.

Q. Mr. Long, can you give us your position with NRC, your contact with CP&L in the course of your work, and what that contact was or is?

A. Presently, I am Chief, Reactor Operations and Nuclear Support Branch, Region II Atlanta, Georgia. Initially I was an inspector at H. B. Robinson during the construction phase; then later I was Chief, Reactor Construction Branch for both Robinson and Brunswick. Subsequently, I have been involved with both facilities during operations and testing. I am presently cognizant of both, and responsible for implementing the IE operations inspection program and enforcement policy.

Q. Can you tell me generally what I&E does?

A. The Office of Inspection and Enforcement is responsible for the development and administration of programs and policies for: inspecting licensees to ascertain whether they are complying with NRC regulations, rules, orders, and license provisions, and to determine whether these licensees are taking appropriate actions to protect nuclear materials and facilities, the environment, and the health and safety of the public; inspecting applicants for licenses, as a basis for recommending issuance or denial of a limited work authorization, construction permit, or an operating license; inspecting suppliers of safety-related services, components, and equipment to determine whether they have established quality assurance programs that meet NRC criteria; investigating incidents, accidents, allegations, and unusual circumstances including those involving loss, theft, or diversion of special nuclear material, enforcing Commission orders, regulations, rules, and license provisions; recommending changes in licenses and standards, based on the results of inspections, investigations and enforcement actions; and notifying

licensees regarding generic problems so as to achieve appropriate precautionary or corrective action. The responsibility assigned to Inspection and Enforcement by 10 CFR establishes the foundation upon which the reactor inspection program is structured, and it confers to IE the authority to inspect activities over which NRC has jurisdiction.

These I&E inspections or audits are performed in part for the Office of Nuclear Reactor Regulation (NRR) which evaluates the adequacy of licensee proposals and upon their approval, promulgates licenses, including license conditions, amendments and technical specifications. A very simplified version of the relationship of the two NRC Offices is that NRR evaluates what licensees propose, commit, and/or are required to do whereas IE inspects to determine that licensees do what they are required or committed to do and take enforcement action if needed.

Q. In doing these tasks are you guided by any NRC method of operation or basis on which it seeks to assure quality?

A. Yes, under the NRC's total reactor licensing program, it is the licensee's obligation to design, construct, test and operate his facility in accordance with the NRC's regulatory requirements. An integral element of the NRC's

regulatory requirement is Appendix B to 10 CFR 50 - Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants. This Appendix describes a management control system, or Quality Assurance Program (QAP), which each licensee must develop and implement. The aim of this program is a pyramid control system which, at the bottom assures through detailed inspection and test programs, that all safety significant actions are properly accomplished by craftsmen using approved procedures. These detailed verification programs require up to 100% inspection by the licensee's quality control personnel of a multitude of individual quality verifications.

These programs also provide the bases for accept/reject decisions on specific equipment, construction activities, systems, technician or operator actions and procedures.

Moving up the pyramid, licensees must include a system of audits to oversee and test the adequacy of the performance of the detailed quality control tests and inspections. These audit results are reported to management who in turn make program corrections and provide feedback to the lower levels of the system in the form of changes in training, modification of procedures, upgrading or improving testing methods, design changes or other programmatic improvements. This feedback assures and enhances the reliability of the

program as a whole which, in turn, assures and verifies that all actions which are of safety significance have been, and will be, properly carried out.

At the top of the pyramid, the licensee's management must provide adequate organizational independence and manpower for its quality assurance and quality control programs and provide policy guidance to all elements of the licensee's organization in order to assure quality performance in all safety aspects of the construction and operation of his nuclear facility.

Q. What is I&E's function in relation to the method by which NRC seeks to assure quality?

A. I&E seeks to assure that the licensee's programs meet NRC regulatory requirements. In doing this, I&E performs selective inspection, but does not attempt to perform a 100% verification of all phases of the licensee's program. This inspection of hardware, observation of testing, review of procedures and all other inspection activities are not aimed at approval of individual components, actions, or procedures, but rather, at evaluating whether or not the licensee's management control systems are working.

Q. How is I&E organized to perform its tasks?

A. The organizational structure of IE is designed to provide clear-cut authorities and lines of responsibility. The Headquarters' staff has the responsibility for the overall management and direction of the organization including the establishment of inspection and enforcement policies, programs and guidance. Headquarters also has the responsibility for implementing escalated enforcement actions.

The five Regional Offices have the responsibility for implementing the inspection and enforcement programs. These responsibilities include the conduct of routine inspections, investigations and inquiries and taking enforcement actions as appropriate.

Q. In Region II, what organizational units are particularly concerned with CP&L?

A. In Region II, where CP&L operates, the operational branches concerned with CP&L are the Reactor Construction and Engineering Support Branch (RC&ESB), and the Reactor Operations and Nuclear Support Branch (RONS). There are also a Security and Safeguards Branch, and a Fuels Facilities and Materials Safety Branch.

The RC&ES Branch, under Mr. Murphy, is charged with the responsibility for implementing the programs and policies previously described which relate to facilities under construction. The Branch conducts inspections of all the

licensee's activities associated with the construction of the facility including design controls, procurement, vendor audits, site construction, and functioning of the management control systems of those facilities within Region II.

The Construction Branch follows up on problems identified by the licensee and which by regulation are reported to the NRC. The Branch also participates in investigations of allegations and inquiries into licensee's activities. Upon request, we also participate in ACRS meetings and provide testimony at Hearings such as this. Additionally, we take enforcement action when our inspections, investigations or inquiries indicate that a licensee is failing to comply with NRC requirements. These actions may be in the form of a letter to the licensee, meeting between Regional Management and licensee management, or may be a recommendation that IE:HQ take escalated enforcement actions.

The responsibilities of the RONS Branch which Mr. Long heads, are similar to those of RC&ESB except that they relate to the preoperational testing, startup testing and operation of nuclear reactor facilities.

During all phases of inspections, whenever deficiencies are identified, IE requires licensee action to prevent recurrence as well as to correct the specific deficiencies. If the results of a single inspection, or a sequence of inspections, indicate a deterioration in the performance of the licensee's



program, in-depth inspection will be conducted to upgrade the degree of control exercised at the highest level of the control system pyramid to assure that deterioration is checked and the program as a whole returned to a satisfactory level of quality.

Q. How does I&E determine if a licensee is assuring quality?

A. I&E does not aim to duplicate the licensee's QA program, or to perform a redundant, independent review of every accept/reject determination. Rather, its program is aimed at determining, by spot checking and sampling, whether or not the licensee is in fact providing adequate assurance of quality in the construction and operation of his facility.

By systematic checking and sampling, a much larger percentage of the licensee's control program and procedures is independently reviewed than would be the case if our review were limited to checking the individual quality actions; i.e., the detailed accept/reject actions. This is a more effective means to assure program performance than to concentrate on individual details. If the licensee's program is working properly, the licensee's quality assurance and quality control personnel will identify and correctly control the details of a wide range of activities. If the licensee's program is not working properly, IE enforcement action is taken.

The IE sampling inspection program is not a statistical random sample. The specific areas reviewed in detail are selected from those considered to be the most important from a nuclear safety standpoint. By a specific spot checking and sampling review of QC actions we can test whether a licensee's QA program is really working. Our review of the overall program gives considerable confidence that our spot checking and sampling review provides an accurate assessment of the licensee's performance in meeting regulatory requirements.

Inspection of the implementation of the licensee's Quality Assurance Program is a key element in the determination of its adequacy. This inspection activity, still a non-random sample, involves checking whether actual work activities are in accordance with procedures, license requirements, technical specifications, plant and code requirements. IE inspectors question craftsmen and operators to determine if they understand, and are adhering to applicable limits and requirements. The inspectors observe operating instruments and recorder charts to determine what operations are being conducted within regulatory requirements. They observe instruments being calibrated. Observations are made as equipment is started up, shut down, or otherwise changed in operating mode. These observations and individual discussions with, and questioning of, people actually doing the work provide a basis for determining how well the licensee is actually implementing his Quality Assurance Program.

Inspections at each site are made by individuals with training and experience in the particular area in which they inspect. Most inspections involve several inspectors, each with a different area of expertise. Each Regional Office is staffed with engineers (inspectors) trained and experienced in the major engineering disciplines (Mechanical, Electrical, Nuclear, Chemical, Metallurgical, etc.).

Typically 30 or more inspectors will independently inspect a particular facility during its construction. These inspectors do not all report to the same supervisor. Additionally, two levels of supervision routinely evaluate the inspector's performance during actual inspections. This mode of operation provides a high degree of assurance that the total inspection effort provides management accurate bases for conclusions based on objective evidence shown.

Q. In addition to reviewing a licensee's performance on planned activities, does it also review unscheduled events?

A. These events, sometimes called Abnormal or Reportable Occurrences or Unusual Events are reviewed by inspectors on a sample basis to determine if Safety Limits, Limiting Conditions for Operation, or other Technical Specification Limits were exceeded. Further, the inspectors evaluate

whether equipment, people, and procedures did their job during the period subsequent to the event. Inspectors also evaluate the effectiveness of the licensee's follow-up, review, and corrective action.

The inspector's review of these events begins upon notification of the event by the licensee. The inspector asks questions by telephone or, if the event is of sufficient significance, goes to the site with appropriate back-up inspectors in the engineering disciplines related to the specific problem. Onsite follow-up involves things such as discussions with the people who were actually involved in the event, a review of instrument charts for the time in question, a visual inspection of damaged equipment, observation of nondestructive or destructive tests, a review of all related logbooks, a review of engineering evaluations and calculations made by the licensee, and the performance of independent calculations. Samples may also be taken for independent analysis.

Q. Are enforcement actions utilized by NRC to ensure compliance with regulatory requirements?

A. Yes, they are categorized into three severity levels: violations, infractions, and deficiencies.

Q. How does I&E characterize a violation?

A. A violation is defined as an item of noncompliance of the type listed below, or an item of noncompliance (1) which has caused, contributed to or aggravated an incident of the type listed below, or (2) which has a substantial potential for causing, contributing to or aggravating such an incident or occurrence; e.g., a situation where the preventive capability or controls were removed or otherwise not employed and created a substantial potential for an incident or occurrence with actual or potential consequences of the type listed below:

- (a) Exposure of an individual in excess of the radiation dose specified in 10 CFR 20.403(b) or exposure of a group of individuals resulting in each individual receiving a radiation dose which exceeds the limits of 10 CFR 20.101 and a total dose for the group exceeding 25 man-rem.
- (b) Radiation levels in unrestricted areas which exceed 50 times the regulatory limits.
- (c) Release of radioactive materials in amounts which exceed specified limits or concentrations of radioactive materials in effluents which exceed 50 times the regulatory limits.

- (d) Fabrication, or construction, or testing or operation of a Seismic Category I system or structure in such a manner that the safety function or integrity is lost.
- (e) Failure to function when required to perform the safety function or loss of integrity of a Seismic Category I system, or structure; or other component, system, or structure with a safety or consequences limiting function.
- (f) Exceeding a safety limit as defined in technical specifications associated with facility licenses.
- (g) Industrial sabotage of utilization or fuel facilities.
- (h) Radiation or contamination levels in excess of limits on packages or loss of confinement of radioactive materials in packages offered for shipment on a common carrier.
- (i) Diversion or theft of plutonium, uranium 233, or uranium enriched in the isotope U-235.
- (j) MUF or LEMUF exceeds any applicable limit by a factor of two.

(k) All security barriers or controls removed or inoperative and there is unimpeded access to a vital area.

(1) Other similar items of noncompliance having actual or potential consequence of the same magnitude.

Failure to report the above items as required constitutes a violation of the same importance level.

Q. How does I&E characterize an infraction?

A. An infraction is an item of noncompliance of the type listed below, or an item of noncompliance (1) which resulted in a reduction of preventive capability below requirements but redundant controls precluded an item of noncompliance of the violation category, or (2) which caused, contributed to or aggravated such an incident or occurrence; e.g., the preventive capability or controls were removed or otherwise not employed and there was substantial potential for an incident or occurrence with actual or potential consequences of the type listed below:

(a) Exposure of an individual or groups of individuals to radiation in excess of permissible limits but less than the values in 10 CFR 20.403.

- (b) Release of radioactive materials in concentrations or rates which exceed permissible limits.
- (c) Failure to function or loss of integrity of a Seismic Category I system or structure, or other component, system, or structure with safety or consequences limiting function during test; or failure to meet surveillance frequencies.
- (d) Fabrication, or construction, testing or operation of a Seismic Category I system or structure in such a manner that the safety function or integrity is impaired.
- (e) Exceeding limiting conditions for operation (LCO).
- (f) Inadequate management or procedural controls in the QA implementation.
- (g) Safety system settings less conservative than limiting safety system settings.
- (h) MUF or LEMUF exceeds any applicable limit by any amount up to a factor of two.



- (i) Security degraded or impaired by removal or impairment of a required barrier or control but a redundant system operative.
  
- (j) Exceeding limits or limiting conditions for operation in licenses, technical specifications, guides, codes, or standards which are imposed for the purpose of minimizing adverse environmental impact.
  
- (k) Other similar items of noncompliance having actual or potential consequences of the same magnitude.

Failure to report any above items as required constitutes an item of non-compliance of the same category.

Q. How does I&E characterize a deficiency?

A. A deficiency is an item of noncompliance in which the threat to the health, safety, or interest of the public or the common defense and security is remote; and no undue expenditure of time or resources to implement corrective action is required; and deficiencies include such items as noncompliance with records, posting, or labeling requirements which are not serious enough to amount to infractions.

Failure to report deficiencies as required constitutes an item of non-compliance of the same category.

Q. For how long has NRC been inspecting CP&L?

A. About ten years in the construction of facilities, and 9 years in the operation of these facilities.

Q. Where has NRC inspected the construction of CP&L facilities?

A. At Robinson, at Brunswick and at Shearon Harris.

Q. At what facilities have you inspected the operations of CP&L?

A. At Robinson and at Brunswick.

Q. Have there been any inspections of operations at Shearon Harris yet?

A. No. Shearon Harris has not yet begun to operate or started any pre-operational tests. It is less than 3 percent constructed.

Q. Mr. Dance, who supervised inspection of operations at Brunswick and Robinson at particular times?

A. Messrs. F. J. Long, W. C. Seidle, R. C. Lewis, and H. C. Dance supervised inspections at Brunswick and Robinson. Refer to Appendix A for dates of Supervisor/Inspector/Plant.

Q. Mr. Dance, which inspectors conducted the most inspections at Brunswick and at Robinson since January 1, 1978, and tell what their areas of inspection were?

A. This is listed in Appendices B and C for each unit and the areas of expertise are provided for those with more than three inspections. Over forty different inspectors participated in inspections at each plant.

Q. Mr. Murphy, who supervised inspection of construction at Brunswick, Robinson and Shearon Harris at particular times?

A. The Chief of the Reactor Construction and Engineering Support Branch (RC&ESB) manages the construction inspection program effort. I have held this position since March 18, 1974. Prior to that time Mr. F. J. Long was Chief of this Branch. I have three Section Chiefs, Mr. A. R. Herdt,

Mr. J. C. Bryant and Mr. T. E. Conlon, reporting to me. These individuals directly supervise the inspectors who perform the construction inspections at CP&L facilities. They do not, however, accompany their inspectors on each inspection to supervise them. The construction inspectors are experienced engineers, are very competent and do not require direct supervision during inspections.

Q. Mr. Murphy, which inspectors conducted inspections of construction at Brunswick, Robinson and Shearon Harris in the last 4 years, and tell what their areas of inspection were?

A. A complete chronology of the construction inspections at these facilities is given in Appendices D, E and F. In addition to inspections of the purely construction type activities at these facilities, inspectors from the RC&ESB also performed assist inspections for the Operations Branch. These assist inspections were primarily related to CP&L's inservice inspections of critical vessels and piping systems. The construction areas inspected during the last four years are described in the IE Inspection Reports for these facilities. These reports are in the Public Document Room.

Q. Mr. Murphy, in 1975 and 1977 certain questions relating to CP&L's performance at Brunswick and Robinson were propounded by the Board in this proceeding. Can you each tell us how these questions came to you and how you handled them in relation to inspections of construction?

A: According to records which I have reviewed, the questions raised by the Board in 1975 first came to the attention of Region II in approximately April 1975. At that time I was on special assignment and the preparation of the response was assigned to C. R. McFarland. Mr. McFarland began preparing a response based upon his experience and by reviewing our docket files for information. I personally became aware of these five questions on September 6 or 7, 1977, when a second copy of these questions was received in the office. I forwarded them to J. C. Bryant for action. Also according to available records, the sixth question first came to the attention of Region II some time after August 23, 1977. J. C. Bryant was on the distribution of the letter containing the question dated August 23, 1977, from Mr. Barth to Mr. N. C. Moseley who had been the Region II Director. I may or may not have seen one of these copies. The response to this question was prepared under Mr. Bryant's supervision and if I had not seen the question before, I would have seen it when I reviewed the draft testimony. Mr. Brownlee has advised me that his testimony was based upon his personal observations, reviews of the docket files and discussions with other RC&ESB inspectors.

Q. Mr. Dance, in 1975 and 1977 certain questions relating to CP&L's performance at Brunswick and Robinson were propounded by the Board in this proceeding. Can you each tell us how these questions came to you and how you handled them in relation to inspections of operations.

A. In late August of 1977, I received word from Mr. Long that I would be responsible for the preparation of testimony for the Harris Hearing. I contacted Mr. R. C. Lewis who had prepared the 1975 testimony for the proposed Hearing. This testimony package included the questions from the Board in 1975. Later I learned of an additional question (1977) pertaining to the storage of material onsite. Mr. V. Brownlee, coordinated the construction input, and I contacted Mr. C. Barth, representing the NRC at the Hearing. Mr. Barth provided guidance and details of the format of the testimony to be submitted.

Receiving periodic guidance from Mr. Long and working with Mr. Brownlee, I proceeded to verbally (perhaps also informal notes) request any input for the Hearing pertaining to CP&L's management capabilities. Primary input was received from Mr. F. S. Cantrell, immediate past principal inspector at Brunswick, and Mr. D. G. Hinckley, the newly assigned inspector at Robinson. The previous inspector had just resigned from the NRC. Mr. J. Hufham provided input pertaining to emergency planning. The original 1975 prepared testimony was updated and I summarized the inputs received, most of which was verbal stating no issues.

Q. Mr. Dance, did you in 1977 and do you now supervise Mr. Cantrell?

A. Yes.

Q. What is a line inspector?

A. We don't have a title like this but I consider it the same as a principal inspector.

Q. What is a principal inspector?

A. A Reactor Inspector or specialist who is primarily responsible for an inspection or a facility.

Q. What is a supervising inspector?

A. We do not use this title. A Reactor Inspector or Specialist reports to a Section Chief. He is what you would ordinarily call a supervising inspector.

Q. What is NRC's rotation policy on the assignment of inspectors?

A. The policy is not to assign an inspector to an active site for over three years.

Q. How does I&E assure that inspectors retain their objectivity in their dealings with licensees?

A. IE has long been aware that inspectors must not lose their objectivity in dealing with licensees. Several regulations, policies and office procedures have been effected to accomplish this.

First, I and members of my staff and our families are not permitted to have a financial interest in utilities or nuclear steam system suppliers, constructors, architect-engineers, manufacturers, and other organizations engaged in the nuclear power field.

Second, we are not permitted to accept meals, gifts, trips, automobile rides or other gratuities from these organizations, or to have social contact with their employees.

Third, it is our policy to rotate principal inspector assignments each three years.



Fourthly, we have extensive restrictions relating to inspectors inspecting former employees.

Lastly, there are two levels of review of the inspectors' inspection performance. The Section Chiefs are required as a part of the inspectors' annual appraisal to accompany each inspector on at least one inspection. The Branch Chief also conducts such evaluations periodically.

On a less formal basis, it is not infrequent that one inspector will initiate an inspection of an area and a second or even more inspectors will complete the effort. Additionally, during the course of construction it is not unusual to have in excess of thirty different inspectors inspect a facility.

Q. How are inspectors assigned to plants?

A. Inspectors are arbitrarily assigned to plants depending upon their experience and training.

Q. How do you assure that the Regions' position as it relates to licensing a facility accurately represent the facts developed during IE inspections, investigations, and inquiries?

A. To provide an answer to this question it is necessary to go deeper into our approach to inspections and documentation of these inspections and the role of the inspectors, supervisors and managers as relates to these activities.

First, our inspection program includes two essential elements to assure plant safety. Our inspectors must utilize approved procedures and inspect certain structures, systems, components, work activities and documentation associated with these activities. The documentation includes procurement documents, work and quality control procedures, and test data and quality control check sheets. These activities require upwards of 80% of the inspectors' site time. Additionally, the inspector is required to expend 20% of his inspection time in independent inspection efforts. That is, he selects that which he wants to inspect. The instructions to inspectors are that these inspection areas should relate to safety, they should use the same structured techniques in performing these inspections as are used in the programmatic inspections and that they accurately report his findings. Thus our inspection requirements assure that a representative and consistent sample of the licensee's activities are inspected but that the inspector can use his professional judgment to expand the scope into areas that, through his individual experience, may reveal problems.

Second, the inspector must prepare a report discussing each area inspected and the problems identified. (These reports, incidently, appear to the layman to be very negative toward the licensee since they highlight problems and do not emphasize areas of good performance.) No one in the supervisory chain above the inspector is permitted to make substantive changes to an inspector's report. Prior to the writing of the report the inspector is required to discuss his findings with his supervisor. The inspector must support his conclusions with facts. The Principal Inspector also reviews the reports of all inspections performed at his sites. The Branch Chief signs the letter transmitting the inspection report to the licensee.

The report, as issued, should therefore accurately reflect the inspector's findings and his conclusion. The inspector has two requirements imposed upon him. All problems which he identified during the inspection must be reflected in the report. If problems were not identified, this is also reflected in the report.

If the licensee is not meeting his commitments and the requirements imposed upon him then he must identify these matters together with the criteria that are not met. Enforcement action is taken to obtain compliance.

If the licensee is meeting his commitments and the requirements imposed upon him but the inspector does not believe that the commitments or requirements are sufficient, it is incumbent upon the inspector to make his views known to IE management. There has been a long established policy in this office for communicating problems to IE Headquarters for resolution. It has also been established policy that inspectors can communicate with their peers in NRR when they have concerns regarding facilities.

These avenues are used frequently, I&E also provides a mechanism for formally transferring lead responsibility to NRR when problems are identified within that office's areas of responsibility.

It must be emphasized that we in the Region do not determine the requirements which licensees are to meet. NRR reviews licensee's plans (the Safety Analyses Reports or SARs) and determines that these plans meet requirements. IE then inspects to determine that the licensees are conforming to the commitments and/or requirements as described in the SAR. Inspectors do not have authority to impose requirements on licensees. As stated somewhat differently above, if the licensee is not meeting requirements we take enforcement action; if the requirements have not been properly defined, we refer the problem to Headquarters for resolution.

Q. How is the information generated that was used in the preparation of testimony?

A. At the time that we begin preparing for a hearing, appropriate individuals are assigned to prepare testimony. In that many individuals are involved in inspection activities, the primary source of information for the testimony is the docket files. The individual responsible for preparation of a segment of the testimony will also query other inspectors as to their conclusions regarding the licensee. Based upon these sources of information together with his own experience, the person prepares the testimony. The record reflects the consensus of all inspection findings. Both the good and the bad are included with the conclusions being representative of the records upon which the testimony is based. This testimony receives the concurrence of an appropriate member of management that it accurately reflects the record. The sponsor may be the person who prepared the testimony, one of a group that prepared the testimony, a supervisor or a member of management. That person must be knowledgeable and willing to support the testimony, although it most often contains information concerning inspections or activities where he had no direct involvement; matters which are open in the record, e.g., incomplete construction activities, unresolved noncompliances, would be shown as open in the testimony. The mode of operation described above provides a large measure of assurance that testimony presented by the staff is supported by the record of the inspection program findings.

Q. Mr. Dance, did you prepare part of the testimony filed with the Board in 1977?

A. Yes.

Q. What part was that?

A. I was responsible for the testimony dealing with operations.

Q. What did you know of CP&L before you prepared it?

A. I had supervised the inspector at Brunswick since June 1976 and the inspector at Robinson since January 1977.

Q. Who did you talk to?

A. For requesting testimony input, I talked to Branch Chiefs and Section Chiefs (other than construction) in Region II and inspectors within my own Section involved with CP&L. Construction prepared their own testimony. Operations included other areas of interest such as Radiation Protection and Security.

Q. When and how much did you talk to them?

A. This occurred during September and late August 1977. I would say I talked at least three times to Branch Chiefs and Section Chiefs (other than construction) and numerous times to those providing input.

Q. Did you review any reports or have them reviewed for you?

A. I reviewed selected reports plus all those within the last two years. Reports previous to mid-1975 had already been reviewed and summarized in anticipation for the Hearing in 1975. Review of inspection findings, including inspection reports, licensee event reports and related material from mid-1975 through August 1977 was assigned.

Q. Who did it?

A. F. S. Cantrell: Brunswick; D. G. Hinckly: Robinson; R. C. Lewis: 1975 testimony with inputs from F. Cantrell, H. Whitener, R. McFarland, and J. Bryant.

Q. How thorough was this review?

A. I would say this was a fairly thorough review and identified the current and past problems. Collectively, inspection findings pertaining to preoperational testing through power operation of August 31, 1977, were reviewed for noncompliance and operational problems.

Q. What reports did you review and for what period of time?

A. I reviewed selected inspection reports, reportable occurrences and other correspondence referenced in the testimony and those within the last two years.

Q. Can you identify the people you just named?

A. Yes. F. Cantrell: Principal Inspector at Brunswick, July 1974 to June 1977; D. Hinckley: Principal Inspector at Robinson, September 1977 to May 1978; R. Lewis: Section Chief, responsible for Brunswick 2; Startup and Preop; H. Whitener: Principal Inspector at Robinson, January 1973 to December 1974.

Q. Did you receive any formal or informal writings in preparation of your testimony, and if so from whom?

A. Yes, I received: (1) the formal review prepared for the scheduled 1975 Hearing from R. C. Lewis; (2) a typed memo from J. Hufham pertaining to emergency planning; and (3) a hand written submittal from F. Cantrell pertaining to Brunswick.

Q. Why only these people?

A. Other persons contacted provided updated numbers for the original review or verbal word that they had no issues for input. Of course, I worked closely with V. Brownlee in coordinating the operations and construction inputs into a single testimony.

Q. What weight did you give them?



A. I summarized the inputs and reflected my own experience. In my view, full weight was given to all comments including Mr. Cantrell's recommendation to condition the license. I did not agree with his recommendation.

Q. How did you consider it in relation to the oral comments you received and your own knowledge?

A. I considered all inputs basically the same.

Q. Did you talk to anyone before you prepared your part of the testimony?

A. Yes, I talked with my supervisor, F. J. Long, and to C. Barth, the attorney representing the NRC at the Hearing.

Q. What was said in relation to conclusions that should be in that testimony, if anything?

A. With Mr. Long, I don't recall any specific instruction regarding the conclusions, however, it would be understood that if I had any objections he would be advised. I advised Mr. Barth that the testimony was not all positive. He advised that was no problem and to put down the facts and whatever our conclusions were.

Q. Mr. Brownlee, did you prepare part of the testimony filed with the Board in 1977?

A. Yes, those portions of the testimony regarding NRC's inspection and enforcement history and conclusions relative to design, procurement and construction activities for the Robinson, Brunswick and Harris Power Plants.

Q. What did you know of CP&L before you prepared your testimony?

A. I had participated in one inspection at the Brunswick 1 site on April 1-4, 1975, Report 75-2, and had been the assigned principal inspector for the Harris Power Plant since February 1977.

Q. Who did you talk to?

A. Messrs. C. E. Murphy, Chief of the IE:II Construction and Engineering Support Branch; J. C. Bryant, Chief of the Construction Engineering and Support Section No. 1 (previously assigned principal inspector for Robinson



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100-100000-100000



Power Plant during construction); C. R. McFarland, (previously assigned principal inspector for Brunswick and Harris Power Plants); W. B. Swan, specialist inspector-civil (performed construction inspections for Robinson, Brunswick and Harris Power Plant sites).

Q. When and how much did you talk to them?

A. During late August - September 1977 I held discussions with the aforementioned personnel to a sufficient degree to determine that they had no negative opinions regarding CP&L's ability to manage the construction of the Harris Power Plant.

Q. Did you review any reports or have them reviewed for you?

A. C. R. McFarland and I performed a complete review of the Brunswick 1 and 2 and Harris construction inspection report files. The Robinson construction report files were not reviewed during the 1977 testimony preparation. Based on discussions with J. C. Bryant, the previously prepared testimony (1975) for Robinson was used since no construction activities were in progress during the lapsed time.

Every report relating to construction inspection and enforcement within the IE:II docket file was thoroughly reviewed and discussed. This covered Brunswick 1, May 1969 - March 1976; Brunswick 2, May 1969 - December 1974; Harris 1-4, February 1972 - September 1977.

Q. Did you receive any formal or informal writings in preparing your testimony?

A. I received C. R. McFarland's informal notes that were generated in 1975 to provide written response to questions asked by ASLB. I did not receive any type of writings that were generated during the time of preparation of testimony for the 1977 hearing.

Q. Why not?

A. The discussions held with responsible IE:II Construction management, principal and inspector personnel did not expose any negative comments relative to CP&L's capability to manage the Harris construction effort; therefore, I did not deem it necessary to solicit written responses.

Q. Did anyone tell you before you prepared your testimony what the conclusion should be in your testimony?

A. No.

Q. Mr. Brownlee, who did you speak for in the testimony you filed in 1977?

A. IE management in Region II, the assigned Construction principal inspectors and Construction specialist inspectors who had direct inspection contact with the Robinson, Brunswick and Harris projects during the construction phase.

Q. When you said the "Views and Records" of the Atlanta Office in that testimony, what did you mean?

A. I meant that, "based on my discussions with IE:II Construction Branch management personnel, assigned principal inspectors (for plants in question), specialist inspectors and review of the IE:II inspection and enforcement history docket files."

Q. Mr. Dance, who did you speak for in the testimony you filed in 1977?

A. I was speaking for myself and the Region II office located in Atlanta.

Q. When you said the "views and records" of the Atlanta office in that testimony, what did you mean?

A. I meant that the concensus of views and the records available in Region II were represented by my testimony.

Q. Gentlemen, we often hear that a utility's actions or programs are "adequate." Can you tell me what "adequate" means in that context?

A. We have no unique definition for the word "adequate." But we will attempt to provide you with the sense of the meaning as we use the word in our documents. IE does not perform acceptance inspections since we are not taking over what we inspect nor do we perform an acceptance type of inspection. It would be misleading, therefore, to indicate that we found matters acceptable. Similarly, it would be misleading to say that "we found no problems" as was done occasionally in the past. Some took this statement to mean that problems were probably there but we did not look long enough or hard enough to find them. Other terminology presents similar problems in understanding. The licensee must comply with legal requirements and he must conform to any commitments which he has made to the Commission. We initiate enforcement actions and/or meetings with licensee management if the licensee is in noncompliance or is not adhering to commitments. If during our inspection we find no instances of noncompliance nor failures to meet commitments we must for clarity have a closeout statement. We, therefore, have chosen to use the term "adequate" to describe our findings.

APPENDIX A

Summary of IE Principal Operations

Inspectors and their Supervisors For CP&L Facilities

I. Brunswick Unit 1

<u>Dates</u>	<u>Principal Inspector</u>	<u>Inspectors Supervisor</u>
1/75-6/75	F. Cantrell	R. Lewis
6/15-11/75	H. Wilber	R. Lewis
11/75-6/76	H. Wilber	W. Seidle
6/76-11/76	H. Wilber	H. Dance
11/76-8/77	F. Cantrell	H. Dance
8/77-7/78	R. Sullivan	H. Dance
7/78-present	D. Hinckley	H. Dance

II. Brunswick Unit 2

1/75-6/75	W. Little	R. Lewis
6/75-11/75	F. Cantrell	F. Long
11/75-6/76	F. Cantrell	W. Seidle
6/76-8/77	F. Cantrell	H. Dance
8/77-7/78	R. Sullivan	H. Dance
7/78-present	D. Hinckley	H. Dance
8/74-5/75	F. Cantrell	R. Lewis

III. H. B. Robinson 2

1/69-12/70	J. Bryant	W. Seidle
12/70-3/72	D. Kirkpatrick	W. Seidle
4/72-12/72	R. Cubitt	W. Seidle
1/73-12/74	H. Whitner	F. Long
1/75-10/75	H. Bender	F. Long
11/75-12/76	R. Parker	R. Lewis
1/77-8/77	T. Epps	R. Lewis/H. Dance
9/77-6/78	D. Hinckley	H. Dance
7/78-present	T. McHenry	H. Dance



APPENDIX A

Facility: H. B. Robinson II (DNs. 50-261)

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-261/68-1	March 5, 1968	Varela Long	Construction/ QC	None
50-261/68-2	July 9-12, 1968	Bryant Crossman	Construction/ QC	None
50-261/68-3	June 19-21, 1968	Reinmuth	Vendor/Com- bustion Engineering Co. Plant	None
50-261/68-4	August 20 and 26-29, 1968	Bryant Howard	Construction /QC	(a) (50-261/68-4F) Incorrect steel in penetration frames (b) (50-261/68-4D) Substitution of steel in base mat (c) (50-261/68-4E) Concrete-improper curing
50-261/68-5	September 23-26, 1968	Bryant Varela	Construction /QC	None
50-261/68-6	October 11, 1968	Bryant	Construction	None
50-261/68-7	October 11, 1968	Bryant Bower	Construction /QC	(50-261/68-7D) R.T. Containment Liner
50-261/68-8	December 16, 1968	Bryant	Vendor/CBI	(50-261/68-8) P.T. Immersion Heater Welds
50-261/69-1	January 8-10, 1969	Bryant Long	Construction /QC	None
50-261/69-2	February 5-6, 1969	Bryant	Vendor/Stres- Steel Corp.	None
50-261/69-3	February 10-12, 1969	Bryant Lewis	Construction /QC	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-261/69-4	March 12-13, 1969	Swan	Vendor/NAVCO	None
50-261/69-5	March 18-21, 1969	Varela	Vendor/West- inghouse	(a) (50-261/69-5) Steam generator nut plates not stress relieved (b) (50-261/69-5) Steam generator nut plates not M.T. (c) (50-261/69-5G.1) Low-hydrogen electrodes
50-261/69-6	March 24-27, 1969	Bryant Potapovs	Vendor/CBI	None
50-261/69-7	April 2, 1969	Bryant Potapovs	Vendor/CBI	None
50-261/69-8	May 5-8, 1969	Bryant Bower Potapovs	Construction /QC	None
50-261/69-9	May 29, 1969	Bryant Bower Seidle Davis	2nd Corporate Level Interview	None
50-261/69-10	June 23-25, 1969	Bryant Kelley Peery	Construction /QC	None
50-261/69-11	August 6-8, 1969	Bryant Kelley	Construction /QC	None
50-261/69-12	September 28-29 and October 8-10, 1969	Bryant Bower Kelley	Construction /QC	(50-261/69-12K) Reinforcing Steel
50-261/69-13	October 1-3 and 24, 1969	Bryant Kelley Potapovs	Construction /QC	(50-261/69-130) Steam Generators- Attachments on Nozzles
50-261/69-14	November 5-7, 1969	Bryant Potapovs Kelley	Construction /QC	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-261/69-15	December 8-12, 1969	Bryant Kelley Howard	Construction /QC	None
50-261/70-1	January 15-16 and 20-22; February 5, 1970	Bryant Kelley Upright	Construction /QC	None
50-261/70-2	February 16-19 and 25-26, 1970	Bryant Potapovs Howard Upright Peery	Construction /QC	(a) (50-261/70-2H) Reactor Instrument Connection (b) (50-261/70-2G) QC Records
50-261/70-3	March 16-19, 1970	Sutton Kelley Long Howard Crossman	Vendor/Westinghouse	None
50-261/70-4	March 23-27 and 29-31, 1970	Bryant Potapovs Upright	Construction /QC	None
50-261/70-5	April 20-24, 1970	Bryant	Construction /QC	None
50-261/70-6	April 27-30, 1970	Upright	Construction/QC	(50-261/70-6) 6" Nozzle Failed
50-261/70-7	June 10-12, 1970	Bryant Upright Kirkpatrick	Construction /QC	None
50-261/70-8	June 27- July 2, 7-8 and 19-31, 1970	Bryant Upright Kirkpatrick Murphy Peery	Prelicensing Inspection	(a) (50-261/70-8) Cable trays exceeded physical load (b) (50-261/70-8) Safety Injection Pumps not to Design
50-261/70-11	October 8-9 and 22-23, 1970	Bryant Kirkpatrick Murphy	Construction /QC	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-261/70-13	November 27; December 1-2 and 11, 1970	Bryant Kirkpatrick Cubitt	Construction/ QC	None
50-261/71-1	January 7-14, 1971	Bryant Kirkpatrick	Construction/ QC	None
50-261/71-3	February 1-4, 1971	Bryant	Construction /QC	(50-261/71-3C.1 & C.2) QC System
50-261/71-9	August 11-13 and 17-19, 1971	Kirkpatrick Bryant Collins Peery	Construction/ QC	None

APPENDIX B

Facility: Brunswick I and II (DNs. 50-325 and 50-324)

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-324/69-1 50-325/69-1	May 29, 1969	Bower Bryant Seidle Davis	Initial Management Meeting	None
50-324/69-2 50-325/69-2	October 22, 1969	Bower Seidle Henderson	Initial QA Audit Meeting	None
50-324/69-3 50-325/69-3	November 17-21, 1969	Bower Crossman Haass Henderson Seidle	Initial QA Audit	None
50-324/70-1 50-325/70-1	January 6, 1970	Bower Seidle	Followup of Report #69-3	None
50-324/70-2 50-325/70-2	May 4-8, 1970	Bower Varela	Backfill, Concrete Foundations, Containment Liner	None
50-324/70-3 50-325/70-3	September 1-4, 1970	Bower Varela	Backfill, Concrete Containment	5(Concrete Control)
50-324/71-1 50-325/71-1	January 4-8, 1971	Bower Kelley	Backfill, Concrete, Containment, Piping	None
50-324/71-2 50-325/71-2	April 27-30, 1971	Bower Kelley	Backfill, Concrete, Rebar, Containment, Tanks	2(Welding(1) Cadwelds(1))
50-324/71-3 50-325/71-3	August 31-September 3, 1971	Bower Kelley Varela	Backfill, Concrete, Containment, Welding	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-324/71-4	November 16-19 1971	Bower Kelley Cochran	Welding, Mechanical Systems, Electrical and Instrumentation	None
50-324/72-1	February 15-18, 1972	Bower Kelley Compton Klingler	Welding, Mechanical and Piping Systems, Electrical and Instrumentation	None
50-324/72-2	May 3-5, 1972	Bower Kelley Compton Klingler	Welding, and Piping Systems, Electrical and Instrumentation	9(Quality Assurance(6), Welding(3))
50-324/72-3 50-325/72-1	July 11-14, 1972	Bower Klingler	Concrete, Qua- lity Assu- rance, Rein- forcing Steel, Reactor Vessel	2(Reinforcing Steel QA/QC)
50-324/72-4 50-325/72-2	August 8-11, 1972	Bower Kelly Cochran Klingler Foster	Quality Assur- ance Reactor Vessel Handling NDT, Storage, Procurement	1 (NDT)
50-324/72-6 50-325/72-4	September 19-22, 1972	Bower Kelley Cochran Klingler Hardin	QA/QC Reactor Vessel, Welding	1(Welding)
50-324/72-7 50-325/72-5	October 3-5, 1972	Bower	Observation of CP&L Audit Function	None
50-324/72-8 50-325/72-6	October 31- November 3, 1972	Bower Kelley	QA/QC Records, Piping, Valves and Hanger Installation	None
50-324/73-1 50-325/73-1	January 16-19, 1973	Bower McFarland	QA, Electrical and Instrumen- tation	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope Inspection</u>	<u>Items of Noncompliance</u>
50-324/73-2 50-325/73-2	February 21-23, 1973	McFarland Kelley	QA/QC Reinforcing Steel, Welding	None
50-324/73-3	March 27-30, 1973	McFarland Bower Herdt	QA/QC, Welding NDT, Piping, Electrical and Instrumentation	None
50-324/73-4 50-325/73-3	April 24, 1973	McFarland Beratan	Special- Inspection on Cadmold Splices	None
50-324/73-7 50-325/73-4	July 10-13, 1973	McFarland Foster Herdt	QA/QC, Piping Welding and NDT	3(Welding(1), NDT(2))
50-324/73-10 50-325/73-5	September 11-13, 1973	McFarland	QA/QC	None
50-324/73-11	September 25-28, 1973	Bower	Mechanical Systems, Electrical and Instru- mentation	-2(Electrical redun- dant systems)
50-324/73-13	October 1-5, 1973	Conlon Kelley Herdt Bryant	Reactor Vessel and Piping Systems, Welding, NDT	None
50-325/73-6	October 2-5, 1973	Kelley Bryant	QA/QC, Nuclear Valve Records	None
50-324/73-14 50-325/73-7	October 15-17, 1973	McFarland	QA/QC	None
50-324/73-16 50-325/73-8	December 19-21, 1973	McFarland	QA/QC	None
50-324/74-2	February 6-8, 1974	Herdt	Piping, Welding, and NDT	1(NDT)
50-324/74-3 50-325/74-1	February 19-20 and 22, 1974	McFarland Kelley	QA/QC	3(Valve QC)

50-324/74-4	March 12-15, 1974	Bower	Electrical and None Instrumentation
50-324/74-6 50-325/74-2	March 27-29, and April 10-11, 1974	McFarland Conlon	QA/QC, Reactor None Vessel QC
50-324/74-7 50-325/74-3	April 23-26, 1974	Bower	Electrical and None Instrumentation
50-324/74-9 50-325/74-4	May 15-16 and 28-30, 1974	Conlon Herdt Ebnetter	QA/QC, Welding, NDT, Piping, Restraint, and Hangers
50-324/74-10 50-325/74-5	June 6-7 and 11-13, 1974 (San Jose, (A.))	McFarland	Special Inspection of None NSSS Audit by CP&L (GE-NEPD)
50-324/74-12 50-325/74-6	June 25-28, 1974	Bower	Electrical and None Instrumentation
50-324/74-1 50-325/74-1 (Investigation)	July 1-23, 1974	Bryant Beratan Ward Conlon Economos	Investigation None into QA/QC allegations by 2 former B&R employees
50-324/74-14 50-325/74-7	July 16-18, 1974	McFarland	QA/QC, Inspection records None
50-324/74-15 50-325/74-8	July 31-August 2, 1974	Herdt Economos	Welding, NDT, QC records None
50-324/74-2 50-325/74-2 (Investigation)	August 13-16, 1974	Murphy Ward Bryant Beratan	Investigation None into allegations of poor construction practices
50-324/74-16 50-325/74-9	August 28-30, and September 3-6, 1974	Bower McFarland Swan Kelley Wright	QA/QC, Training of QC personnel, Electrical and Instrumentation None
50-324/74-19	September 11-12, 1974	Ebnetter	Baseline Inspection, Welding, Piping None



<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-324/74-21 50-325/74-10	October 8-10, 1974	McFarland	QA/QC	None
50-324/74-22 50-325/74-11	October 30-31, 1974	McFarland Bower Conlon	QA/QC, House-keeping, Electrical and Instrumentation, Welding	None
50-324/74-3 (Investigation)	December 14-15, 1974	Beratan McFarland	Investigation into allegations of falsified NDT records, Unit 2	None
50-324/74-27 50-325/74-12	December 16-19, 1974	McFarland Bower Bryant Swan Gibbons	QA/QC, snubbers and braces	None
50-325/75-1	February 12-14, 1975	McFarland Bower Conlon Herdt Gibbons	QA/QC, Electrical and Instrumentation, Piping, Baseline Inspection, Mechanical Components	None
50-324/75-3	February 12-14, 1975	McFarland Herdt	Piping and Baseline Inspection	None
50-324/75-1 (Investigation)	February 28- March 1 and 14, 1975	Ebnetter Beratan	Investigation into allegations NDT test results falsified, Unit 2	None
50-325/75-2	April 1-4 and 9-11, 1975	McFarland Bower Brownlee	QA/QC, Electrical and Instrumentation	None
50-324/75-2 (Investigation)	May 20-22, 1975	Conlon Blake	Investigation into allegations of incorrect faulty welding, Unit 2	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-324/75-7 50-325/75-4	May 20-22, 1975	McFarland Bower Economos	QA/QC, Elec- trical and Instrumenta- tion Piping QC, Baseline Inspection, Welding	None
50-324/75-3 50-325/75-1 (Investiga- tion)	June 9-13, 1975	Annast Wright	Investigation into allega- tions of altered geo- physical data	None
50-325/75-6	June 18-20, 1975	Bower	QA, Electrical	None
50-325/75-7	July 22-25, 1975	McFarland	QA/QC	None
50-324/75-11 50-325/75-10	August 13-15, 1975	Bower	Electrical and Instru- mentation	None
50-324/75-12	August 28-29, 1975	Bower	Special Review of DG system problems	None
50-325/75-11	September 16-18, 1975	McFarland	QA/QC	None
50-325/75-13	October 22-24, 1975	McFarland Herdt	QA/QC, Base- line Inspec- tion, Welding	None
50-325/75-14	November 19-21, 1975	Bower	Electrical and Instru- mentation	None
50-325/75-16	December 2-4 and 12, 1975	Ebneter	Audit of Pre- service Inspec- tion Plans	1 (NDT)
50-325/75-17	December 16-18, 1975	McFarland Blake	QA/QC, Mechanical Systems, Welding	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-325/76-2	January 20-23, 1976	Bower	Electrical and Instru- mentation	None
50-325/76-5	March 2-5, 1976	McFarland Bower Bryant	QA/QC, Valves Electrical, and Instrumentation	None
50-325/76-1 (Investiga- tion)	May 18-20, 1976	Smith Walton Bryant	Investigation into allega- tions of de- ficiencies in inservice inspection pro- gram	None
50-325/76-12	August 2-6, 1976	Ebnetter	Preservice Inspection Review	1 (inspection of electrical systems)
50-325/76-17	September 15-17, 1976	Ebnetter	Preservice Inspection Report Review	None

APPENDIX C

Facility: Shearon Harris Nuclear Power Plant (DNs. 50-400, -401, -402 & -403)

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-400, 401, 402, 403/72-1	February 11, 1972	Bower Long	Initial corporate management and introductory QA meetings.	None
50-400, 401, 402, 403/72-2	March 13-15 and 22-24; June 22, 1972	Bower Cochran Peranich	QA Program	None
50-400, 401, 402, 403/73-1	July 10-11, 1973	McFarland Foster	QA program, QA Audits, QC records	None
50-400, 401, 402, 403/73-2	October 29- November 1, 1973	Oller McFarland	CB&I-Memphis and Birmingham (vendor)	None
50-400, 401, 402, 403/74-1	January 30- February 1, 1974	McFarland Cochran Crossman	QA program for design, procurement, and construction	None
50-400, 401, 402, 403/74-2	February 21- 22, 1974	McFarland Kelley	Valves	None
50-400, 401, 402, 403/74-3	August 7-9, 1974	McFarland	Corporate QA manual, QA audit report activities, design review, welding records	None
50-400, 401, 402, 403/75-1	February 18-19, 1975	McFarland	RV internals, waste gas decay tanks, nuclear valves	None
50-400, 401, 402, 403/75-2	July 1-3, 1975	McFarland	Surveillance QC of site storage, PPE QA surveillance corporate audits	None



2017  
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2017



<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-400, 401, 402, 403/75-3	September 24-26, 1975	McFarland	Accompanied licensee on audit of NSSS contractor	None
50-400, 401 402, 403/75-4	November 19-21, 1975	McFarland Conlon Bryant	Construction QA procedures, CP&L survey report, RV, RV internals and heads	None
50-400, 401, 402, 403/76-1	February 24-25 and March 16, 1976	McFarland	Corp. QA Pro- cedures and instructions, corp. audits, eng. QA surveil- lance of vendor inspection of C.E. (3/16)	None
50-400, 401 402, 403/76-2	June 9-11, 1976	McFarland Vallish	Ext'nded const. delay, QA program insp., QA record files	None
50-400, 401, 402, 403/76-3	October 26-28, 1976	McFarland	QA activities, ext'nded con- struction delay, QA insp. proc., QA record files	None
50-400, 401, 402, 403/77-1	February 8-9, 1977	Brownlee McFarland	Transfer of Prin. Insp. respon., QA proc's. rela- ting to const. delay, QA records, corporate audits	None
50-400, 401, 402, 403/77-2	May 24-26, 1977	Brownlee Swan Bryant	QA Manual, insp. proc. and spec's. for site pre- paration, lakes, dams, founda- tions, contain- ment concrete	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-400, 401, 402, 403/77-3	September 21-22, 1977	Brownlee Harris	Organ. & functional structure, QA Manual, document control, audits, records, concrete proc's., site preparation, foundations	None
50-400, 401, 402, 403/77-4	December 6-9, 1977	Brownlee Swan	Equip. storage and maint., main dam, railroad relocation, personnel and records facilities, site preparation	None
50-400, 401, 402, 403/78-1	March 7-10, 1978	Brownlee Swan	Main dam, concrete for foundations, blasting, geological mapping, CDR's, Part 21, qual. of inspectors, IEB's	None
50-400, 401, 402, 403/78-2	March 28-30, 1978	Cunningham	Environ. prot. program	None
50-400, 401, 402, 403/78-3	June 13-14, 1978	Brownlee Herdt	Main. and aux. dam sites, warehousing and laydown yards, IEB's, cadweld and concrete placement problems, containment liner erector	None
50-400, 401, 402, 403/78-4	July 11-13, 1978	Brownlee Swan Bradley Thomas	Main & west aux. dams, warehousing & laydown yard, design control, IEB's, concrete, cont. liner erector	2 Infractions 1-document control 1-concrete test

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-400, 401 402, 403/78-5	September 19-22, 1978	Brownlee Swan Bradley	Facilities, QA records, noncompliances, IEB's, lakes, dams, concrete, containment liner.	None
50-400, 401, 402, 403/78-6	October 3-6, 1978	Swan Vandoorn Girard	Dam founda- tion, concrete tain. liner welding, SW and spent fuel piping, QA proc. and records	1 Deficiency Failure to follow proc. (CB&I)



APPENDIX B

Inspectors Visiting CP&L Facilities

1976 - 1978 (through 8/30/78)

I. Brunswick Unit 1

<u>Inspector</u>	<u>Number of Inspections</u>	<u>Inspector</u>	<u>Number of Inspections</u>
M. V. Annast	4	J. H. Joyner	1
K. H. Besecker	1	P. J. Kellogg	1
J. J. Blake	1	J. D. Martin	2
F. U. Bower	2	C. R. McFarland	1
W. H. Bradford	5	W. J. Millsap	1
J. C. Bryant	1	B. Moon	1
D. J. Burke	1	J. E. Ouzts	10
P. T. Burnett	3	W. W. Peery	2
B. A. Byrne	1	D. J. Perrotti	2
F. S. Cantrell	12	E. O. Porter	2
W. E. Cline	3	B. W. Riley	2
A. L. Cunningham	3	R. F. Rogers	1
H. C. Dance	4	J. L. Skolds	1
C. L. Davis	1	R. F. Sullivan	15
J. H. Davis	2	G. L. Troup	4
J. A. Dyer	1	E. H. Verdery	1
S. D. Ebnetter	3	R. J. Vogt-Lowell	2
J. M. Fuchko	2	R. H. Wessman	4
G. T. Gibson	1	H. L. Whitener	2
D. G. Hinckley	5	H. A. Wilber	13
J. W. Hufham	2	G. R. Jenkins	3

II. Brunswick Unit 2

M. V. Annast	4	F. J. Long	1
K. H. Besecker	1	J. D. Martin	1
J. J. Blake	2	W. J. Millsap	1
W. H. Bradford	5	B. Moon	1
J. C. Bryant	1	J. E. Ouzts	2
D. J. Burke	1	W. W. Peery	2
P. T. Burnett	4	D. J. Perrotti	2
F. S. Cantrell	21	E. O. Porter	1
W. E. Cline	2	B. W. Riley	2
T. E. Conlon	1	J. L. Skolds	1
A. L. Cunningham	3	R. F. Sullivan	15
H. C. Dance	3	G. L. Troup	4
C. L. Davis	1	E. H. Verdery	2
J. H. Davis	2	R. J. Vogt-Lowell	3
J. A. Dyer	1	R. E. Wessman	2

## Appendix B.5

-2-

S. D. Ebneter	1	H. L. Whitener	2
J. M. Fuchko	2	H. A. Wilber	7
G. T. Gibson	1	D. G. Hinckley	5
J. W. Hufham	2	G. R. Jenkins	5
P. J. Kellogg	1		

III. H. B. Robinson 2

C. E. Alderson	1	G. R. Jenkins	3
M. V. Annast	3	T. J. McHenry	4
R. L. Bangart	2	E. W. McPeck	1
J. W. Bates	1	W. J. Millsap	1
K. Besecker	1	D. Moore	2
J. J. Blake	1	J. E. Ouzts	2
W. H. Bradford	4	R. C. Parker	6
W. L. Britz	1	W. W. Peery	3
D. J. Burke	3	D. J. Perrotti	2
P. T. Burnett	2	D. R. Quick	1
B. A. Byrne	1	J. C. Ritchie	2
F. S. Cantrell	1	M. V. Sinkule	1
H. P. Carson	1	G. L. Troup	5
D. M. Collins	1	E. H. Verdery	1
H. C. Dance	2	R. J. Vogt-Lowell	1
J. W. Dodges	1	H. L. Whitener	3
J. A. Dyer	1	H. A. Wilber	3
S. D. Ebneter	1	G. H. Williams	1
N. Economos	1	T. N. Epps	5
G. T. Gibson	1	D. G. Hinckley	9
C. M. Hosey	1	J. W. Hufham	1

APPENDIX C

1976-78 Chronology of Inspections - H. B. Robinson

DN 50-261

<u>Inspection No.</u>	<u>Dates</u>	<u>Inspectors</u>	<u>General Area Inspected</u>	<u>Announced</u>
76-1	1/14-16/76	M. V. Annast E. W. McPeck	Physical Protection	
76-2	1/27-28/76	J. E. Ouzts C. E. Alderson	Operations, Instru- mentation	Yes
76-3	2/23-25/76	W. L. Britz	QA, Rad Protection	
76-4	3/30-4/2/76	R. C. Parker M. V. Sinkule	Operations	
76-5	4/14-16/76	M. V. Annast	Physical Protection	
76-6	4/26-30/76	R. C. Parker D. J. Burke	QA, Operations	Yes
76-7	5/25-26/76	G. L. Troup	Radiation Protection	
76-8	6/6-9/76 7/12-15/76	R. C. Parker B. A. Byrne W. W. Peery R. L. Bangart	Operational, Environmental	
76-9	7/19-23/76	G. L. Troup D. M. Collins	Radiation Protection	
76-10	8/11-13/76	M. V. Annast	Physical Protection	
76-11	8/30-9/2/76	G. L. Troup	Environmental	
76-12	9/20-24/76	R. C. Parker D. J. Burke	Operational, QA	
76-13	11/15-19/76	R. C. Parker A. A. Wilber S. D. Ebnetter	QA, Operational, Inservice	
76-14	11/30-12/2/76	G. L. Troup	Rad. Protection, Environmental	
76-15	12/13-14/76	G. H. Williams J. W. Bates J. W. Hodges	Physical Security	

<u>Inspection No.</u>	<u>Dates</u>	<u>Inspectors</u>	<u>General Areas Inspected</u>	<u>Announced</u>
77-1	1/11-14/77	R. C. Parker H. A. Wilber T. N. Epps	Operations	
77-2	2/23-25/77	H. A. Wilber	Operations	Yes
77-3	3/22-25/77 3/29-31/77 4/12-15/77	T. N. Epps F. S. Cantrell J. A. Dyer	Operations, QA, Inservice	
77-4	4/27-28/77	G. T. Gibson	Environmental	
77-5	5/25-26/77	T. H. Epps W. H. Bradford E. H. Verdery	Operations	
77-6	7/19-22/77	T. N. Epps H. C. Dance	Operations	
77-7	7/25-29/77 8/1/77 9/19-21/77	J. W. Hufham R. L. Bangart D. J. Perrotti	Emergency Planning	
77-8	8/11-12/77 8/15-16/77	W. W. Peery	Environmental	
77-9	8/22-26/77	G. R. Jenkins	Radiation Protection	
77-10	8/16-18/77	H. L. Whitener	Operations, Fire Protection	Yes
77-11	8/24-26/77	D. Moore	Physical Protection	
77-12	9/8-9/77	D. G. Hinckley T. N. Epps	Operations	
77-13	9/20-23/77	D. G. Hinckley	Operations	
77-14	10/28-29/77	D. G. Hinckley	Operations	
77-15	11/7-8/77	N. Economos	Welding	
77-16	11/7-11/77	R. C. Ritchie	Radiation Protection	
77-17	11/7-11/77	D. G. Hinckley	Operations	
77-18	11/15-18/77	R. J. Vogt-Lowell	Operations, Core Physics	
77-19	11/29-12/2/77	W. H. Bradford	Operations, Training	

<u>Inspection No.</u>	<u>Dates</u>	<u>Inspectors</u>	<u>General Areas Inspected</u>	<u>Announced</u>
77-20	12/5-9/77	D. G. Hinckley	Operations	
77-21	12/12-16/77	J. C. Ritchie M. P. Carson	Environmental Rad Protection	
78-01	1/10-13/78	D. J. Burke	QA, Operations	
78-02	1/11/78	J. P. O'Reilly D. Thompson F. Long J. Sutherland H. Dance R. Sullivan A. Gibson G. Jenkins D. Hinckley M. Annast	Corporate Management Meeting (Held in Region II Office)	Yes
78-03	1/24-27/78	D. G. Hinckley	QA, Operations	
78-04	2/1-6/78	H. L. Whitener	Operations	Yes
78-05	2/19-3/3/78	G. R. Jenkins G. L. Troup W. J. Millsap	Radiation Protection	
78-06	2/21-23/78	P. T. Burnett	Operations, Preparation for Refueling	
78-07	3/14-17/78	D. G. Hinckley	Operations	
78-08	3/22-24/78	H. L. Whitener	Operations, Snubbers	
78-09	4/4-6/78	J. J. Blake	Operations, Inservice	
78-10	4/4-7/78	D. G. Hinckley H. C. Dance	Operations	
78-11	4/24-28/78	J. E. Ouzts	Operations	
78-12	5/22-25/78	D. G. Hinckley W. H. Bradford T. J. McHenry	Operations	
78-13	6/5-8/78	G. R. Jenkins C. M. Hosey	Radiation Protection	
78-14	6/13-15/78	K. Besecker D. Moore	Physical Protection	

<u>Inspection No.</u>	<u>Dates</u>	<u>Inspectors</u>	<u>General Areas Inspected</u>	<u>Announced</u>
78-15	7/5-7/78	P. T. Burnett	Operations, Post Refueling	
78-16	7/10-13/78	T. J. McHenry D. R. Quick	Operations	
78-17	8/1-4/78	T. J. McHenry	Operations	
78-18	8/7-11/78	D. Perrotti	Emergency Planning	
78-19	8/7-10/78	W. H. Bradford	Operations, Training	
78-20	8/7-10/78	W. W. Peery	Environmental, QA	
78-21	8/22-25/78	T. J. McHenry	Operations	

APPENDIX D

Facility: H. B. Robinson II (DNs. 50-261)

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-261/68-1	March 5, 1968	Varela Long	Construction/ QC	None
50-261/68-2	July 9-12, 1968	Bryant Crossman	Construction /QC	None
50-261/68-3	June 19-21, 1968	Reinmuth	Vendor/Com- bustion Engineering Co. Plant	None
50-261/68-4	August 20 and 26-29, 1968	Bryant Howard	Construction /QC	(a) (50-261/68-4F) Incorrect steel in penetration frames (b) (50-261/68-4D) Substitution of steel in base mat (c) (50-261/68-4E) Concrete-improper curing
50-261/68-5	September 23-26, 1968	Bryant Varela	Construction /QC	None
50-261/68-6	October 11, 1968	Bryant	Construction	None
50-261/68-7	October 11, 1968	Bryant Bower	Construction /QC	(50-261/68-7D) R.T. Containment Liner
50-261/68-8	December 16, 1968	Bryant	Vendor/CBI	(50-261/68-8) P.T. Immersion Heater Welds
50-261/69-1	January 8-10, 1969	Bryant Long	Construction /QC	None
50-261/69-2	February 5-6, 1969	Bryant	Vendor/Stres- Steel Corp.	None
50-261/69-3	February 10-12, 1969..	Bryant Lewis	Construction /QC	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-261/69-4	March 12-13, 1969	Swan	Vendor/NAVCO	None
50-261/69-5	March 18-21, 1969	Varela	Vendor/Westinghouse	(a) (50-261/69-5) Steam generator nut plates not stress relieved (b) (50-261/69-5) Steam generator nut plates not H.T. (c) (50-261/69-5G.i) Low-hydrogen electrodes
50-261/69-6	March 24-27, 1969	Bryant Potapovs	Vendor/CBI	None
50-261/69-7	April 2, 1969	Bryant Potapovs	Vendor/CBI	None
50-261/69-8	May 5-8, 1969	Bryant Bower Potapovs	Construction /QC	None
50-261/69-9	May 29, 1969	Bryant Bower Seidle Davis	2nd Corporate Level Interview	None
50-261/69-10	June 23-25, 1969	Bryant Kelley Peery	Construction /QC	None
50-261/69-11	August 6-8, 1969	Bryant Kelley	Construction /QC	None
50-261/69-12	September 28-29 and October 8-10, 1969	Bryant Bower Kelley	Construction /QC	(50-261/69-12K) Reinforcing Steel
50-261/69-13	October 1-3 and 24, 1969	Bryant Kelley Potapovs	Construction /QC	(50-261/69-130) Steam Generators-Attachments on Nozzles
50-261/69-14	November 5-7, 1969	Bryant Potapovs Kelley	Construction /QC	None



<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-261/69-15	December 8-12, 1969	Bryant Kelley Howard	Construction /QC	None
50-261/70-1	January 15-16 and 20-22; February 5, 1970	Bryant Kelley Upright	Construction /QC	None
50-261/70-2	February 16-19 and 25-26, 1970	Bryant Potapovs Howard Upright Peery	Construction /QC	(a) (50-261/70-2H) Reactor Instrument Connection (b) (50-261/70-2G) QC Records
50-261/70-3	March 16-19, 1970	Sutton Kelley Long Howard Crossman	Vendor/Westinghouse	None
50-261/70-4	March 23-27 and 29-31, 1970	Bryant Potapovs Upright	Construction /QC	None
50-261/70-5	April 20-24, 1970	Bryant	Construction /QC	None
50-261/70-6	April 27-30, 1970	Upright	Construction /QC	(50-261/70-6) 6" Nozzle Failed
50-261/70-7	June 10-12, 1970	Bryant Upright Kirkpatrick	Construction /QC	None
50-261/70-8	June 27- July 2, 7-8 and 19-31, 1970	Bryant Upright Kirkpatrick Murphy Peery	Prelicensing Inspection	(a) (50-261/70-8) Cable trays exceeded physical load (b) (50-261/70-8) Safety Injection Pumps not to Design
50-261/70-11	October 8-9 and 22-23, 1970	Bryant Kirkpatrick Murphy	Construction /QC	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-261/70-13	November 27; December 1-2 and 11, 1970	Bryant Kirkpatrick Cubitt	Construction/ QC	None
50-261/71-1	January 7-14, 1971	Bryant Kirkpatrick	Construction/ QC	None
50-261/71-3	February 1-4, 1971	Bryant	Construction /QC	(50-261/71-3C.1: & C.2) QC System
50-261/71-9	August 11-13 and 17-19, 1971	Kirkpatrick Bryant Collins Peery	Construction/ QC	None

APPENDIX E

Facility: Brunswick I and II (DNs. 50-325 and 50-324)

<u>Report Number</u>	<u>Inspection Dates.</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-324/69-1 50-325/69-1	May 29, 1969	Bower Bryant Seidle Davis	Initial Management Meeting	None
50-324/69-2 50-325/69-2	October 22, 1969	Bower Seidle Henderson	Initial QA Audit Meeting	None
50-324/69-3 50-325/69-3	November 17-21, 1969	Bower Crossman Haass Henderson Seidle	Initial QA Audit	None
50-324/70-1 50-325/70-1	January 6, 1970	Bower Seidle	Followup of Report #69-3	None
50-324/70-2 50-325/70-2	May 4-8, 1970	Bower Varela	Backfill, Concrete Foundations, Containment Liner	None
50-324/70-3 50-325/70-3	September 1-4, 1970	Bower Varela	Backfill, Concrete Containment	5 (Concrete Control)
50-324/71-1 50-325/71-1	January 4-8, 1971	Bower Kelley	Backfill, Concrete, Containment, Piping	None
50-324/71-2 50-325/71-2	April 27-30, 1971	Bower Kelley	Backfill, Concrete, Rebar, Containment, Tanks	2 (Welding(1) Cadwelds(1))
50-324/71-3 50-325/71-3	August 31-September 3, 1971	Bower Kelley Varela	Backfill, Concrete, Welding	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-324/71-4	November 16-19 1971	Bower Kelley Cochran	Welding, Mechanical Systems, Electrical and Instrumentation	None
50-324/72-1	February 15-18, 1972	Bower Kelley Cochran Klingler	Welding, Mechanical and Piping Systems, Electrical and Instrumentation	None
50-324/72-2	May 3-5, 1972	Bower Kelley Cochran Klingler	Welding, and Piping Systems, Electrical and Instrumentation	9(Quality Assurance(6), Welding(3))
50-324/72-3 50-325/72-1	July 11-14, 1972	Bower Klingler	Concrete, Qua- lity Assu- rance, Rein- forcing Steel, Reactor Vessel	2(Reinforcing Steel QA/QC)
50-324/72-4 50-325/72-2	August 8-11, 1972	Bower Kelly Cochran Klingler Foster	Quality Assur- ance Reactor Vessel Handling NDT, Storage, Procurement	1 (NDT)
50-324/72-6 50-325/72-4	September 19-22, 1972	Bower Kelley Cochran Klingler Hardin	QA/QC Reactor Vessel, Welding	1(Welding)
50-324/72-7 50-325/72-5	October 3-5, 1972	Bower	Observation of CP&L Audit Function	None
50-324/72-8 50-325/72-6	October 31- November 3, 1972	Bower Kelley	QA/QC Records, Piping, Valves and Hanger Installation	None
50-324/73-1 50-325/73-1	January 16-19, 1973	Bower McFarland	QA, Electrical and Instrumen- tation	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope Inspection</u>	<u>Items of Noncompliance</u>
50-324/73-2 50-325/73-2	February 21-23, 1973	McFarland Kelley	QA/QC Rein- forcing Steel, Welding	None
50-324/73-3	March 27-30, 1973	McFarland Bower Herdt	QA/QC, Welding NDT, Piping, Electrical and Instrumentation	None
50-324/73-4 50-325/73-3	April 24, 1973	McFarland Beratan	Special- Inspection on Cadmold Splices	None
50-324/73-7 50-325/73-4	July 10-13, 1973	McFarland Foster Herdt	QA/QC, Piping Welding and NDT	3(Welding(1), NDT(2))
50-324/73-10 50-325/73-5	September 11-13, 1973	McFarland	QA/QC	None
50-324/73-11	September 25-28, 1973	Bower	Mechanical Systems, Electrical and Instru- mentation	2(Electrical redun- dant systems)
50-324/73-13	October 1-5, 1973	Conlon Kelley Herdt Bryant	Reactor Vessel and Piping Systems, Welding, NDT	None
50-325/73-6	October 2-5, 1973	Kelley Bryant	QA/QC, Nuclear Valve Records	None
50-324/73-14 50-325/73-7	October 15-17, 1973	McFarland	QA/QC	None
50-324/73-16 50-325/73-8	December 19-21, 1973	McFarland	QA/QC	None
50-324/74-2	February 6-8, 1974	Herdt	Piping, Welding, and NDT	1(NDT)
50-324/74-3 50-325/74-1	February 19-20 and 22, 1974	McFarland Kelley	QA/QC	3(Valve QC)

50-324/74-4	March 12-15, 1974	Bower	Electrical and None Instrumentation
50-324/74-6 50-325/74-2	March 27-29, and April 10-11, 1974	McFarland Conlon	QA/QC, Reactor None Vessel QC
50-324/74-7 50-325/74-3	April 23-26, 1974	Bower	Electrical and None Instrumentation
50-324/74-9 50-325/74-4	May 15-16 and 28-30, 1974	Conlon Herdt Ebnetter	QA/QC, Weld- 1(NDT) ing, NDT, Piping, Restraint, and Hangers
50-324/74-10 50-325/74-5	June 6-7 and 11-13, 1974 (San Jose, (A.))	McFarland	Special None Inspection of NSSS Audit by CP&L (GE-NEPD)
50-324/74-12 50-325/74-6	June 25-28, 1974	Bower	Electrical and None Instrumentation
50-324/74-1 50-325/74-1 (Investigation)	July 1-23, 1974	Bryant Beratan Ward Conlon Economos	Investigation None into QA/QC allegations by 2 former B&R employees
50-324/74-14 50-325/74-7	July 16-18, 1974	McFarland	QA/QC, Inspec- None tion records
50-324/74-15 50-325/74-8	July 31- August 2, 1974	Herdt Economos	Welding, NDT, None QC records
50-324/74-2 50-325/74-2 (Investigation)	August 13-16, 1974	Murphy Ward Bryant Beratan	Investigation None into allegations of poor construction practices
50-324/74-16 50-325/74-9	August 28-30, and September 3-6, 1974	Bower McFarland Swan Kelley Wright	QA/QC, Train- None ing of QC personnel, Electrical and Instrumentation
50-324/74-19	September 11-12, 1974	Ebnetter	Baseline None Inspection, Welding, Piping

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-324/74-21 50-325/74-10	October 8-10, 1974	McFarland	QA/QC	None
50-324/74-22 50-325/74-11	October 30-31, 1974	McFarland Bower Conlon	QA/QC, House-keeping, Electrical and Instrumentation, Welding	None
50-324/74-3 (Investigation)	December 14-15, 1974	Beratan McFarland	Investigation into allegations of falsified NDT records, Unit 2	None
50-324/74-27 50-325/74-12	December .16-19, 1974	McFarland Bower Bryant Swan Gibbons	QA/QC, snubbers and braces	None
50-325/75-1	February 12-14, 1975	McFarland Bower Conlon Herdt Gibbons	QA/QC, Electrical and Instrumentation, Piping, Baseline Inspection, Mechanical Components	None
50-324/75-3	February 12-14, 1975	McFarland Herdt	Piping and Baseline Inspection	None
50-324/75-1 (Investigation)	February 28- March 1 and 14, 1975	Ebnetter Beratan	Investigation into allegations NDT test results falsified, Unit 2	None
50-325/75-2	April 1-4 and 9-11, 1975	McFarland Bower Brownlee	QA/QC, Electrical and Instrumentation	None
50-324/75-2 (Investigation)	May 20-22, 1975	Conlon Blake	Investigation into allegations of incorrect faulty welding, Unit 2	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-324/75-7 50-325/75-4	May 20-22, 1975	McFarland Bower Economos	QA/QC, Elec- trical and Instrumenta- tion Piping QC, Baseline Inspection, Welding.	None
50-324/75-3 50-325/75-1 (Investiga- tion)	June 9-13, 1975	Annast Wright	Investigation into allega- tions of altered geo- physical data	None
50-325/75-6	June 18-20, 1975	Bower	QA, Electrical	None
50-325/75-7	July 22-25, 1975	McFarland	QA/QC	None
50-324/75-11 50-325/75-10	August 13-15, 1975	Bower	Electrical and Instru- mentation	None
50-324/75-12	August 28-29, 1975	Bower	Special Review of DG system problems	None
50-325/75-11	September 16-18, 1975	McFarland	QA/QC	None
50-325/75-13	October 22-24, 1975	McFarland Herdt	QA/QC, Base- line Inspec- tion, Welding	None
50-325/75-14	November 19-21, 1975	Bower	Electrical and Instru- mentation	None
50-325/75-16	December 2-4 and 12, 1975	Ebnetter	Audit of Pre- service Inspec- tion Plans	1 (NDT)
50-325/75-17	December 16-18, 1975	McFarland Blake	QA/QC, Mechanical Systems, Welding	None



<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-325/76-2	January 20-23, 1976	Bower	Electrical and Instru- mentation	None
50-325/76-5	March 2-5, 1976	McFarland Bower Bryant	QA/QC, Valves Electrical and Instrumentation	None
50-325/76-1 (Investiga- tion)	May 18-20, 1976	Smith Walton Bryant	Investigation into allega- tions of de- ficiencies in inservice inspection pro- gram	None
50-325/76-12	August 2-6, 1976	Ebnetter	Preservice Inspection Review	1 (inspection of electrical systems)
50-325/76-17	September 15-17, 1976	Ebnetter	Preservice Inspection Report Review	None

APPENDIX F

Facility: Shearon Harris Nuclear Power Plant (DNs. 50-400, -401, -402 & -403)

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-400, 401, 402, 403/72-1	February 11, 1972	Bower Long	Initial corporate management and introductory QA meetings.	None
50-400, 401, 402, 403/72-2	March 13-15 and 22-24; June 22, 1972	Bower Cochran Peranich	QA Program	None
50-400, 401, 402, 403/73-1	July 10-11, 1973	McFarland Foster	QA program, QA Audits, QC records	None
50-400, 401 402, 403/73-2	October 29- November 1, 1973	Oller McFarland	CB&I-Memphis and Birmingham (vendor)	None
50-400, 401, 402, 403/74-1	January 30- February 1, 1974	McFarland Cochran Crossman	QA program for design, procurement, and construction	None
50-400, 401, 402, 403/74-2	February 21- 22, 1974	McFarland Kelley	Valves	None
50-400, 401, 402, 403/74-3	August 7-9, 1974	McFarland	Corporate QA manual, QA audit report activities, design review, welding records	None
50-400, 401, 402, 403/75-1	February 18-19, 1975	McFarland	RV internals, waste gas decay tanks, nuclear valves	None
50-400, 401, 402, 403/75-2	July 1-3, 1975	McFarland	Surveillance QC of site storage, PPE QA surveillance corporate audits	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-400, 401, 402, 403/75-3	September 24-26, 1975	McFarland	Accompanied licensee on audit of NSSS contractor	None
50-400, 401 402, 403/75-4	November 19-21, 1975	McFarland Conlon Bryant	Construction QA procedures, CP&L survey report, RV, RV internals and heads	None
50-400, 401, 402, 403/76-1	February 24-25 and March 16, 1976	McFarland	Corp. QA Pro- cedures and instructions, corp. audits, eng. QA surveil- lance of vendor inspection of C.E. (3/16)	None
50-400, 401 402, 403/76-2	June 9-11, 1976	McFarland Vallish	Ext'nded const. delay, QA program insp., QA record files	None
50-400, 401, 402, 403/76-3	October 26-28, 1976	McFarland	QA activities, ext'nded con- struction delay, QA insp. proc., QA record files	None
50-400, 401, 402, 403/77-1	February 8-9, 1977	Brownlee McFarland	Transfer of Prin. Insp. respon., QA proc's. rela- ting to const. delay, QA records, corporate audits	None
50-400, 401, 402, 403/77-2	May 24-26, 1977	Brownlee Swan Bryant	QA Manual, insp. proc. and spec's: for site pre- paration, lakes, dams, founda- tions, contain- ment concrete	None

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-400, 401, 402, 403/77-3	September 21-22, 1977	Brownlee Harris	Organ. & functional structure, QA Manual, document control, audits, records, concrete proc's., site preparation, foundations	None
50-400, 401, 402, 403/77-4	December 6-9, 1977	Brownlee Swan	Equip. storage and maint., main dam, railroad relocation, personnel and records facilities, site preparation	None
50-400, 401, 402, 403/78-1	March 7-10, 1978	Brownlee Swan	Main dam, concrete for foundations, blasting, geological mapping, CDR's, Part 21, qual. of inspectors, IEB's	None
50-400, 401, 402, 403/78-2	March 28-30, 1978	Cunningham	Environ. prot. program	None
50-400, 401, 402, 403/78-3	June 13-14, 1978	Brownlee Herdt	Main. and aux. dam sites, warehousing and laydown yards, IEB's, cadweld and concrete placement problems, containment liner erector	None
50-400, 401, 402, 403/78-4	July 11-13, 1978	Brownlee Swan Bradley Thomas	Main & west aux. dams, warehousing & laydown yard, design control, IEB's, concrete, cont. liner erector	2 Infractions 1-document control 1-concrete test

<u>Report Number</u>	<u>Inspection Dates</u>	<u>Inspectors</u>	<u>Scope of Inspection</u>	<u>Items of Noncompliance</u>
50-400, 401 402, 403/78-5	September 19-22, 1978	Brownlee Swan Bradley	Facilities, QA records, noncompliances, IEB's, lakes, dams, concrete, containment liner.	None
50-400, 401, 402, 403/78-6	October 3-6, 1978	Swan Vandoorn Girard	Dam founda- tion, concrete tain. liner welding, SW and spent fuel piping, QA proc. and records	1 Deficiency Failure to follow proc. (CB&I)

mpbl 1

BY REIS:

2

Q Mr. Murphy, one other question:

3

Did you transmit to me a memorandum indicating some organizational changes in Region II ---

4

5

A (Witness Murphy) Yes, I did.

6

Q -- of the I&E Office of the Nuclear Regulatory Commission?

7

8

A I did.

9

Q Do you have a copy of that memorandum with you?

10

A No, I do not.

11

Q I see.

12

A I remember its contents.

13

Q Could you tell me orally what those changes were?

14

A Yes.

15

Mr. Dudley Thompson, who was the deputy director of Region II, received a transfer to Washington, D.C. In the interim to the appointment of a permanent person to this position, Mr. Frank Long has been appointed in an acting position as acting deputy director.

16

17

18

19

20

Mr. Richard Lewis, who was a section chief under Mr. Long, has been appointed acting branch chief in the Reactor Operations and Nuclear Support Branch.

21

22

23

Mr. Floyd Cantrell has been appointed into the position of acting section chief.

24

25

These acting positions would remain in effect

mpb2 1 until rescinded by the director of Region II.

2 I believe I have completed all the names -- oh,  
3 there is one other change.

4 In the interest of increasing the quality  
5 assurance experience of the Staff, Mr. Brownlee has been  
6 transferred for a period of approximately one year to the  
7 Operations Branch as a part of a team that will be perform-  
8 ing inspections in the quality assurance area. At the end of  
9 this period of time he will be transferred back into the  
10 Construction Branch and function as a Quality Assurance  
11 inspector.

12 MR. REIS: That's all the questions I have  
13 upon direct examination.

14 CHAIRMAN SMITH: We will follow the procedure --  
15 or we will submit for your consideration the procedure that  
16 the Attorney General and then to Intervenor and then the  
17 Applicant and then the Board will inquire of the Staff's  
18 witnesses; with respect to the Applicant's witnesses the  
19 procedure will be the Attorney General, Intervenor, then  
20 the Staff and then the Board, if that's satisfactory.

21 MR. TROWBRIDGE: Mr. Chairman, may I make an  
22 unusual suggestion to the Board?

23 CHAIRMAN SMITH: We have trouble hearing in the  
24 back of the room.

25 MR. TROWBRIDGE: I'm sorry.

mpb3 1

2 I would like to make an unusual suggestion to  
3 the Board.

3

4 We are prepared to cross-examine in our turn.

4

5 We would suggest that it might expedite the proceeding if

5

6 the Board, which has obviously been concerned for some time

6

7 and taken an interest in the testimony, in fact has questions

7

8 to ask for additional information, if the Board were to

8

9 pursue its own inquiries before the Applicant, I think it

9

10 would largely eliminate Applicant's questions.

10

11 I recognize that this is not a conventional

11

12 request, and I make it only in the interest of expediting

12

13 the proceeding.

13

14 CHAIRMAN SMITH: Mr. Reis, do you have any feel-

14

15 ing for that, any comment on that suggested approach?

15

16 MR. REIS: I have no objection to it if the

16

17 Board thinks it's appropriate for the Board to ask our

17

18 witnesses questions before the Applicant does.

18

19 I do have some questions I intend to ask of the

19

20 Applicant, though, and I had in my own mind sketched it out

20

21 that I would go before the Board, though it isn't really

21

22 necessary.

22

23 CHAIRMAN SMITH: Do you have any feelings on

23

24 that, Counsel?

24

25 MR. MYERS: No.

25

CHAIRMAN SMITH: Well, the Board had already





mpb4 1 considered the rather unusual circumstances of the hearing  
2 and the fact that we do have questions. Nevertheless, we  
3 do believe that it would be appropriate to allow cross-  
4 examination to proceed, except for some clarifying questions.

5 However, Mr. Trowbridge, bearing in mind there  
6 are questions that might develop matters which you would be  
7 concerned about, you will be given full opportunity to follow  
8 up after our questions, if that satisfies you.

9 MR. TROWBRIDGE: In that case, Mr. Chairman, we  
10 will do our best to limit our questioning to what will be  
11 considered necessary.

12 CHAIRMAN SMITH: Okay.

13 Well, I do have some clarifying questions to  
14 ask of the panel before we begin inquiring on the substance  
15 of it.

16 Are each of you personally sponsoring the  
17 entire testimony? Now some questions seem to be addressed  
18 to an individual panel member. However, this is not  
19 universally true throughout the testimony. And we want  
20 some clarification on that.

21 So may I ask each of you:

22 Do each of you personally sponsor the entire  
23 testimony of Panel 1?

24 WITNESS MURPHY: I do.

25 WITNESS LONG: I do.

mpb5

1

WITNESS DANCE: I do.

2

CHAIRMAN SMITH: Each of you are responsible for

3

the entire section?

4

WITNESS LONG: We sponsored that testimony as a

5

group.

6

CHAIRMAN SMITH: Could any one of you sponsor

7

this entire testimony?

8

Could you, sir?

9

WITNESS LONG: I could have sponsored it in my

10

position as branch chief. I could have just as well

11

sponsored the entire testimony, and I do endorse it.

12

CHAIRMAN SMITH: You are personally cognizant

13

of the facts as set forth and you're prepared to support

14

that?

15

WITNESS LONG: Yes, sir.

16

CHAIRMAN SMITH: If other members of the panel

17

have reservations about the aspects of the testimony that

18

they cannot fully support, I would ask that you identify

19

them.

20

WITNESS DANCE: I might speak up that I concur

21

in what's said in the testimony. Generally when the question

22

is asked to a certain individual, that individual prepared

23

the testimony. But I support the testimony that's provided.

24

CHAIRMAN SMITH: Well, okay. That I think is

25

probably better.

mpb6 1

2 If I see -- for example, on page 18 a question  
3 is put specifically to Mr. Murphy, and I just happened to  
4 open up the testimony at that page, but that isn't the only  
5 -- I mean there are some instances where the person to whom  
6 the question was directed was not identified, and those are  
7 the areas I'm asking the entire panel to either commit or  
8 disassociate themselves with, one way or the other.

9 WITNESS DANCE: For the general questions where  
10 there's no specific individual asked the question, I think  
11 the total panel supports the testimony and sponsors it.

12 CHAIRMAN SMITH: Is that true, gentlemen?

13 WITNESS LONG: Yes, sir.

14 WITNESS MURPHY: I have read the entire testimony  
15 and I would support the answers to the questions.

16 WITNESS BROWNLEE: Yes, sir.

17 CHAIRMAN SMITH: All right.

18 And then one additional question:

19 There was some confusion in the past that has  
20 arisen concerning the testimony of the consensus or the  
21 views of the Staff compared with the individual testimony  
22 of the witness.

23 Now is there any aspect of this testimony that  
24 any of you, subject to your previous answers, cannot  
25 personally support as your opinion?

WITNESS DANCE: I know of none.

mpb7 1

CHAIRMAN SMITH: Do you want time on that?

2

WITNESS MURPHY: Mr. Chairman, the testimony

3

prepared by the Region II Office for each and every hearing

4

has been in the past a consensus type of testimony. That

5

is, the person responsible for the preparation of packages,

6

the gathering together of the information, has a responsibility

7

to review the records, to identify those individuals who

8

have generated the records, as, for example, the inspector

9

generating the inspection report, to determine if through

10

this informal meeting if this information presented in this

11

inspection report does represent the person's findings, and

12

does he have anything to add to what there may be.

13

In this sense the testimony is consensus.

14

Obviously the management of the office cannot participate

15

in each and every inspection and to examine each and every

16

document.

17

We do have review results of these inspections.

18

We have discussions with the inspectors themselves, the

19

supervisors of the inspectors, and have a good working

20

knowledge of the results of the inspections.

21

We have internal requirements that inspectors

22

identify through their supervision and their management

23

problems that they have identified after each inspection.

24

That way management is cognizant of the problems.

25

Generally speaking a member of management will be



10 10



10 10



mpb8 1 in charge of the preparation of the testimony even though  
2 it is done under his general supervision, and he does not  
3 go back and re-question each and every member. But this  
4 does give a good overall view and the general knowledge of  
5 the answers to the questions. And I think that once we have  
6 done this that we can indeed, not only as witnesses, but the  
7 management of the office itself itself supports the testi-  
8 mony.

9 CHAIRMAN SMITH: Okay.

10 That's a very helpful explanation. But my  
11 particular question is:

12 Do you human beings who were placed under oath  
13 here today personally support this testimony?--

14 WITNESS MURPHY: Yes, sir.

15 CHAIRMAN SMITH: My question did not suggest that  
16 the contrary was the case. I want the record to be clear.

17 WITNESS MURPHY: Yes.

18 WITNESS BROWNLEE: We found nothing offensive  
19 about the way it was phrased.

20 DR. LEEDS: Let me repeat this:

21 For every panel, if somebody sits silent I'm  
22 going to take that to mean that they agree with the answer  
23 and that they have nothing about any facts or information  
24 whatsoever or any opinions to add to that answer. So when  
25 a general question is asked of the panel and something comes

mpb9 1 up and there's an answer given, just like Mr. Murphy, if  
2 any of you had any objections to that, the way he answered  
3 it, or anything you wished to add to it, I want you to speak  
4 up because I don't want the record to be empty in that regard.

5 WITNESS BROWNLEE: Understood.

6 CHAIRMAN SMITH: Just a short recess, please.

7 (Brief recess.)  
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VOICE FROM THE AUDIENCE: Sir, I would like to ask you to reconsider one more time your decision not to allow the public to testify today.

CHAIRMAN SMITH: Would you be seated, please?

During the recess which was occasioned by the police, I was advised that Judge Larkin wanted to speak to us. Judge Larkin is the Chief District Court Judge of this District. Judge Larkin talked over the telephone and he told me that he will insist that the same decorum prevail in this courtroom as if he himself is presiding, and that the signs calling for silence and quiet are there at his order, and he wants them obeyed.

He told me that he's available at the other end of that telephone for whatever assistance he can give us in presiding over an orderly and fair proceeding.

Gentlemen, at the recess Mr. Murphy had most specifically stated that as an individual he is responsible for this testimony, and I believe the rest of you nodded assent. I just wanted to state that on the record that that is the case. As individuals you are responsible for your testimony.

(Chorus of Yes.)

CHAIRMAN SMITH: Mr. Trowbridge.

MR. TROWBRIDGE: I am happy to go next, Mr. Chairman. I thought you said the Attorney General Intervenor.

1 would --

2 CHAIRMAN SMITH: Yes. Sure. Entirely right.

3 MR. MYERS: We have no questions at this time,  
4 Mr. Chairman.

5 CHAIRMAN SMITH: Mr. Erwin?

6 MR. ERWIN: Mr. Chairman, may I just inquire? I  
7 realize this is somewhat unconventional but I would like to  
8 inquire, since you opened the issue of the knowledge of the  
9 panel as to the facts contained in the testimony, as to  
10 whether the members of the panel are in a position to testify  
11 as to the facts surrounding the items of non-compliance  
12 appearing in Appendix D.

13 CHAIRMAN SMITH: I just don't understand your  
14 question at all.

15 MR. ERWIN: Mr. Chairman, there's an appendix to  
16 this panel's testimony which is in tabular form. It relates  
17 to items of non-compliance starting from 1968 and going through  
18 to 1978, and it's picking up on your question as to whether  
19 the members of the panel were familiar with the facts contained  
20 in the testimony before I started anything at all --

21 CHAIRMAN SMITH: I understand your question. I  
22 misunderstood in the beginning. I thought you were referring  
23 to us as the panel.

24 MR. ERWIN: I meant this panel.

25 CHAIRMAN SMITH: You said that clearly. I just

b3 1 misunderstood.

2 I think that's an appropriate question on cross-  
3 examination.

4 MR. ERWIN: I didn't want to go into a lengthy  
5 cross-examination, asking about all these if the answer in  
6 every case was going to be "I do not know."

7 CHAIRMAN SMITH: I did not take their assurances  
8 that they personally were familiar with every fact in their  
9 testimony. Some of the testimony here are conclusions. Some  
10 of the testimony was gathered under their direction and  
11 supervision.

12 The point that I was making was that they are not  
13 here representing solely a consensus. They may be represent-  
14 ing a consensus but in addition to that they are personally  
15 supporting the testimony. Now any cross-examination that you  
16 may have to inquire into the scope of their command of this  
17 testimony is up to you, but I think your question is appro-  
18 priate.

19 CROSS-EXAMINATION

20 BY MR. ERWIN:

21 Q The first question I will address to each and  
22 every member of the panel.

23 Can any or all of you relate the circumstances  
24 surrounding the items of non-compliance appearing in Appendix  
25 D to your testimony, starting on-- Appendix D is the last

eb4

1 appendix. There are three appendices at the end of the  
2 testimony, Appendix D. And I'm referring to Appendix D which  
3 does not have a page number in relation to the entire testi-  
4 mony, but I'm starting at page 1, Report Number 50-261/68-4,  
5 Items of non-compliance (a), Incorrect steel in penetration  
6 frames, (b) --

7 CHAIRMAN SMITH: Mr. Erwin, we're having some  
8 problems again in the rear of the room.

9 WITNESS MURPHY: Mr. Chairman, I will attempt to  
10 answer Mr. Erwin's question.

11 This Appendix D is a summary of the docket file  
12 of our inspections performed at the facility, H. B. Robinson,  
13 and so forth. They are quite voluminous. These files are  
14 a matter of public record I believe, except maybe some few  
15 at the very start of the inspections in 1968 when we did not  
16 routinely make inspection reports available to the public.  
17 And many of the reports subsequently were issued as a result  
18 of hearings or possibly Freedom of Information requests or  
19 something of that order.

20 The members of the panel here I do not believe  
21 would be in a position to discuss in detail the various items  
22 of non-compliance. We would be in a position to state that  
23 this appendix summary of the documents referred to represents  
24 a reflection of our inspection results at these facilities  
25 and just the very general nature of the non-compliances that

ab5

1 we have.

2 The docket itself would show the disposition of  
3 each of the non-compliances.

4 BY MR. ERWIN:

5 Q Who prepared these Appendices D, E, and F?

6 A (Witness Murphy) They were prepared generally  
7 under the supervision of Mr. Long and myself by the individual  
8 inspectors reviewing the docket files and any of the informa-  
9 tion from those files.

10 Q Will you again-- In order to make the line of  
11 questioning more intelligible perhaps to the lay public, will  
12 you describe what an item of non-compliance is, briefly?  
13 It's in your testimony I realize but it's just so we can  
14 follow the testimony.

15 A Probably as succinctly as I can state it, an  
16 item of non-compliance relates to a matter that the inspector  
17 has identified which appears to him to not comply with the  
18 specific regulatory requirements of the AEC/NRC.

19 Q Now these appendices are tables reporting -- are  
20 they not, reporting inspections, the names of the inspectors,  
21 the scope of the inspections, and the items of non-compliance  
22 that were cited at the time? Is that correct?

23 A Yes. The scope of the inspection of course would  
24 relate to the major areas inspected. It does not go into the  
25 nitty-gritty, if you will, in this document, the inspection

eb6

1 report.

2 Q Now in the chain of command, where do you and  
3 Mr. Long fit?

4 A At the time that this testimony was prepared,  
5 and recognizing the fact that our organization is a changing  
6 organization, the inspections for the most part were per-  
7 formed by highly qualified individuals whose job function is  
8 to inspect nuclear power plants. They have a variety of  
9 titles. We usually, as a catch-all, would refer to them as  
10 reactor inspectors.

11 These inspectors are under the direct supervision  
12 of section chiefs. Mr. Dance is one such section chief. These  
13 section chiefs report to branch chiefs. Mr. Long and I in  
14 our permanent capacities are two of the branch chiefs in  
15 Region II.

16 Q So the reports that are numbered on the left side  
17 of the pages of Appendices D, E, and F are made initially by  
18 inspectors to section chiefs. Is that the route that they  
19 take?

20 A That is the mechanical route that they take. They  
21 are not made for the section chief, if you will; they are made  
22 for a record.

23 Q Then how does the record proceed from the inspec-  
24 tion by the inspector and the preparation of a report?

25 A A report of an inspection that would have no items

eb7

1 of non-compliance or those that would be what we would call  
2 the normal enforcement level would be prepared by the in-  
3 spector, reviewed and concurred in by his section chief and  
4 today, the letter, the enforcement letter, if you will, or  
5 the letter transmitting the report to the Licensee would be  
6 signed by the branch chief. In the early days the letters  
7 were actually signed by the director. When that change was  
8 made I do not recall.

9 Q To answer my initial question, is anybody on the  
10 panel in a position to discuss any of the items of -- to  
11 discuss, even in brief detail, any of the items of non-  
12 compliance appearing in either Appendix D, E or F?

13 A Discussion of many of these matters are covered  
14 in the second panel and I do not believe that the members of  
15 this panel, other than where they would be addressing the same  
16 question in Panel 2 or Panel 3, would be prepared to speak to  
17 the specific details.

18 CHAIRMAN SMITH: Along that line, are you going  
19 to pursue that further, Mr. Erwin?

20 MR. ERWIN: Just briefly.

21 CHAIRMAN SMITH: I do not see any members of this  
22 panel who are not present later on so you will be able to  
23 address the subject matter at the proper time.

24 BY MR. ERWIN:

25 Q An item of non-compliance includes-- What is it?



eb8

1 Three categories?

2 A (Witness Murphy) Three. Early, there was no  
3 level. Everything was treated as the same, whether it was  
4 the type of non-compliance where a man failed to sign a sheet  
5 that he had performed a work function to where there may  
6 have been an exposure of an individual to some radiation.

7 This caused confusion and over a period of time  
8 there evolved the present position where we do try to cate-  
9 gorize matters into three levels of non-compliance.

10 Q What are those levels of non-compliance? Again,  
11 it's in your testimony but in order to....

12 A The levels of non-compliance are the violation,  
13 the infraction, and the deficiency.

14 Q What are the distinctions or differences between  
15 the items of non-compliance?

16 A The distinctions are fairly complex and we have  
17 presented those that appear in our enforcement procedures for  
18 this hearing, and I would refer you to them. As a succinct  
19 overview of this, a violation is an item of immediate safety  
20 consequence. An infraction is one that has a potential for  
21 a safety consequence. A deficiency is a matter that, though  
22 the safety implication is somewhat remote, still represents  
23 a matter not complying with NRC requirements.

24 Q Do you by any chance know how many violations  
25 and infractions and deficiencies, by category, are contained

ab9

1 in Appendices D, E, and F?

2 A No, I do not.

3 Q Is there anyone on this panel who, at this time,  
4 knows those numbers?

5 A (Witness Dance) In the Panel 3 discussion we  
6 present some numbers, the different numbers, after page 30  
7 of Title 3.

8 Q What does that table reflect?

9 A (Witness Long) '75 through '78 for one facility,  
10 violations, infractions, deficiencies, deviations.

11 Q This is for which?

12 A That was one of the Brunswick facilities. It  
13 might have been Brunswick 2.

14 Q And the totals for '75 are 37, for '76 35, for  
15 '77 25 and for '78 through September 30th, 21. Is that correct?

16 A (Witness Dance) That would include Brunswick 1  
17 and 2.

18 Q That would include Brunswick 1 and 2 for those  
19 years and those categories?

20 A Yes.

21 Q And, Mr. Dance, beginning on page 28 of the panel  
22 testimony you discuss for some pages the preparation of the  
23 testimony prior to 1977. And just to show we understand the  
24 question, will you just briefly summarize the process that  
25 you undertook at that time?

ab10

1 A That refers to Panel 3. Do you want us to dis-  
2 cuss that here?

3 Q I mean it's in your testimony. The question is  
4 asked on page 28:

5 "Mr. Dance, did you prepare part of the  
6 testimony filed with the Board in 1977?"

7 And your answer is Yes.

8 And it continues:

9 "What part was that?"

10 And you continue. I presume that at least down  
11 to-- The way I'm following the testimony it is that you are  
12 essentially talking to this question --

13 A I understand the question now. Will you ask me  
14 the question again?

15 Q Am I correct in understanding your testimony that  
16 a question is asked of you on page 28, and you give an  
17 answer to that question and you then proceed to answer ques-  
18 tions directed to you through the bottom of page 35. Is that  
19 right?

20 In other words, then questions are directed to  
21 Mr. Brownlee beginning at the bottom of page 33. Is that  
22 correct?

23 A That's correct.

24 Q So the public can understand what my questions  
25 were related to, I was going to ask you to briefly summarize

1 ab11 the process of you and the individuals that you talked with  
2 in the preparation of this testimony.

3 A Your question is who did I talk to in preparing  
4 my --

5 Q What process did you use? Who did you talk to?  
6 What records did you look at, and what else?

7 A We have included that in our testimony, but I  
8 talked to the present project inspector which is the  
9 inspector assigned to the plant and handling the project res-  
10 ponsibilities. There was input from him, input from other  
11 inspectors that had been visiting that site.

12 We're talking about the testimony for this hearing;  
13 right?

14 Q Well, I'm just asking you to follow up on the  
15 testimony that's contained in Panel 1. I understand that you  
16 testify on other panels. I'm just trying to lay some ground-  
17 work. Since we said we don't take oral testimony I was just  
18 trying to establish very briefly again the process so we can  
19 understand what you are talking about.

20 A Fine.

21 I talked with the other branch chiefs, section  
22 chiefs in the region over inspectors. We canvassed inspectors  
23 in the region in a written questionnaire that is part of the  
24 record, soliciting their comments and their specific testimony  
25 and their review of the record as far as statistics on the

abl/2

1 inspections, the non-compliance, who was there; that sort of  
2 thing.

3 Q On page 30 the name F. S. Cantrell appears twice,  
4 does it not? On page 31 it appears twice as well, does it  
5 not?

6 A Yes. Mr. Cantrell, as you are aware, was the  
7 project inspector at Brunswick.

8 Q Now did you receive written and oral information  
9 from Mr. Cantrell prior to your '77 testimony in this docket  
10 relating to the issues that you address in this docket?

11 A Yes. Prior to the '77 testimony I did receive  
12 written documentation from Mr. Cantrell.

13 Q Did you talk with him orally, verbally, about it?

14 A Oh, very much.

15 Q Now on page 32 you state in your answer:

16 "I summarized the inputs and reflected  
17 my own experience."

18 Now you say your "own experience." What experience  
19 are you referring to there?

20 A Well, Mr. Cantrell was the project inspector. He  
21 made many inspections which are reflected in the record. His  
22 inspection reports since the summer of '76 were forwarded to  
23 me for my approval and review.

24 Other security type inspections also came to our  
25 review so I received inputs from many different people,

ab13

1 different inspectors. And when I say I in fact summarized  
2 the inputs I mean that I received input from all these sources  
3 and reflected my experience of this information and prepared  
4 the testimony.

5 Q Now what was your direct experience with Carolina  
6 Power and Light Company in general and with the Robinson and  
7 Brunswick plants more specifically prior to 1977?

8 A I had been on-- Prior to '77 I had been on  
9 roughly four inspections at Brunswick, and at least two in  
10 Robinson.

11 Q So when you refer to your experience at page 32,  
12 that's what you're referring to. Is that right?

13 A Well, not only did I have the review experience  
14 of all the other inspectors, their inspection report inputs,  
15 but I had also visited at those facilities and make inspections  
16 in that respect.

17 Q Now you say again at page 32 in your answer,  
18 beginning at the top of the page, that in your view --

19 "....full weight was given to all com-  
20 ments including Mr. Cantrell's recommendation to  
21 condition the license."

22 Now just so we understand, since we're taking it  
23 up at this point in the testimony, what was Mr. Cantrell's  
24 recommendation?

25 A His recommendation was that these people had had

abl4

1 problems --

2 Q Your "these people" refers to ---?

3 A CP&L have had problems in operating their plants,  
4 which our testimony did include, the many items of non-  
5 compliance, the many Licenses event reports. This was in-  
6 cluded in the testimony.

7 His memo to me also addressed the issue that they  
8 had not been as responsive as he thought necessary so there-  
9 fore, he recommended that they condition the license with the  
10 fact that they would provide the personnel and the financial  
11 resources to the Harris project to assure they met all regu-  
12 latory requirements.

lc

13 Q Now in answer to my question just a minute ago  
14 you said first that they had not been -- he stated CP&L had  
15 not been as responsive as we thought necessary, and then you  
16 corrected that to say "as we thought necessary." Did you  
17 concur with his belief that they had not been -- that CP&L had  
18 not been as responsive in the past as was necessary?

19 A I withdrew that because it was not view that there  
20 was any need to condition a license based on the corrective  
21 action which they had initiated starting back in 1976, to  
22 upgrade the personnel, to upgrade their QA program, their  
23 QA personnel on site.

24

25

1 Q Those of us who are participants in the hearing  
2 know what QA means, but would you state for the public and  
3 the press what that is short for?

4 A QA is a reference term to quality assurance,  
5 which is just another form of a management control system  
6 in operating the plant.

8:353 7 Q Again referring you to page 32 of the panel  
8 testimony, you say that you did not agree with Mr. Cantrell's  
9 recommendation. Then you are asked,

10 "How did you consider it in relation  
11 to the oral comments you received and your own  
12 knowledge?"

13 Are you here referring in the next question --  
14 or, rather, do you understand the next question to be  
15 referring to Mr. Cantrell's recommendation; is that not so?

16 A Yes, sir.

17 Q And your answer is, "I considered all inputs  
18 basically the same."

19 Now will you explain what you mean by that answer?

20 A In preparing the testimony I received the many  
21 inputs which I've just referenced, both verbal and written.  
22 I factored that into what I thought at the time to give a  
23 proper perspective to the testimony.

24 Q But you did not include in your testimony  
25 Mr. Cantrell's recommendation to condition the license, did you?



wb2

1 A No, I did not.

2 Q So that you in fact did not consider that input,  
3 if I am correct?

4 A No, I did consider the input.

5 Q Well you say "I considered all inputs basically  
6 the same."

7 Now are you saying that you considered-- I'd  
8 like you just to amplify what you mean by this statement.  
9 Because the way I read it-- Well, am I correct in assuming  
10 that you did not consider Mr. Cantrell's recommendation to  
11 condition the license in the same manner that you considered  
12 most of the other inputs?

13 A I considered all the inputs that were provided  
14 to me, that I was aware of from past history, and I weighted  
15 these based on my experience with the plant. And when I  
16 weighted that I did not include that recommendation.

17 Q But you did include much other -- many other  
18 inputs?

19 A As far as I can recall -- and I'm very confident  
20 of this -- I included all of the inputs in the oral testimony.  
21 --excuse me; in the written testimony.

22 Q So the answer to this, to the first full question  
23 appearing on page 32, should be that: I considered all inputs  
24 basically the same, except Mr. Cantrell's recommendation to  
25 condition the license?

WB#

1 A I think we are having a problem with semantics.  
2 I think what we're here for -- I think we're here because  
3 I did not include that recommendation. I weighted it and  
4 didn't feel at the time that it was pertinent.

5 Q Now later on the page you state you talked with  
6 Mr. Long and Mr. Barth. And your answer as to what was said  
7 by Mr. Long was that you don't recall any specific instruc-  
8 tion regarding the conclusions, however it would be under-  
9 stood if you had any objections he would be advised.

10 Now please tell me what that sentence means.

11 A Mr. Long used to be Mr. Cantrell's supervisor,  
12 and then we reorganized, and Mr. Cantrell and I work for  
13 Mr. Long. So in this process he was well aware of the con-  
14 ditions we had, and our dealings with CP&L he was well aware  
15 of.

16 The specific memo that we referenced where  
17 Mr. Cantrell made his recommendation, I don't recall specifically  
18 discussing that particular memo with Mr. Long. He knew I had  
19 a memo, he didn't necessarily know what it said. So far as I  
20 remember, he was aware that the CP&L facility was not a  
21 trouble-free facility. He had seen many action memos written  
22 on the subject pertaining to CP&L.

23 CHAIRMAN SMITH: Are you testifying about what  
24 Mr. Long knows and does?

25 WITNESS DANCE: I'm testifying to what I passed to

wb4

1 him. I'm not saying what he knows. I am saying what I believe  
2 that he was aware of.

3 CHAIRMAN SMITH: All right.

4 WITNESS DANCE: The specific item that the  
5 license be conditioned, I'm not aware that Mr. Long was aware  
6 of.

7 CHAIRMAN SMITH: May I suggest, just to have a  
8 cohesive record, that, Mr. Long, you insert your memory at  
9 the time so we would have it in the record.

10 Is that all right, Mr. Erwin?

11 MR. ERWIN: Fine. Maybe I can expedite things.

12 BY MR. ERWIN:

13 Q I'm interested in what you're talking about  
14 when you say "objections." Are you referring to any objec-  
15 tion that you may have to Mr. Cantrell's -- or that you might  
16 have had at that time to Mr. Cantrell's recommendation, or  
17 any objection you might have had as to the capability of  
18 CP&L to construct and operate the plant? I just don't know  
19 what "objection" in this sentence means, or refers to.

20 A (Witness Dance) Mr. Cantrell didn't have any  
21 objections to CP&L's ability to operate the plant; His  
22 objection had to do with--

23 Q I'm not asking you about Mr. Cantrell's objections,  
24 I'm asking you about yours, about what this word "objections"  
25 means. I don't know to what it refers.

wb5

1 You state at the bottom of page 32 in answer to  
2 a question:

3 "With Mr. Long, I don't recall any  
4 specific instruction regarding the conclusions...."

5 I take it the conclusions are the conclusions  
6 you would reach in your testimony before this Board in  
7 October of 1977.

8 "....however, it would be understood  
9 if I had any objections he would be advised."

10 I'm asking you what the objections that you might  
11 have had at that time would be. Are you referring there to  
12 Mr. Cantrell's recommendation, that you object to his recom-  
13 mendation; or are you referring to an objection that you  
14 might have had to CP&L -- to the capability of CP&L to safely  
15 construct and operate the Shearon Harris plant?

16 A Of course the purpose of the testimony was for  
17 the construction permit hearing. When we talk about my  
18 objection, if I had any objection pertaining to the granting  
19 of that testimony based on the experience in the operating  
20 phase I would have identified that in the testimony. And I  
21 also would have identified that to Mr. Long. I did not have  
22 such objections. So, therefore, I did not advise him of that.

23 Q Now, once again, did you to your own knowledge  
24 advise Mr. Long-- Tell me if I'm correct: At the time of  
25 the preparation of your testimony in 1977 was Mr. Long your

wb6

1 immediate supervisor?

2 A He was.

3 Q So that if we were to reconstruct the chain of  
4 command beginning with a line inspector, you know, would  
5 you give us the names that would appear in the chain of  
6 command, starting with Mr. Cantrell? It would be Mr. Cantrell  
7 reporting to you; is that correct?

8 A Reporting to Mr. Long, yes, that's correct.

9 Q Now was he reporting to you or to Mr. Long  
10 directly?

11 A Mr. Cantrell?

12 Q Yes.

13 A To me.

14 Q And then you would be reporting to Mr. Long?

15 A Correct.

16 Q And Mr. Long reported to whom, do you know?

17 A To our director, Mr. O'Reilly.

18 Q Now the person reporting to you was Mr. Cantrell.  
19 He had recommended that the license be conditioned upon  
20 certain assumptions, certain undertakings by CP&L; is that  
21 correct?

22 A Correct.

23 Q And to your knowledge did you communicate that  
24 recommendation at any time to Mr. Long prior to the prepara-  
25 tion or delivery of your testimony in 1977?

wb7

1 A I don't recall that I did, so I'm saying not that  
2 I recollection did I relay that to Mr. Long.

3 DR. LEEDS: Now let me make sure: Do you under-  
4 stand when Mr. Dance says something like that, Mr. Long,  
5 that he doesn't remember, if you happen to remember I want  
6 you to tell me.

7 Is that clear? I don't want you to sit silent  
8 there and let it pass by.

9 WITNESS LONG: In the absence of a question I  
10 would not normally rely fully on being told of things of that  
11 type, because I would be keeping pretty close to them day-  
12 to-day.

13 I was aware of the question, but I don't believe  
14 I ever saw the specific memo at that time. I saw it much  
15 later. I would not change my position, because the memo did  
16 not present a good case for drastic -- I consider recommenda-  
17 tions for license conditions to be very drastic. And at  
18 no time would I have considered that based on the experience  
19 with two plants.

20 DR. LEEDS: I want you to understand when  
21 Mr. Dance says something like that I'm going to assume that  
22 he can bind you to anything he says like that if you don't  
23 speak up.

24 WITNESS LONG: Yes, he does not recall -- he said  
25

wb8

1 he did not recall informing me. And I am not taking the  
2 position that I was not aware of the problem. I was aware  
3 of the problem indirectly.

4 DR. LEEDS: Indirectly.

5 WITNESS LONG: Yes.

6 DR. LEEDS: It's not a question of Mr. Dance not  
7 telling us everything; but when Mr. Dance says he doesn't  
8 remember, you might remember in an instance like that, and it  
9 would fill the record if you would tell us at that point.

10 Excuse me, Mr. Erwin.

11 BY MR. ERWIN:

12 Q Now Mr. Dance earlier stated that he thought that  
13 you were aware of Mr. Cantrell's memo. Mr. Long, were you  
14 in fact aware of Mr. Cantrell's memo, even if you didn't see  
15 it?

16 A (Witness Long) I don't recall the memo at the  
17 time that was pertinent to the testimony. But I do recall  
18 the question.

19 Q In other words, you knew Mr. Cantrell had recom-  
20 mended to someone under you, or to -- that the license to  
21 CP&L to construct the Shearon Harris plant should be con-  
22 ditioned on a certain undertaking related to their previous  
23 operating experience at Brunswick?

24 A I think it's important to note that these were  
25 not -- that this was not a formal correspondence or formality

wb9

1 of any kind. These were very rough notes which, in any one  
2 day, I just passed through my hands maybe 20 or 30 very in-  
3 formal notes, and these sometimes become more formalized and  
4 become important, sure.

5 But I did not examine many of the other notes that  
6 Mr. Cantrell received regarding the testimony because I felt  
7 the time for me to get involved directly was at the time this  
8 was put in the form of the first testimony draft. That was  
9 the only time I believe that I read the results of all the  
10 notes.

11 A (Witness Dance) Let me add the primary input into  
12 the written testimony, it was well known in the office, was  
13 coming from Mr. Cantrell. When I refer to a memo from him,  
14 this was the transmittal of that primary input that we were  
15 including in the testimony.

16 Q When you say primary input do you mean primary  
17 in terms of primary importance, primary in length, primary in  
18 scope?

19 A Primary in the number of non-compliances at the  
20 time, the specific instance backing up our statement.

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24

25



1 Q In other words, being the project inspector, Mr.  
2 Cantrell would be in the -- when you refer to his input as  
3 being the primary input, he would be, under you, the one  
4 person who would be in the best position to know the operating  
5 experience, is that correct? Out of all the input you  
6 received, he'd be the one in the best position to know?

7 A That is correct. If I had a question regarding  
8 the operating performance, I would go to him.

9 Q But in referring to him you did not refer to his  
10 recommendations?

11 A That's correct.

12 Q Now, let me go back to Mr. Long.

13 I'm asking you, at the time that the testimony for  
14 the hearing in 1977 was prepared for the Fall-hearing, prior  
15 to the preparation or delivery -- it really doesn't make any  
16 difference to me when it occurred -- but prior to the time that  
17 the testimony was given in the hearing before this Board,  
18 did you actually know, from whatever source, the recommenda-  
19 tion of Mr. Cantrell?

20 A (Witness Long) I was quite aware of the factors  
21 concerned about management. Management problems are not at  
22 all uncommon in our across-the-board inspection program. Some  
23 inspectors pursue certain types of management concerns more  
24 vigorously than others do.

25 Mr. Cantrell probably is our most experienced  
inspector, and he feels very strongly about certain management

1 problems.

2 I have seen some of the things developed many times.  
3 I personally did not feel that a construction permit for the  
4 project was the place to prepare or define licensing commit-  
5 ments for the operating plant. We're talking about something  
6 so far down the road.

7 I know from experience that there are many  
8 mechanisms and many, many opportunities for us to resolve the  
9 problems, which we do and we have done that many times before.  
10 Before every operating license, we have a very extensive,  
11 comprehensive program to accomplish these same things, and  
12 because of this capability that we have, and that I expect  
13 to apply to the Harris project as well as others, I am not  
14 concerned to the extent of putting some condition in the  
15 license. That was what the recommendation was. The recom-  
16 mendation was not simply to correct the problem. Any  
17 identified problem is corrected. We get to them at the  
18 appropriate time and we put inspectors on the job. We had  
19 many meetings with management of CP&L, and because it was a  
20 long time until licensing, it was not an urgent matter at that  
21 point in time.

22 Q Let me ask the question once again, if I may:

23 Were you aware -- I mean I don't care if you --

24 A I said I was aware of the problem, not directly  
25 from Mr. Cantrell, but indirectly, because I held interviews

wel 3

1 and meetings with my staff supervisors and inspectors  
2 regarding all of their --

3 Q So your answer is yes?

4 A My answer is yes, that I was aware indirectly that  
5 Mr. Cantrell had --

6 Q Aware of his recommendations? I mean that's my  
7 specific question.

8 A Yes.

9 CHAIRMAN SMITH: Mr. Erwin, would you seek a  
10 logical breaking point? We want to take an early lunch  
11 break today, and I would like to have it as soon as it is  
12 a convenient place for you to divide your cross-examination.

13 MR. ERWIN: We could do it now, or I have a little  
14 more that --

15 CHAIRMAN SMITH: At your election. Do you want  
16 to complete a --

17 MR. ERWIN: I think I can go one or two more  
18 questions, and perhaps --

19 CHAIRMAN SMITH: All right, let's do that.

20 MR. ERWIN: -- get to a point where it would be  
21 easier to break.

22 WITNESS LONG: Could I make one statement, Mr.  
23 Chairman? Unfortunately, at the time of this testimony package,  
24 even though I was in the position of Operations Branch Chief,  
25 I was not directly affiliated or associated with the testimony

1 preparation, because of the way that it was handled. We  
2 frequently will take someone who, because of the fulltime job,  
3 we don't all abolish our regular routine and get onto  
4 testimony. It is a big job, and we have customarily in the  
5 past assigned this predominantly to the closest group  
6 responsible and knowledgeable of the facility.

7 And I was not as closely involved in the routine  
8 preparation as I would like to have been, or that perhaps  
9 would have been best.

10 So, Mr. Dance and Mr. Cantrell, as the project  
11 inspector, and others really did the bulk of the preparation  
12 of that testimony.

13 BY MR. ERWIN:

14 Q Following your logic, would it not have been  
15 appropriate for Mr. Cantrell to have testified directly  
16 before the Board, since he was in fact the most experienced  
17 inspector, by your own testimony, and by Mr. Dance's  
18 testimony also, that the one person in the office who would  
19 have more knowledge of the operating experience at Brunswick  
20 than any other person was Mr. Cantrell?

21 A (Witness Long) We have a lot of people experienced  
22 at Brunswick. Mr. Cantrell is an experienced inspector. He'd  
23 been in the Commission, as I recall, about ten years. We  
24 don't have a lot of people who have been there much longer  
25 than that. His affiliation with the Brunswick facility is

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1 about average for an inspector. We minimize the time. But  
2 Mr. Cantrell's recommendations, most of them, would be very  
3 significant, because he is the project inspector, he  
4 coordinates all of the inspection programs at the facility  
5 he's assigned to. That's the job of the inspector.

6 CHAIRMAN SMITH: Excuse me. Could the Reporter  
7 read back that answer up until now, please?

8 (Whereupon, the Reporter read from the record, as  
9 requested.)

10 CHAIRMAN SMITH: Would you please look at Appendix  
11 B of the testimony and give us a better feeling as to your  
12 view of Mr. Cantrell's experience with Brunswick?

13 Do I understand your answer to be that regarding his  
14 experience at Brunswick it would be about average of the  
15 Brunswick inspectors, or it would be about average of the  
16 inspectors with relation to the plant?

17 WITNESS LONG: We try to limit the total length  
18 of time that a man inspects at one facility. It's just a  
19 matter of policy.

20 So he has not been there forever. He was at  
21 Brunswick . . . I don't know . . . probably about three years.

22 CHAIRMAN SMITH: I'm trying to clarify your  
23 answer. To me, it could be taken two ways:

24 One, that his experience at Brunswick is about  
25 average of the inspectors at Brunswick during the relevant

1 period, which is inconsistent with Appendix B.

2 WITNESS LONG: No. He, being the project inspector,  
3 has spent more time at that facility. He is assigned that  
4 facility. But there are probably about 25 or 30 inspectors  
5 who have inspected at that facility.

6 CHAIRMAN SMITH: As a matter of fact, in Appendix  
7 B you can see that on Brunswick-2 he inspected 21 times,  
8 while the next most frequent inspections by an inspector was  
9 by Mr. Sullivan, who inspected 15. Then after that it drops  
10 down to 2, 3, 4.

11 Similarly with Brunswick-1, he inspected 12 times,  
12 but in that instance Mr. Sullivan inspected 15 times.

13 But I think by looking at Appendix-B, it doesn't  
14 take much analysis to see that Mr. Cantrell had inspected  
15 Brunswick-2, at least, by far more than anybody else -- or  
16 many-fold times more than anybody else.

17 WITNESS LONG: That's right, because many times  
18 he'd be there with other inspectors. As the project inspector  
19 he sort of has overview responsibility for that total program  
20 there.

21 CHAIRMAN SMITH: So then your answer was that his  
22 experience with respect to his principal plant, Brunswick, was  
23 average with other inspectors with respect to their principal  
24 plant?

25 WITNESS LONG: Yes.

1 CHAIRMAN SMITH: I'm sorry, Mr. Erwin.

2 WITNESS LONG: The other point was that we limit  
3 the total service, the tenure, of a project inspector at a  
4 facility. And Mr. Cantrell was subsequently reassigned to  
5 another.

6 CHAIRMAN SMITH: Yes, that's covered in your  
7 testimony. Very well.

8 Okay, Mr. Erwin.

9 BY MR. ERWIN:

10 Q Picking up on the Chairman's question, would you  
11 accept that in Appendix B, although you have not tabulated it  
12 as such, or totaled it, that the total number of inspections  
13 on Brunswick-2 is 118? My math may be wrong. --

14 A (Witness Dance) If I may, on the number of  
15 inspections, some of the people may have been there during  
16 the same inspection. Two or three inspectors may have gone  
17 at once, and it would show up one time after their name there.

18 So you can't just total that number of inspections  
19 in Appendix B.

20 Q Well, then, why did you put the phrase, "Number of  
21 Inspections" up at the top?

22 A That's the number of inspections those inspectors  
23 had been at the facility.

24 Q Okay, then, however you define it there are 118  
25 of them. I mean, you add up your numbers and do you not get

1 118? I mean I'm using your phrase.. I'm not inventing the  
2 phrase. It says, "Number of Inspections." I don't care what  
3 you call it, but are there 118 of them?

4 A (Witness Long). If you'll go to the Appendix, it  
5 has Report Number. The report numbers are the number of  
6 inspections.

7 Q Fine, I'm not --

8 CHAIRMAN SMITH: Mr. Erwin, are there 118?

9 WITNESS LONG: No.

10 CHAIRMAN SMITH: Did you add them up?

11 MR. ERWIN: Well, someone who was working for me  
12 did, and it adds up to, we think, to 118.

13 CHAIRMAN SMITH: During the recess let's add them  
14 up.

15 WITNESS LONG: That has no significance, because, as  
16 Mr. Dance said, some of the people went together, some went  
17 there at different times. That's only a tabulation of how  
18 many times one individual went. He may have gone alone or  
19 in a group.

20 BY MR. ERWIN:

21 Q I'm using your terminology. I didn't say number  
22 of inspections. You said number of inspections on the  
23 Appendix, or somebody did. I don't know who prepared it.

24 A (Witness Murphy) You're drawing the wrong  
25 conclusion.



1 Q I'm not drawing conclusions or asking for conclu-  
2 sions, I'm asking for a number. Then I was going to ask Mr.  
3 Dance, Mr. Brownlee, Mr. Long or you whether or not 21 out of  
4 118 is approximately one out of six.

5 A Those inspections could have been one day in  
6 duration, or they could have been five days in duration, or  
7 even longer. Therefore, it does not reflect the actual  
8 manhours of an inspector on the site nor particularly what  
9 he did while he was on the site.

10 Q That isn't my question.

11 A (Witness Dance) I understand your question. Could  
12 we answer it after the break? Or . . . excuse me.

13 CHAIRMAN SMITH: Well, at least to the extent that  
14 it totals 118, we'll decide that after the break. But an  
15 explanation is appropriate. You're entitled to your answer,  
16 but the explanation is appropriate.

17 Are you ready for the break?

18 MR. ERWIN: I'm not disputing that, but I would  
19 like an answer. I think I'm entitled to expect an answer, and  
20 then an explanation, and not an explanation and no answer.

21 CHAIRMAN SMITH: Well, we don't have the answer  
22 now, but we will have.

23 DR. LEEDS: Let me say that if the number of  
24 inspections -- or whatever criterion -- is not appropriate  
25 after we get the answer and explanation, but there is something

1 else that is -- manhours, minutes, manmonths, items -- however  
2 you characterize it, I don't care, I want to know what you  
3 think is important for this Board to have in the record with  
4 respect to interpretation of the number of inspections, now  
5 that this question has been raised.

6 If you think something other than numbers is  
7 appropriate, I want to know what it is for drawing our  
8 conclusions. I don't want this record to be deficient.

9 BY MR. ERWIN:

10 Q And, Mr. Murphy, Mr. Brownlee, Mr. Long and Mr.  
11 Dance, let me, if I may, pick up on Dr. Leeds' question:

12 Would you tell me -- would any of you tell me, or  
13 all of you tell me, what significance you attach, if any  
14 whatsoever, to Appendix B, or why did you in fact compile  
15 Appendix B if, in fact, all Appendix B is, if I'm not  
16 mistaken, is a statement of the inspector of the CP&L  
17 facilities from 1976 through 1978, and all it shows is the  
18 numbers for Brunswick -- it shows three different sets of  
19 numbers:

20 (1) Brunswick Unit 1

21 (2) Brunswick Unit 2

22 (3) H. B. Robinson 2

23 And it has the names of inspectors, and the -- what you call  
24 the number of inspections by site.

25 What significance do you attach to this Appendix

wel 11

1 in light of what you've just told us? If, in fact, you stand  
2 by your testimony, then why did you put it in the testimony  
3 in the first place?

4 A (Witness Dance) I think it is a very significant  
Madelon fls 5 matter which we will discuss.

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1 CHAIRMAN SMITH: Do you want that after the  
2 break?

3 Is this a good point to recess?

4 MR. ERWIN: If you want to leave it like that,  
5 it's fine with me too.

6 CHAIRMAN SMITH: No, we don't want to leave it  
7 like that. I just want a logical time to break and we can  
8 come back to it.

9 Well, we'll take a break. We'll take a break  
10 because we have our own reasons for a break.

11 Just a moment.

12 When I was in the telephone conversation with  
13 Chief Judge Larkins, he advised me that there has been some  
14 confusion between the Nuclear Regulatory Commission and his  
15 court concerning the policy with respect to cameras.

16 The official policy of the Nuclear Regulatory  
17 Commission is that in our hearings a camera, either still or  
18 moving camera operated from a stationary location using  
19 available light, may be used. However, that, of course, is  
20 subject to the rule of the court whose courtroom we borrow.  
21 And Judge Larkins advises me that the rule of this court  
22 which he wishes enforced in this hearing will be that no  
23 cameras will be permitted in the hearing room.

24 Now I did not try to enforce that rule earlier  
25 in the morning because people were here with cameras that

mpb2 1 had nothing to do with them. But when we return from the  
2 lunch break, it is my understanding that the law enforcement  
3 officials who have jurisdiction of this building will enforce  
4 the rule of this court and not permit cameras.

5 I also understand, however, if you're stuck with  
6 a camera -- and I'm not sure about this. I'm not making a  
7 commitment; you inquire on your own -- but if you're stuck  
8 with a camera and you don't know what to do with it, you  
9 don't want to leave it out in the lobby, that the Marshals  
10 and the building police will cooperate with you in checking  
11 them or leaving them in some safe place. But this is  
12 something to be worked out with the building officials.

13 So when we return from lunch no cameras will be  
14 permitted, and the rules of decorum ordinarily in effect in  
15 this courtroom with respect to demonstrations and decorum  
16 and orderliness and silence will be in effect.

17 We'll take a break beginning now, and we'll  
18 return at 1:15.

19 (Whereupon, at 11:45 a.m., the hearing in the  
20 above-entitled matter was recessed, to reconvene at  
21 1:15 p.m., this same day.)  
22  
23  
24  
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## AFTERNOON SESSION

(1:15 p.m.)

Whereupon,

CHARLES E. MURPHY,

VIRGIL L. BROWNLEE,

FRANCIS J. LONG

and

HUGH C. DANCE

resumed the stand on behalf of the NRC Regulatory Staff and, having been previously duly sworn, were examined and testified further as follows:

CHAIRMAN SMITH: Ladies and gentlemen, during the lunch break I checked again with the Clerk of the Courts about an amplifying system. I had recalled that when we had the hearing before we had the advantage of microphones and I had thought it was just part of the courtroom system. But I am advised now that this courtroom does not provide for microphones and never had any in here, and apparently it was the Applicant who had rented microphones for our last hearing and I was not aware of that.

But somebody commercially went out and rented microphones the last time and it hasn't been done this time so we'll have to just speak up and make do with what we have so long as we're in this room.

To the panel, I overlooked a preliminary question.

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1 this morning that began in the testimony.

2 Each of you have been interviewed by the Office  
3 of Inspector and Auditor and your reports of your interviews  
4 have been filed in Volume 3 of the Inspector's and Auditor's  
5 Report of November, 1978. Questions will be asked about your  
6 interviews and as a matter of fact, already they have been,  
7 so I am going to ask each of you if you are able to adopt as  
8 your own testimony the report of the interviews as is attri-  
9 buted to you by the Inspector and Auditor.

10 Mr. Murphy, your report is on page 88 and 89 of  
11 Volume 3 of that report. Your interview is on page 88 and 89  
12 of that report. Are you familiar with that report?

13 WITNESS MURPHY: Yes, in general. --

14 CHAIRMAN SMITH: Have you had a chance to look at  
15 it in view of the question I'm putting to you now? That's  
16 a little bit different than just being familiar with it. If  
17 you're not able to adopt it at this time I will give you a  
18 chance to look at it and come back to you.

19 WITNESS MURPHY: Oh, this is Volume 2?

20 CHAIRMAN SMITH: This is Volume 3, Mr. Murphy, at  
21 page 88 and 89.

22 Mr. Dance is at pages 90 to 95.

23 Mr. Long is at 85 to 87, I believe.

24 And Mr. Brownlee is at 96 and 97.

25 (Handing documents to the witness panel.)

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CHAIRMAN SMITH: I will ask if any of you now adopt as part of your testimony the report of your interview. Please indicate. If you're unable to do it now why we'll come back to it later.

WITNESS MURPHY: Mr. Chairman, these interviews extended for quite some time. OIE's Mr. Fortuna has summarized probably most of the substance of those interviews, and here I speak strictly to mine. I am not sure that he has totally, completely reflected the context of some of the information that I provided to him. It is very easy for the reader to draw inferences from some of the statements that actually were not intended.

I would give you a specific verse, the sixth paragraph on page 88, quoting:

"Murphy advised that he himself has accidentally given incorrect hearing testimony which he later corrected after reviewing his transcript."

On the surface it appears to be something that was rather carelessly done when indeed, I was referring to quite a complex case where we were making some comparisons between several inspections, some of which we had issued notices of violation to the applicants, some of the others we had not, and then in giving oral testimony I had confused two in my mind for a few moments and indicated -- and had given an incorrect answer to the Board as to whether or not we had taken



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1 enforcement action.

2 In just a few moments, almost immediately, I realized  
3 the difference and a few moments later managed to correct it.  
4 It was not carelessly done.

5 And so it's this type of thing. But the facts as  
6 stated there, I would say the substance of them are pretty  
7 much correct. I have spotted no errors.

8 DR. LEEDS: You've had a chance to look at these  
9 prior to coming here?

10 WITNESS MURPHY: Oh, yes. It was refreshing to see  
11 there's a summary statement and then there's the specific, but  
12 these are not verbatim transcripts, sir.

13 DR. LEEDS: I realize that. Thank-you, sir.

14 CHAIRMAN SMITH: Mr. Long, would you address the  
15 report of your interview, page 82 to 89 -- excuse me, 85 to 87?

16 WITNESS LONG: I think I would accept it. It's  
17 pretty accurate, as I recall. It's the first time I've read  
18 it in detail since the interview.

19 CHAIRMAN SMITH: Does it go to the point where you  
20 can adopt it as your testimony, or would you like to have a  
21 chance to look at it during the next recess?

22 WITNESS LONG: I think I could adopt it. There are  
23 problems-- A lot of the interview had to do with our policy  
24 in the development of testimony, but it really isn't neces-  
25 sarily applicable to this hearing. But I still adopt it. I

eb5

1 see no reason why not.

2 CHAIRMAN SMITH: When Mr. Dance?

3 WITNESS DANCE: I would like to review it during a  
4 recess.

5 CHAIRMAN SMITH: Mr. Brownlee?

6 MR. BROWNLEE: I've not completely reviewed it. I  
7 would like to address it later.

8 CHAIRMAN SMITH: Well, we'll come back to it.

9 Okay, Mr. Erwin, we're back to your inquiry.

10 CROSS-EXAMINATION (Continued)

11 BY MR. ERWIN:

12 Q Mr. Dance, I believe I was asking you before the  
13 break for lunch whether-- I believe I was asking you whether  
14 the numbers -- what the number of inspections, quote-end  
15 quote, shown on Appendix B was for Brunswick Unit 1, Brunswick  
16 Unit 2, and H. B. Robinson 2.

17 A (Witness Dance) Very good. The heading under  
18 Appendix B was "Inspectors Visiting CP&L Facilities." We have  
19 tabulated the number of inspectors visiting both Brunswick  
20 and Robinson tabulated by the number of inspectors visiting  
21 each site and the number of times each has visited that site.  
22 "Visited" means as part of an inspection team.

23 If I may go back to tell you what an inspection  
24 typically is, a typical inspection may be --

25 MR. ERWIN: Mr. Chairman, may I ask the witness to

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1 answer the question, and then if he wishes to amplify I'd be  
2 happy to listen to him.

3 WITNESS DANCE: Very good.

4 You referred to a number of 118.

5 BY MR. ERWIN:

6 Q That was for Brunswick Unit 2. I get 129 for  
7 Brunswick Unit 1, and 80--some for --

8 A (Witness Dance) Okay. We come up with those same  
9 numbers.

10 We identified 118-- Well, the number of inspec-  
11 tions under Brunswick Unit 2 in this Appendix B. For those 118,  
12 the total number of inspection that we have tabulated-- There  
13 were 39 inspectors visiting 118 times. For Brunswick Unit 2  
14 we have tabulated during the same period of time 73 different  
15 inspections.

16 Q So there were 73 different inspection tours of  
17 various sorts, of Brunswick 2?

18 A Brunswick 2 is 74,-- Brunswick 1 was 73, and  
19 Robinson was 57.

20 Q So if you were to determine how many of that number,  
21 of that 74 inspection tours any individual whose name appears  
22 on this list would have -- the number appearing after it  
23 represents the number of times out of that 74 that he had been  
24 there, or the number of times in the case of Brunswick 1 out  
25 of 73 that he'd been there?

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1 A That's correct.

2 Q Okay.

3 So in the case of Mr. Cantrell, he'd been in  
4 Brunswick 1, he'd been there 12 out of 73 inspections, which  
5 is a greater percentage of the time, but a lesser number,  
6 than the 129. And Mr. Cantrell would have been there 21  
7 times out of the 74 inspection tours in Brunswick Unit 2,  
8 and, of course, he doesn't show up on the -- I don't believe  
9 he's on the Robinson 2 for one visit.

10 But in the case of Brunswick 1 and 2, which is  
11 what Mr. Cantrell is especially concerned about, the  
12 numbers are 12 out of 73 and 21 out of 74, is that right?

13 A That's correct.

14 Q So he was in Brunswick 2 almost once out of  
15 every three inspection tours. 21 out of 74, that's not  
16 quite, but almost one out of three, isn't it? That's for  
17 Brunswick Unit number 2.

18 A Yes.

19 Q And one out of six or so for Brunswick Unit 1.

20 A Okay.

21 Q And clearly in the Brunswick Unit 2 he was  
22 there more often than -- participated in more inspections,  
23 in more actual numbers of inspections, whatever their rela-  
24 tive importance, than any other person.

25 A Than most any other person.

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Q Now to follow up on Mr. Leeds' question, is there another table -- you seem to think that this is an inadequate -- you know, this doesn't tell anything. What would tell us something about inspection tours? What numbers -- are there any numbers, either in man-hours or any other way that would tell us -- that would help us in attempting to quantify the relative familiarity of an individual with a particular project?

A (Witness Murphy) Mr. Erwin, could I try to answer that question?

The AEC-NRC has long been trying to develop a system for doing just what you say, determining the relative importance of inspections. In this way we could go to the other in the report that was referred to the Board this morning, the Licensing Regulatory Performance Evaluation.

To date we have not come up with a system of attaching any relative significance to this within a licensee or between licensees.

We have historically expected a licensee to determine that they are complying with requirements. To go beyond that becomes extremely subjective in any of the systems that we have tried to use. We have presently some studies underway attempting to give the broad pictures of comparisons between utilities and between facilities.

The best that you can do is to go to the record

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1 for a facility, review the facility, and put your weight  
2 to the record which speaks for itself, if you will. We  
3 have made no attempt to compare the relative significance  
4 of what one inspector finds relative to what another  
5 inspector finds. One man may be at a site one day and find  
6 two highly significant items of non-compliance. Another  
7 inspector may delve into an area and spend a week or so and  
8 not find any.

9 A (Witness Dance) Let me try to be specific to  
10 your question.

11 The significance of such a list that we find in  
12 Appendix B tells us that Hey, there hasn't been one or two  
13 or three individuals inspecting that site. There have been  
14 over forty different people inspecting that site, each one.  
15 So we're not totally dependent on the inspection program  
16 upon one individual.

17 Each one of these guys, inspectors, is coming  
18 in and inspecting his own speciality. So it's a very in-  
19 depth inspection program.

20 Now, as I wanted to allude to just a moment ago,  
21 about, hey, what is an inspection program, typically an  
22 inspection is one through five days. It might vary either  
23 way. And you might say that we could tabulate how many  
24 days each one of these inspectors had been at a site, that  
25 as a rule of thumb -- and I feel it's a conservative rule of

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1 thumb -- that I could multiply each one of these by three and  
2 come up with that man has been up there approximately that  
3 many days. On an average I would feel comfortable with that  
4 number personally.

5 So that when we come up with the number of 118  
6 for Brunswick 2 for the number of inspector days; I would  
7 feel comfortable and I think with a margin to spare that I  
8 could multiply that by three and say that many inspection  
9 days on site.

10 Now from the tabulation similar to Appendix C --  
11 give you for Robinson the inspection numbers for '76 to '78  
12 and also the days of the inspection. Now that doesn't give  
13 inspector hours but at least it gives the days of the in-  
14 spection.

15 Q Mr. Murphy, you referred earlier to this Board  
16 indication, Licensee regulatory performance evaluation.  
17 Since we just got it this morning but you did refer to it,  
18 what was your relationship to this document?

19 A (Witness Murphy) This specific document I had no  
20 part in preparing other than that the input of the inspection  
21 results from my branch as well as this other branch would have  
22 gone into evaluation reports. As I said, there have been  
23 many attempts over the time past to develop methods of  
24 evaluating performance of licensees as an over-all type of  
25 thing. That's why we do not have what would be considered

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1 as a successful method.

2 Q Let me refer you to the individual site record  
3 from the IE employee survey and evaluation of licensees of  
4 April '78 in this document. There are no page numbers for  
5 the individual assessments but on the Brunswick and Robinson  
6 pages what of that information would have come through your  
7 relationship --

8 A The surveys were made of the employees at Region  
9 II. It would primarily be from those. I am not aware  
10 if they have been transferred away or not.

11 You are referring I believe to tables that are  
12 probably weighted on a scale of one, to seven or something on  
13 that order.

14 Q That would be about I believe a one-fourth  
15 scale?

16 A If you will read the text associated with that  
17 you will find that those are not flunking grades because  
18 anyone that flunked would not be permitted to continue  
19 operations, if you will.

20 Q Now how many people flunked --

21 A No licensee has been shut down so I would say  
22 that no one flunked.

23 Q Okay.

24 So everybody gets a passing grade. Is that right?

25 A Yes. If they did not get a passing grade they



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1 would not continue to operate. There's a distinction, sir.

2 Q Well, I said, "All right, everybody has got a  
3 passing grade."

4 A All right.

5 Q I'm referring you to the page on Robinson that  
6 says, in Tab 6, it says, "Can narrative statements of changes  
7 in safety and other statements of consideration...."

8 Who has been responsible for the drafting of  
9 these narrative statements?

10 A The individual inspectors were, as I understand  
11 it, asked for opinions of the performance as well as the  
12 rating. And the narrative statements would have been from  
13 those interviews.

14 Q This is February, 1979. It came off the press  
15 yesterday. And for Robinson it says "Licensee" -- referring  
16 to CP&L -- "has made increased commitments to QA and QC,  
17 Quality Assurance and Quality Control. Licensee reports  
18 only those items that are conspicuously reportable.  
19 Licensee impedes inspector access and freedom of movement  
20 at site. No information freely given -- only what is  
21 required."

22 And yet they give it a 2.7 out of seven.

23 A All right.

24 The 2.7 out of seven was from the same  
25 inspectors that made the statements. The statements

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1 themselves are not reported. Those were opinions of the  
2 inspectors.

3 Q And you say they're not supported.

4 A In that book they are the nonsupported state-  
5 ments of the inspectors.

6 In other words, those are taken anonymously,  
7 if you will. But they were the opinions expressed by the  
8 individual inspectors.

9 Q And you don't agree with those opinions?

10 A I do not know the basis for those opinions  
11 because I have not been -- I do not know which inspector  
12 made the statement or on what basis he made the statement.

13 Q Well, I'm not asking that.

14 I'm asking you whether you agree with them?

15 A I do not know. I have no basis for an answer  
16 to that question, sir.

17 Q You mean you do not know whether or not the  
18 licensee -- you do not know whether CP&L has made an  
19 increased commitment to quality assurance and quality control?

3 Madelon 20  
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1 Do you believe that to be true?

2 A Well, when we're going to a specific one I'm  
3 well aware that at a period of time licensees, including  
4 CP&L, have made increasing commitments to quality assurance  
5 and quality control because they have been required to.

6 Q Do you believe that CP&L management in the  
7 Robinson Plant reports only those items that are conspicuous-  
8 ly reportable?

9 A I have no experience with the Robinson Plant,  
10 sir.

11 Q Okay.

12 CHAIRMAN SMITH: Does the record demonstrate  
13 the page number that you're reporting?

14 MR. ERWIN: There's no page number. It's just  
15 unfathomable. You can't refer to it -- I mean you have to  
16 thumb through it. And it's not even -- and the sites aren't  
17 even in alphabetical order. There wasn't any Brunswick  
18 in the Bs.

19 And they don't seem to be in any numerical  
20 order, and they don't seem to be in any particular -- they  
21 seem to be in some rough geographical order.

22 MR. REIS: Mr. Chairman, may I suggest that the  
23 attorney for the Intervenor is reading from what is Tab  
24 number 6, and the plants are arranged generally in the NRC  
25 -- order of NRC regions. And then I subdivided

mpb2 1            alphabetically. And if you look at them, they are. So  
2            you'll find the Brunswick Plant and the Robinson Plant as  
3            the second group discussed under Tab 6, and that they are  
4            in Region II.

5            MR. ERWIN: Mr. Chairman, Mr. Reis is correct,  
6            but Browns Ferry comes after Yankee Rowe. There is no  
7            obvious order.

8            I'm delighted to hear that that is the order  
9            because that will help me in the future. But it's not  
10           manifest in the document. It is very helpful because we  
11           do start with Beaver Valley and then go to Yankee Rowe, and  
12           then start with Browns Ferry and Brunswick is over here.

13           CHAIRMAN SMITH: Well, you're reading, then,  
14           from Tab 6. The Board notification -- the Licensee  
15           Regulatory Performance Evaluation, February 1979, and I  
16           would estimate that you are reading about nine-tenths of  
17           the way through Tab 6.

18           MR. ERWIN: I believe it would be more like  
19           one-third of the way through. Am I wrong?

20           CHAIRMAN SMITH: I'm talking about going from  
21           the front to the rear beginning at Tab 6 on its way to  
22           Tab 7. The data that you just read appears about nine-  
23           tenths of the way through.

24           MR. ERWIN: That's not the statement that I'm  
25           referring to.

mpb3 1

2 clarify that, I believe that statement probably appears  
3 twice. However, it is on pages that have the graph at the  
4 top of the page, at the top-third of the page. And if you  
5 start with the graphs that start grading plants, it is the  
6 22nd graph.

7 CHAIRMAN SMITH: You say these are Tab 6? What  
8 is the significance of Tab 6?

9 MR. REIS: Tab 6 says:

10 "Individual site readings from I&E  
11 employee surveys and evaluation of Licensees,  
12 April, 1978."

9.322

13 DR. LEEDS: Are you on the thing that has the  
14 little squiggly graph?

15 MR. REIS: That's right.

16 DR. LEEDS: Fantastic, I found it.

17 (Laughter.)

18 DR. LEEDS: Maybe I'll purchase a numberer and  
19 number the pages.

20 MR. REIS: It would have been a good thing to do.

21 DR. LEEDS: I can't imagine your tabs surviving  
22 the Post Office handling.

23 MR. ERWIN: Does Mr. Reis happen to know how  
24 many individual sites, what the number is?

25 MR. REIS: Individual sites? I know there are

mpb4 1 presently 70 licensed plants.

2 WITNESS MURPHY: 78 is the last number that I  
3 recall, but this was taken earlier. So I don't know how  
4 many might have been involved. It would have been, of those,  
5 essentially all of the plants that were operating at the  
6 date the survey was taken.

7 CHAIRMAN SMITH: That's correct, it appears both  
8 -- almost to the rear of section Tab 6, where Mr. Erwin  
9 states, I'd say about one-fourth of the way through the tab  
10 as you identified it. As I recall this statement has been  
11 read in its entirety correctly.

12 BY MR. ERWIN:

13 Q Referring to this table, as you say, you start  
14 with the rate "acceptable loading", "acceptable" do they not,  
15 on a scale of one to seven?

16 A (Witness Murphy) I don't know that I have ever  
17 seen the table at arms length that you are referring to.  
18 I see the one from this. But I am familiar with the rating,  
19 Mr. Erwin. It was a part of -- there have been three  
20 different attempts to evaluate licensees on three different  
21 methods. None have been concluded by the NRC to be accurate  
22 methods.

23 The one rating is based on the compliance  
24 record or non-compliances of a licensee. A second method  
25 would be the numbers of LARs, Licensing Amendment Reports,

mpb5 1 into their severity and so forth. And the third one was the  
2 judgment factor of inspectors who have been involved in the  
3 sites.

4 The survey was a voluntary type of survey. I  
5 do not know that it represents all of the inspectors that  
6 were at a site or what specific basis, the point in time  
7 an inspector may have been at a site; a good statement could  
8 have been at a site that was just started underway and  
9 problems had not been identified. A good statement could  
10 have been at the end of a plant close to licensing where  
11 a licensee was in full compliance. Adverse statements could  
12 be anywhere along the line depending upon an inspector's  
13 individual experience. It could have been a result of one  
14 or two inspections or many inspections.

15 So it is very hard to make a statement that you  
16 agree or disagree with a statement that is in there without  
17 knowing some history in back of it. Obviously the man who  
18 makes the statement believes that he is accurate in making  
19 his statement. And without knowing the basis for him making  
20 that statement I cannot agree or disagree specifically with  
21 a statement.

22 I can have a professional opinion about the  
23 performance of a licensee, but that's a different story.

24 CHAIRMAN SMITH: Mr. Murphy has indicated  
25 that he is not the author of this report. He is not

mpb6 1 presenting it or anything else. So I see no reason why,  
2 if you're going to examine him further, that he should not  
3 have access to the pages that you're going to ask him about.

4 Could you provide that?

5 MR. ERWIN: I was under the impression that he  
6 would have had occasion, if the Staff was offering this  
7 this morning, that he would have had occasion to refer to it.

8 CHAIRMAN SMITH: Well, you're not examining him  
9 to test his competency on this report?

10 MR. ERWIN: No, I'm not.

11 CHAIRMAN SMITH: There's no reason why he  
12 shouldn't have access to it.

13 MR. ERWIN: Absolutely not. I would have given  
14 him my copy if I thought anyone was trying to keep him from  
15 having a copy.

16 CHAIRMAN SMITH: Gentlemen, sometimes attorneys  
17 may examine you to test your memory of a certain report, and  
18 in that case you would not be given access to one. But when  
19 a question comes up that you think that you need materials  
20 to get a complete and accurate answer to, you ask for it.

21 WITNESS MURPHY: Yes, sir.

22 I felt that I had no need to see the specifics  
23 at any point in time or I would have asked for the data and  
24 the time of the review.

25 WITNESS DANCE: Let me add to Mr. Murphy's



mpb7

1       comments.

2                       This survey was on operating power plants with  
3       which Mr. Long and I are in Operations. So it's basically  
4       on our percentage in Region II, and not Mr. Murphy's.

5                       We have seen the draft of this completed  
6       document before. And the comments provided there at the  
7       bottom of the page have to do with individual inspectors'  
8       comments made during this survey. They published them all,  
9       whatever the comments were.

10                      When you get a team of something like 110  
11       inspectors, which we now have in Region II, visiting a  
12       power plant, you're going to have some Hey, we have issues,  
13       with different issues with the plant. And those comments  
14       provided there are at least one issue from that inspector  
15       at that point in time when he made the survey.

16                      We frequently get comments that we have meetings  
17       with the licensees to resolve.

18                      BY MR. ERWIN:

19                      Q       Then I'll ask you, Mr. Dance:

20                               Have you access to this document?

21                      A       (Witness Dance) We have seen initial drafts.

22                      Q       May I ask Mr. Murphy to pass you the document.

23                               (Handing document.)

24                      A       We saw it this morning.

25                      Q       I'll ask you again:

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The rating is on a scale of one to seven, is that

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right?

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A Yes, as I understand it.

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2 Q I haven't counted the number of ratings, site  
3 ratings that were made, but presumably it's in excess of --  
4 it's close to the number that was mentioned, the 70-some-plus.  
5 The rating for Robinson is 2.7 out of 70, is it not?

6 A That's correct.

7 Q Is not that the lowest rating of any unit in  
8 Region 2?

9 MR. O'NEILL: May I ask counsel where he's  
10 referring to, and what rating? There is a number of different  
11 ratings. There are seven-point scales for a number of  
12 ratings. And it is not clear exactly what one he's looking  
13 at. If he's looking at Robinson, 2.7, it says "Stringency  
14 of requirements for site." And I'm not at all-aware of what  
15 that means.

16 I think the question is somewhat misleading, and  
17 we don't have any basis for that question.

18 WITNESS LONG: That would be my question. I  
19 do not see such a topic, place where there is a rating for  
20 the worst site on a scale, best or worst site on a scale of  
21 one to seven. There, I believe, are two specific conditions,  
22 as I recall: familiarity of the raters, and the other one  
23 based on a seven-point scale is stringency of requirements.  
24 One is less than demanding of other sites and seven is much  
25 more demanding.

BY MR. ERWIN:

2 Q Mr. Long,--

2 A (Witness Long) I'm not through.

3 Q What is your understanding of "stringency of  
4 requirements for site" on the seven-point scale? Again, it  
5 was your counsel who introduced this this morning.

6 CHAIRMAN SMITH: Wait a minute.

7 Mr. Reis?

8 MR. REIS: First of all, I did not introduce it.  
9 It was something that was supplied to the Board members  
10 generally. It's not an exhibit.

11 Secondly, I don't know the materiality of this,  
12 since we don't know who prepared, or we don't have the  
13 person who prepared this, or who made these comments. We  
14 don't know how the seven people were chose who rated this.  
15 Apparently the number of people rating the sites was only  
16 seven. And I don't see the materiality to the subject here  
17 which is the matter of capability of CP&L.

18 DR. LEEDS: Let me ask a question, sir.

19 You've just given me -- I don't have my ruler  
20 with me, but it lookslike about an inch and a half to two  
21 inches thick document which I expected to spend a couple of  
22 hours going over tonight. Are you telling me now that I should  
23 throw this thing away because essentially you can't tell any-  
24 thing about it at all?

25 MR. REIS: No. I'm telling you this is a

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1 publication of the NRC and that it can lead to questions in  
2 appropriate areas for the Board's inquiry. I don't question  
3 that. But I do question that it is something that you  
4 should ask witnesses to comment upon the truth or non-truth  
5 of examples in here. It is something that might lead to  
6 questions but it is not something that you could directly  
7 inquire as to the truth or non-truth of the matters herein,  
8 or as to agreement or disagreement with the statements.

9 DR. LEEDS: That's sort of a truism. Since I  
10 don't have a witness here I have problems with hearsay right  
11 off the bat; isn't that so?

12 MR. ERWIN: If I may respond, Mr. Chairman.

13 (The Board conferring)

14 CHAIRMAN SMITH: Mr. Reis, as I understand, you  
15 have not offered this document as an exhibit.

16 MR. REIS: That's right.

17 CHAIRMAN SMITH: You quite clearly stated that  
18 you do not offer it in support of your showing in this case.  
19 And we asked you if you intended to base proposed findings on  
20 it and you indicated no.

21 As I understand it, you offered this to the Board  
22 under a general desire of the Commission to bring to the  
23 attention of the licensing boards, appeal boards and the Com-  
24 mission matters which can have relevancy and materiality to  
25 their considerations.

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MR. REIS: That's right.

CHAIRMAN SMITH: That's the Maguire requirement, and it was there adopted as a Commission policy.

MR. REIS: That's right.

CHAIRMAN SMITH: And that's all you're doing.

MR. REIS: That's all I'm doing.

CHAIRMAN SMITH: You're not sponsoring it, you're not vouching for it or anything.

MR. REIS: No.

I would like to point out that in Tab 2 particularly there's an indication that the Commission would not vouch for it or sponsor it; it is just information collected by the Commission that they feel the Boards should be aware of and might lead them in their duties to ask questions, to raise issues, to raise issues and ask questions.

CHAIRMAN SMITH: You're going to explain a little more thoroughly, are you, Mr. Long?

WITNESS LONG: I would like to make one statement. In Tab 3 I think it pretty well says what my position is, and the vast majority of the people that I know who have had experience with this report.

MR. ERWIN: Mr. Chairman, might I ask--

CHAIRMAN SMITH: Just a moment. I'm going to give you an opportunity to cross-examine on this report. But before you have that opportunity I want to make it clear who's

wb5

1 responsible for it, what they say about it, and then we will  
2 have a cross-examination which is more meaningful.

3 We have a procedure at the NRC which is now  
4 under evaluation, in which the Staff is required to ship off  
5 to the Board almost anything they think just might have some  
6 bearing upon their responsibilities. And they don't send  
7 these documents, unless they say so, in support of a particular  
8 position, they just bring it to our attention.

9 This is outside the normal adjudicative process,  
10 it's outside the requirements of the Administrative Procedure  
11 Act. It is an extra thing which the Commission has imposed  
12 upon the Staff as an extra element of safety.

13 Now we're going to give you a chance to cross-  
14 examine. But we're going to first make it clear to what  
15 extent the Staff sponsors this report and to what extent it  
16 doesn't.

17 MR. ERWIN: I would like to enter an exception  
18 to that.

19 CHAIRMAN SMITH: Well state your exception.

20 MR. ERWIN: Mr. Chairman, I believe I'm entitled  
21 under the procedures of the Nuclear Regulatory Commission to  
22 ask questions of these witnesses.

23 CHAIRMAN SMITH: Exactly.

24 MR. ERWIN: And the last question that I asked  
25 was whether or not on the page relating to the Robinson plant

wb6

1 the numerical rating of the -- of stringency of requirements  
2 was not 2.7, and whether or not that was not the lowest in  
3 Region 2. And I did not ask whether or not any or all of  
4 the members of the panel agreed or disagreed with that rating  
5 or the significance of the rating. I don't believe we had  
6 even reached that issue.

7 CHAIRMAN SMITH: That's fine. And your question  
8 is pending. There has been no objection to it. The question  
9 is pending.

10 Let's get control back here.

11 In the meantime the discussion has meandered off  
12 into the extent that you can use this report for cross-  
13 examination. And the idea was that this was a-staff exhibit,  
14 and I'm trying to establish that this is not a staff exhibit.  
15 Then when we get this all done I hope you get back to your  
16 question and get it answered.

17 MR. ERWIN: Mr. Chairman, I did not say it was  
18 a staff exhibit, but what I did say was--

19 CHAIRMAN SMITH: No, but it was stated, and I'm  
20 just trying to establish that it was not a staff exhibit.  
21 We will have a thorough record when we know to what extent  
22 these witnesses can testify about this report and to what  
23 extent the Staff is sponsoring the report. Then I think we'll  
24 have a thorough understanding.

25 Now do you have anything else to say on this one



wb7

1 point, Mr. Long?

2 WITNESS LONG: I could address this question.

3 CHAIRMAN SMITH: You're ready for his question?

4 WITNESS LONG: To the best of my knowledge the  
5 stringency requirement was based on the licensing -- the  
6 restriction, or the stringency of licensing requirements of  
7 one plant versus another. Robinsin is a very old nuclear  
8 plant. It is by far the oldest operating one in our region.  
9 I don't know how it stands nationwide. But its tech specs  
10 do not compare, in my opinion, with the stringency of plants  
11 licensed much later.

12 DR. LEEDS: Well, let me make a comment, Mr. Erwin.

13 If I could refer you to -- fortunately it is  
14 numbered -- page 5 of Tab 3, the rating sheet. I think if you  
15 look on page 5, Tab 3, Question No. 15, it seems to be the  
16 one that generated the answer in those tables. I don't know  
17 that that's so, but they're talking about stringency of  
18 site, and then they talk about the NRC requirements that this  
19 site must follow. And there's a rating, one to seven. If  
20 you'd take the time to look at that it might help.

21 MR. ERWIN: Again, I'm not disputing this, I'm not  
22 saying this is a rating. I've not been heard to say it today  
23 that this was a rating of anything other than what it purports  
24 to say on its face. I'm asking whether the numbers -- whether  
25 this is what it says, whether 2.7 is the number that appears

wb8

1 on this page, and then whether or not 2.7 is the lowest  
2 number that appears in this, under this.

3 WITNESS LONG: I don't know. I don't know that  
4 it's the lowest number because I haven't tried to find the  
5 lowest number. In our region it may be, but I'm not really  
6 that sure either.

7 CHAIRMAN SMITH: Now until we get on a little bit  
8 better organized basis-- The round-table method sometimes  
9 works, sometimes it doesn't. We're degenerating now into  
10 confusion.

11 I want you to restate the question, and I want  
12 objections to be made formally and the basis for them stated,  
13 then we'll wait for the answer and then start again.

14 Ask your question again. And if you want to  
15 object to it, object to it.

16 BY MR. ERWIN:

17 Q I would ask any or all members of the panel -- I  
18 will ask Mr. Long the first question, whether the stringency  
19 of requirements for site on a seven-point scale for Robinson  
20 after Tab 6 is not 2.7?

21 A (Witness Long) It says 2.7 on this page.

22 Q Do you know, or does any other member of the  
23 panel know, whether any other plant in Region 2 has a lower  
24 numerical -- a lower arabic number attached to this, to  
25 stringency of requirements for site, than Robinson?

wb9

1 MR. REIS: Mr. Chairman, I object on the grounds  
2 of materiality.

3 First of all, I don't understand why we're dis-  
4 cussing other plants.

5 Secondly, and perhaps more importantly, the  
6 stringency of requirements is not an issue in this proceeding.  
7 The issue is competency of CP&L management, and their  
8 management capability, not the stringency of requirements that  
9 the NRC might put on. And this is apparently stringency  
10 of requirements of the license.

11 I don't see where the questions are going or  
12 where they are material.

13 CHAIRMAN SMITH: The problem is, the explanation  
14 of the significance of the seven-point scale is not apparent  
15 on the face of it, and it is not yet apparent in the witness'  
16 answer. You're anticipating their answer, I believe.

17 Remember, we started with a new question.

18 So I'm going to overrule your objection. But they  
19 should have an opportunity to explain how this rating was --  
20 how this scaling was arrived at.

21 You may answer.

22 WITNESS MURPHY: I do not know the answer to your  
23 question, sir.

24 WITNESS LONG: In my opinion the 2.7 is probably  
25 a fair value. But I might rate it a little higher than that.

wb10

1 I'm familiar with the Yankee-Rowe plant. In the book it has  
2 a lower rating, a lower number, than Robinson. And I would  
3 guess that that's correct, because Yankee-Rowe is older than  
4 then Robinson.

5 BY MR. ERWIN:

6 Q Would you accept, Mr. Long, that there are only  
7 three other plants, Big Rock Point, Humboldt Bay and Yankee-  
8 Rowe, that have lower ratings?

9 A (Witness Long) I would say there are not many  
10 plants older than Robinson.

11 Q Now would you accept-- Do you agree or disagree--

12 DR. LEEDS: Excuse me, Mr. Erwin, I have a  
13 problem with your question. I'm not sure we got an answer  
14 to your question. So as to make the record clear, you said  
15 rating of plants, and I thought I was reading in here-- This  
16 is stringency of requirements for the site. And I think  
17 rating of the plant would be different than stringency of  
18 requirements for a plant. That's what my problem is.

19 CHAIRMAN SMITH: There is another problem, too.  
20 He didn't answer your question. When you ask a question, make  
21 sure you get a response. If you don't, ask for a response.  
22 He simply did not answer your question.

23 If you're happy with that answer, okay.

24 BY MR. ERWIN:

25 Q Mr. Long, do you agree or disagree with any or

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all-- In order to save time, do you agree or disagree or have any opinion regarding any of the matters narrated at the bottom of the Robinson page which are:

"Licensee has made increased commitment to QA and QC.

"Licensee reports only those items that are conspicuously important.

"Licensee impedes inspector access and freedom of movement at site.

"No information is freely given. Does only what is required."

A (Witness Long) I agree with the first statement. I disagree with the second statement. I somewhat agree with the third statement. I disagree with the last two.

Q Mr. Dance, I will ask you the same question.

CHAIRMAN SMITH: Excuse me. The statement that you somewhat agree with is "Licensee impedes inspector access...."

WITNESS LONG: Yes. That has to do with security requirements. I believe that we impose many of the requirements that they in turn use to impede our access.

CHAIRMAN SMITH: I just wanted to make sure I matched up your answer with the statement. I just wanted a point of reference.

WITNESS LONG: Yes.

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1 BY MR. ERWIN:

2 Q Picking up on that, Mr. Long, is there any other  
3 plant in which a narrative statement -- in which any  
4 narrative appears that the Licensee impedes inspector access  
5 and freedom of movement at site?

6 MR. REIS: I again object on materiality. The  
7 question is not other plants, the question is CP&L, and I  
8 think we should focus on CP&L.

9 CHAIRMAN SMITH: This is H. B. Robinson. This is  
10 a CP&L plant.

11 MR. REIS: I know, but the question was are there  
12 any other plants, meaning all the plants reported in this  
13 book where freedom of access is restricted or where there is  
14 comment on freedom of access.

15 We're not concerned with other plants; we're con-  
16 cerned with this one, plants run by CP&L.

17 CHAIRMAN SMITH: Mr. Erwin?

18 MR. ERWIN: Mr. Chairman, the witness has stated  
19 that he partially agrees with this but he went on to state  
20 that he considers that the impedece to inspector access and  
21 restriction of freedom of movement at the site was related  
22 in some unspecified way to requirements of the NRC.

23 I asked him whether he was familiar with whether  
24 or not anybody else in any other plant, any other inspectors  
25 at any other plant had objected to the licensee impeding

eb3

1 access or restricting freedom of movement. I think that's a  
2 legitimate question to follow up on his response to my first  
3 question.

4 CHAIRMAN SMITH: Mr. Reis?

5 MR. REIS: You're asking for --

6 MR. ERWIN: He's the one who referred to Yankee  
7 Rowe. He made the comparison.

8 MR. REIS: We're asking for negative inferences  
9 on hearsay regarding other plants that are not being looked  
10 at here, and it gets quite removed. In other words, we're  
11 supposed to-- What they're asking for is an inference from  
12 not saying something on some other plant of people who are not  
13 here and who are not witnesses. --

14 CHAIRMAN SMITH: I think we'll allow him to  
15 answer this. The relevance is there but it is very strained  
16 and very remote, but it has to be a judgment call and I'm going  
17 to allow him to answer.

18 WITNESS LONG: I do not know if there are state-  
19 ments on other plants. I haven't read all the statements at  
20 the bottom. But I do not either know of any case where we  
21 have had other than minor impeding of inspector access.

22 Whenever this question comes up I have found that  
23 it somehow involves the Licensee's interpretation of his  
24 security requirements which are very strong on the matter  
25 of access control. And the NRC people have provided no

eb4

1 exceptions to the regulations and that's the reason for it.

2 At least that's the reason that the Licensee implies to us.

3 WITNESS MURPHY: I can answer specifically. Last  
4 week I received a call from an inspector at another facility  
5 who had been denied access because he didn't have proper  
6 clearance for access.

7 We went through the motions, got the proper  
8 clearance for him, and he went in. We are required to ob-  
9 serve the regulations just as anyone else is.

10 CHAIRMAN SMITH: Mr. Dance, so you know who this  
11 inspector is who made that comment?

12 WITNESS DANCE: I think it's four or five dif-  
13 ferent inspectors. Each comment may be one man, or maybe  
14 one inspector making one comment or two comments. I don't  
15 know, no. The surveys were taken in confidence. They were  
16 taken confidentially by the survey team.

17 WITNESS LONG: It is not unusual in a facility for  
18 inspectors to complain or bring this question up. When I  
19 go there to a site it doesn't bother me to be held up for  
20 routine access control because I don't go that often. But  
21 those inspectors who go frequently feel like valuable time  
22 of the day is lost in routine delays over access.

23 BY MR. ERWIN:

24 Q Mr. Long, you previously stated that a number of  
25 men have testified regarding Appendix B -- a number of



eb5 1 inspectors have inspected the Robinson plant. I believe the  
2 number is 57, is it not?

3 A (Witness Danca) That's the number of inspections.

4 Q 42 is the number of inspectors. I'm sorry. Isn't  
5 that correct? Isn't that what's tabulated?

6 A Right.

7 Q 42?

8 A 42.

9 Q 42 people.

10 And they also inspect other plants, do they not?

11 A Yes.

12 Q And they don't just inspect plants that belong to  
13 CP&L, do they?

14 A (Witness Long) That's right.

15 Q So we're not-- Since this survey was conducted  
16 in confidentiality and the names of the commentators were not  
17 known, would you not expect to find other comments to the  
18 same effect about other plants if this in fact were only a  
19 generic problem relating to security requirements?

20 A (Witness Murphy) Sir, --

21 A (Witness Long) Let me answer if you will, please.

22 I would like to state that to my knowledge, there  
23 are not any two similar security plans at two different  
24 sites. Every one that I have come across is different, and  
25 it was my opinion that the Brunswick security plan was more

eb6

1 stringent than others. That was only an opinion at the time.  
2 I honestly don't know how it stands today.

3 But you really cannot make a true, honest com-  
4 parison of the security access control at two plants because  
5 there is such a wide spectrum of conditions that still would  
6 have met the security regulation requirements.

7 A (Witness Murphy) Mr. Erwin, in NRC's Region II  
8 we recently issued letters to licensees identifying to them  
9 specific individuals to them that would routinely be coming  
10 to their plant in order to increase -- decrease the access  
11 time of those individuals in passing through the security.  
12 And I think that this in itself shows that there is a generic  
13 concern about, if you will, wasting time in getting the people  
14 through the access controls and to make it easier for this  
15 type of thing.

16 So there have been some civil penalties issued  
17 on matters of security. The utilities are rightfully very  
18 sensitive to the matters of security. And just because we  
19 are in NRC and offer a set of credentials, they will not  
20 bypass their security plans to speed up our access.

21 The fact that someone made a point of it at one  
22 facility and not at another, it is a problem generically,  
23 or has been.

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Q There's a graph or a plot of points on each of these individual plants, is there not, appearing at the top of the page for each plant?

I'll address that question again to Mr. Dance.

A (Witness Dance) Yes, there is.

Q All right.

Now that plot has various rating categories and they include, do they not, over-all safety, attitude toward safety, cooperation with NRC, technical competence, quality design, administrative control and operations, emergency planning, radiation control safeguards, and quality assurance?

A Correct.

Q Now where do Robinson and Brunswick fall on this plot between acceptable and exceptional, most if not all of these rating categories?

MR. REIS: Mr. Chairman, I object. I think the exhibit -- or the document, it's not an exhibit, but the document speaks for itself. I think we're just wasting time. There are a great number of questions which the attorney has asked, that the exhibit be recounted or read, and it seems to just fill up the transcript. The exhibits speaks for itself.

Let him ask his questions. The document speaks for itself, and not ask what the document says.

eb2

1 CHAIRMAN SMITH: The document is not in evidence.  
2 Let's begin with that as a premise. And apparently it is not  
3 going to be in evidence at all, unless the Board-- I guess  
4 if we examine so much on it we may have to put it in. That  
5 creates additional problems because it certainly is not  
6 reliable evidence. So he's going to have to restate enough  
7 in the question to make the question make sense to the wit-  
8 nesses and for the record to explain what has happened.

9 I guess truly the problem we're facing here,  
10 Mr. Reis, is that somewhere the Commission has elected to  
11 alert the Board to a series of anonymous statements and what  
12 we're supposed to do with this information is beyond me. I  
13 just don't know.

14 One thing we can do with it is to allow the  
15 Intervenor to cross-examine so we're going to be rather  
16 liberal in allowing him to do it.

17 I do have one observation to make, though. We're  
18 sitting here on a big pile of testimony where we have eyeball  
19 witnesses who raise problems that are equal and more serious  
20 than the Staff, and I hope that you'll take advantage of your  
21 thorough cross-examination when we come to those testimonies.

End WRB  
NEL fls.

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1 MR. ERWIN: Mr. Chairman, I believe Mr. Murphy  
2 has stated that there are three ways in which to compare  
3 plants. He's also stated, I believe, that all operating  
4 plants today meet acceptable criteria. I'm attempting to  
5 cross-examine them as to the relative numbers of non-compliances  
6 in Robinson and in Brunswick, and the LER's at Robinson and  
7 Brunswick, to see whether Robinson and Brunswick fall in the  
8 spectrum of operating nuclear power plants.

9 I believe I have the right to do so, and believe  
10 it's very material and directly relevant to the issues.

11 CHAIRMAN SMITH: What would you have done if this  
12 report was not submitted to you?

13 MR. ERWIN: I would have asked Mr. Murphy and Mr.  
14 Dance and Mr. Long and Mr. Brownlee what the comparative  
15 numbers of non-compliances for Brunswick and Robinson were  
16 in relation to other plants in their region.

17 CHAIRMAN SMITH: This would have had some  
18 relevance to their direct testimony?

19 MR. ERWIN: I believe it would.

20 CHAIRMAN SMITH: Yes, I believe so.

21 MR. ERWIN: I mean Mr. Murphy stated that there  
22 have been three attempts to quantify this problem, and none  
23 of them was successful. But apparently all three of them  
24 have been put out for some purpose, for some meaning.

25 CHAIRMAN SMITH: All right, I'm just pointing out

1 to you that we're going to allow you to cross-examine on this  
2 report submitted to ---

3 MR. ERWIN: I believe if the witnesses were not  
4 so defensive about it, that we could get through with it  
5 very quickly. My questions, I think, are very brief.

6 MR. O'NEILL: Mr. Chairman, I'm almost reluctant  
7 to introduce another problem, but I think I must.

8 We received a copy from Mr. O'Reilly some weeks  
9 ago of a document that purports to be in most cases similar  
10 to this one, that apparently was sent to all licensees, again  
11 saying it was a preliminary study by the Commission. And the  
12 document that we received again had the graph that counsel  
13 was referring to for Robinson and Brunswick, along with the  
14 other plants.

15 One of the things that concerned us this morning  
16 was that when we compared the graph that was being looked at--  
17 and it's the one for Brunswick, Docket Number 50-325, which  
18 counsel I believe was referring to, along with one for  
19 Robinson, we note that it's a completely different graph, and  
20 we have no explanation whatsoever of why that graph was  
21 changed, even though the numbers which support it underneath  
22 that, the rating, is exactly the same, which demonstrates the  
23 unreliability of anything in this document for purposes of  
24 this record.

25 These witnesses have already stated that they did

1 not prepare this report, they are unfamiliar with it, and, as  
2 a matter of fact, they have criticized it and said it's  
3 unreliable. And now I think that we have a real problem  
4 with counsel asking a direct question as to how does  
5 Robinson or Brunswick fall into this acceptable-to-exceptional  
6 plant, when we have two different graphs, both of which have  
7 been sent to us by the Commission.

8 CHAIRMAN SMITH: Okay. The witnesses can make it  
9 clear that they're not basing their answers based upon this  
10 graph, if this is the case.

11 What Mr. Erwin has done is he has demonstrated his  
12 questions are appropriate, in my view, under the direct  
13 witness testimony of these witnesses, even without this.

14 Now, if this report should remind him of some  
15 questions he wants to ask, let him do it.

16 Everyone is on guard. But the Board does not  
17 regard this report, the way it stands right now, as being or  
18 reaching the level of reliable, probative and substantive  
19 evidence. It's only being used because of Commission policy  
20 which requires the Staff to alert the Board as to a possible  
21 area of inquiry.

22 We just got it, we haven't read it, and we're  
23 going to exercise our discretion and allow Mr. Erwin a  
24 reasonable amount of cross-examination. And I do think that  
25 he's correct, that if people will just give accurate and

1 responsive answers to his questions about this report, we'll  
2 get on with it, and then we'll go on to the direct written  
3 testimony.

4 If you don't know, say you don't know, and we'll  
5 go on to other matters that you do know.

6 WITNESS MURPHY: Mr. Chairman, we are aware of the  
7 contents of this report. We are also aware of the methods by  
8 which it was obtained.

9 We are aware of the experience of the inspectors  
10 and their varying backgrounds.

11 We are aware of the differences in requirements on  
12 the licensees across the country.

13 This report, or a version of it, was placed in the  
14 public document room some weeks ago, and received wide  
15 attention of the media.

16 There are recognized problems with it that have  
17 been pointed out to the Commission. As an example, the  
18 inspector that commented on the plant in Region V has probably  
19 never seen the plant in Region II. And, therefore, there is  
20 not a standard of comparison that he has used that would be  
21 the same as used at other regions.

22 The requirements on the plants differ vastly,  
23 primarily in the line of the age of the plant.

24 The panel, I don't think, has been trying to  
25 avoid answering the questions. The panel is having great



wel 5.

1 difficulty in knowing the severity of the problems and trying  
2 to make a comparison, when there are unquantified variables  
3 that are involved. The subjectiveness of the inspectors, the  
4 differences in the requirements themselves on the plants,  
5 and the differences in the plants themselves, as well as the  
6 human traits of those people at the plants.

7 It makes it very difficult. Yes, we can verify  
8 that a number appears on the page, but to be able to say  
9 that that number has any real meaning to us, and that we  
10 support it or reject it, we are just not in a position to do.

11 CHAIRMAN SMITH: Ask your questions.

12 Was there an answer to your last question?

13 MR. ERWIN: I don't even remember what it was.  
14 I'll go on.

15 BY MR. ERWIN:

16 Q Mr. Murphy, you earlier stated that there were  
17 three attempts within the NRC to quantify the comparative --  
18 well, would you restate for me what you said earlier about  
19 three different attempts within the NRC to quantify whatever  
20 it was you thought they were attempting to quantify?

21 A (Witness Murphy) I won't ask the Reporter to go  
22 back. I'll try to recall it.

23 There have been three methods proposed and put  
24 to some use in trying to quantify the performance of licensees.

25 This report is the result of one of those methods.

wel 6

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The other one uses a term "licensee event report."

2

All plant technical specifications and the regulations

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themselves require that licensees report certain events.

4

These vary greatly from plant to plant. In

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general, the more stringent requirements are on the newer

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plants, and the less stringent requirements are on the older

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plants, which makes it hard to quantify.

8

Some plants report almost anything that occurs,

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if you will, to be on the safe side so they don't get a

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citation for non reporting. Others report those matters which

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they consider to fall within the realm of the reporting

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requirements, and it is their responsibility to determine

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the reportability of a matter.

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And then the notices of violation. Notices of

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violation are written up against regulations as implemented

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by the commitments made by the licensee. These commitments

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are in their SAR's for the most part, and vary greatly from

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plant to plant. Therefore, the non-compliances will vary

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greatly from plant to plant, based on the fact that they are

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being held to different standards, if you will.

21

So each of the three systems has some serious

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flaws. There has been a proposal made to the Commission that

23

a lengthy study be made -- an attempt be made to take the

24

best of the three worlds and come up with a system of

25

evaluating the performance of licensees on a relative basis.

1 That has not been done as yet, and, in fact, Commission  
2 approval has not been obtained, to my knowledge, as yet to  
3 have the study performed.

4 Q I would like to get on the record where Brunswick  
5 and Robinson relate in Region II on these three, the non-  
6 compliance records, the LER's, and -- if you can simply --

7 A Sir, we do not keep comparative statistics on  
8 non-compliances, to my knowledge, nor do we keep comparative  
9 statistics on LER's, to my knowledge.

10 Therefore, we do not have a method of comparing  
11 licensees relatively on the basis on non-compliances or LER's.

12 Q Mr. Long, do you keep any record of the number of  
13 non-compliances on the individual plants within Region II?

14 A (Witness Long) We keep statistics on the numbers  
15 of non-compliances, but we do not compare them.

16 Q Well, if you keep statistics on -- if you know how  
17 many non-compliances there were at Robinson, and know how  
18 many there were at Brunswick, and know how many there were at  
19 any other plant within Region II, then you can say where  
20 Robinson and Brunswick lie within a spectrum of the other  
21 plants within Region II, can you not?

22 A No. You can't.

23 A (Witness Murphy) Mr. Erwin, one of the ---

24 Q For whatever probative value?

25 A One of the studies that was made, Mr. Erwin,

1 indicated that there was a strong correlation between the  
2 number of inspection hours and the number of non-compliances  
3 identified, without giving a relative value to the non-  
4 compliances themselves.

5 Q Also under Tab 6 there is the admittedly anonymous  
6 comment on an inspector in regard to the fact that "licensee  
7 reports only those items that are conspicuously reportable."

8 So if we were to take that comment, we would  
9 assume that the numbers attached to Robinson would be more  
10 likely conservative than liberal, would they not?

11 A I don't know what the man who made the statement  
12 was attempting to convey. If he had stated that the --

13 Q What did he mean when he said that there were --  
14 MR. REIS: Your Honor, I object to asking the  
15 witness what another non-witness meant when --

16 MR. ERWIN: He just stated what the --

17 BY MR. ERWIN:

18 Q Mr. Murphy, you recently, just a few moments ago,  
19 you stated that somewhere in this report here is a statement  
20 to the effect that there is a correlation between the number  
21 of inspector hours and the number of non-compliances?

22 A (Witness Murphy) No, I said that there had been  
23 a study ---I don't know that it is in that report --- made, that  
24 indicated that there was a correlation, to an extent, between--

25 Q What did that study reveal?

wel 9

1 A I don't think that there were any conclusions  
2 drawn from the study, other than the fact that the numbers  
3 of non-compliances could not be used as a method, by itself,  
4 to compare performance of other licensees.

5 Q But the study indicated that the number of non-  
6 compliances rose when the number of inspector hours rose,  
7 is that right?

8 A I said that there appeared to be a correlation  
9 between that.

10 Q I'm asking what the correlation was. Did it rise?  
11 I mean --

12 A There seemed to be indication that the numbers of  
13 non-compliances increased linearly, or somewhat linearly,  
14 with the number of inspector hours. And that was a study.

15 Q Does that hold true for Brunswick and Robinson?

16 A I do not know.

17 Q What is the significance of that statement or  
18 study to you?

19 A I have not drawn any conclusions from it.

20 Q Then may I ask you why you mentioned it?

21 A You asked about a correlation, a comparing of  
22 licensees, using the numbers of non-compliances.

23 Q Yes, but you still have to draw some conclusions  
24 from the study?

25 A That is not one of my tasks, and I have not drawn

wel 10

1 any conclusions from it. I am aware of it.

2 Q Mr. Long, you said earlier today that a requirement  
3 in a construction permit was a drastic action, is that correct?

4 A (Witness Long) For me to recommend one would have  
5 to be drastic, or very unusual, because in 16 years I have  
6 never done that, nor seen the need for it.

7 Q Have you ever known of any other case in which it  
8 has been done in the construction permit?

9 A I imagine Licensing has conditions routinely, every  
10 day, but I don't think they add too many based on our  
11 recommendations, because we don't outguess them very often.

12 Q So Mr. Cantrell's recommendation to Mr. Dance in  
13 1977 was actually a request for you to do something you had  
14 never done in your entire 16 years of experience with the  
15 NRC and its predecessor, is that right?

16 A Well, the request wasn't to me, but if I had  
17 received the request I would not have made the recommendation,  
18 and I would have explained to Mr. Cantrell why I was not  
19 making such a recommendation.

20 But I was not particularly directly involved in  
21 that.

22 Q And yet you stated that you receive up to 20 memos  
23 a day, and that this particular memo requesting an action that  
24 you had never taken in 16 years, you didn't remember?

25 A No, I said I get as many as 20 notes a day. I'm

wel 11

1 talking about handwritten notes. This was not what we call  
2 a memo, it was --

3 Q I don't care what it was.

4 A It was a very informal thing, is what I'm getting  
5 at. I get lots of informal notes every day. All of us do.

6 Q How many informal notes have you got recommending  
7 to you that a licensee have a condition put on his construction  
8 permit?

9 A I don't think I have ever received any.

10 Q But this document by Mr. Cantrell was such a one,  
11 was it not?

12 A I said I did not see Mr. Cantrell's note.

13 Q You've seen it since then, haven't you?

14 A I've seen it since.

15 Q Wouldn't you describe it as such a one?

16 A I would handle it no differently if I --

17 Q I didn't ask you that. I asked you whether or not  
18 it was in fact a recommendation to impose a license require-  
19 ment on the --

20 A It was a recommendation for an entry or a part of  
21 the testimony package, and I would not have included it in  
22 the testimony package. I mean even then I don't think I  
23 would have put it in the testimony package.

24 I may have considered it, from hindsight. I really  
25 couldn't give you an honest answer.

1 Q Now, when you said drastic, why is it drastic?  
2 Why would it have been drastic for you to recommend the  
3 condition?

4 A Because it would be non routine, and I would have  
5 to consider all other facilities, precedents, and that sort  
6 of thing.

7 Q You say all other facilities? What do you mean?

8 A Anybody else at the same stage of permit issuance  
9 of operating plants.

10 Q Other utilities and other plants?

11 A Yes.

12 Q So you would have had to compare the plant that you  
13 were considering this action for in regard to another plant?

14 A (Nodding affirmatively.)

15 Q Or all the other plants in Region II at that stage,  
16 is that right?

17 A Well, I would have at least had to look to see if  
18 there were other similar problems, because we do that with  
19 specific problems, we do look at our experience in other  
20 facilities.

21 Q You do compare them?

22 A Specific problems.

23 Q Yes. You don't treat any given plant in isolation,  
24 do you?

25 A No, but we never compare two plants' performance.



wel 13

1 We don't take Plant "A" and measure it against Plant "B."

2 We may look at a problem in a component in a  
3 system, or a test, or a management problem, and many of these  
4 things are similar. But the plants certainly are not  
5 necessarily similar.

6 Q In other words, you compare trees, but you don't  
7 compare forests, is that correct?

8 A That's your . . . I wouldn't say.

9 Q Now, you were the one that used the word "drastic."  
10 What would it have required for you to recommend such an  
11 action on the part of the Licensing Board?

12 A Knowing as much as I think I know about CP&L, and  
13 many of the facilities, as much as I recall that I knew at  
14 that time, the long years that I have worked with CP&L,  
15 directly familiar with them and their abilities and capabil-  
16 ities, I would have been pretty shocked if I found real strong  
17 evidence that there was a major management weakness in any  
18 area. I would have been quite shocked, because I have kept  
19 up with that facility, that utility, for a long time.

20 I have inspected them for quite a number of years,  
21 and I am quite familiar with their activities years before I  
22 came to the Commission. They have been in the nuclear  
23 business longer than most utilities. Many years before  
24 Robinson they were involved, or many of their key people had  
25 been involved, in nuclear plant operation.

wel 14

1 I just have a strong confidence in the people,  
2 knowing what I know about many of their key people and  
3 background, conversations, inspections I've had with them,  
4 and many meetings that I've participated in. I have not ever  
5 felt concerned about their capability.

6 And that would outweigh any except the very most  
7 unusual recommendations about qualifications.

8 Q And yet, by your own words, your most experienced  
9 inspector -- I mean you stated he had ten years experience --  
10 recommended just such a drastic action in a note to a  
11 subordinate of your, and you did not consider it so unusual  
12 as to pass on to this Board, or to take any action regarding  
13 it at the time? --

14 A As I said, I did not see the note at the time. It  
15 was a long time later that I saw this note.

16 I was aware -- and that's all that I have stated --  
17 I was aware of concerns about CP&L management qualifications  
18 and cooperativeness, or some other general feelings. This  
19 was not unusual. I'm aware of these concerns at several  
20 facilities.

21 A specific recommendation for incorporating  
22 something into the license did not come to me at that time.

23 CHAIRMAN SMITH: Now, that question, in one form  
24 or another, has been asked and answered, by my count, three  
25 or more times.

wel 15

1 WITNESS LONG: Mr. Chairman, I'd like to make  
2 one statement:

3 I feel like if we are still -- and I presume we  
4 are off this -- but --

5 CHAIRMAN SMITH: What does that mean?

6 WITNESS LONG: The performance evaluation thing.

7 But I believe that -- I know I do, and I think the  
8 rest of us feel a little bit awkward in defending the document,  
9 because I personally never accepted this document. I don't  
10 think the Commission has endorsed it or accepted it.

11 It's something that was done as a test.

12 So we have never really attempted to defend or  
13 contradict the document and its contents. --

14 I've spent a lot of time on it, and I can't prove  
15 or disprove almost anything looking at it. It really is not  
16 a useful document, from my standpoint, as far as I'm concerned,  
17 for evaluating anyone.

18 And I believe in the front of the book the  
19 Commission makes it pretty clear in the statement that they  
20 don't discredit it, or disown it, disclaim it, but I think  
21 it does clearly state that this was a type of trial system  
22 that was used because the Commission felt a need for being  
23 able to make some comparison of performance,

24 I never was at all satisfied with counting  
25 non-compliances, because I can -- in fact, I could use an

wel 16

1 example at Robinson, if I wanted to, and a real good one.  
2 If I'm going to look at a non-compliance, I can call something  
3 an infraction at one plant or a non-compliance, and I can  
4 go over to another plant and they may have one infraction  
5 or one non-compliance, and one of them may be absolutely  
6 unimportant, but it's still classified as still a non-compliance,  
7 but the other one may, in terms of the effort that we're  
8 required to put into it, and management problems related to  
9 it, may be many times more significant.

10 And the same applies to an LER. Everything that  
11 happens at a plant is -- I don't of too many things that  
12 could be excluded from the LER reporting system.

13 I remember, at least at the Robinson plant, there  
14 was, way back there, one LER related to pump seal failures  
15 that was probably -- you could just about take all the other  
16 LERs that happened during the year, and they wouldn't be as  
17 important as that one. But statistically, there's one LER.

18 CHAIRMAN SMITH: Mr. Long, perhaps this would be  
19 an appropriate time to clarify for the record our questions  
20 about the significance of the NUREG-0366, which we have asked  
21 the Staff to present to us, for 1977, and I have a part of  
22 a copy of NUREG-0366 for 1976 here.

23 I wonder if I could hand it to you, and you might  
24 look at it, and then perhaps you can give us an explanation  
25 of what this is, and what does the Commission do with this

wel 17

1 information? Why do they publish it?

2 I know it's out of context, but I think the  
3 percentages stated there are percent of LERS by plant compared  
4 to all plants in the category for the reporting period.

5 Are you familiar with that report?

6 (Document handed to Witness Long.)

7 WITNESS LONG: I'm not too familiar with it, but  
8 I have seen some of the data that went into the report, and  
9 it really is . . . it's something that . . . I hate to use  
10 the word, but more related to reliability data, data  
11 collection, than it is to plant safety.

12 In other words, a certain component fails so  
13 many times. Each plant reports it one time or more. And  
14 certain categories of incidents occur.

15 Naturally, if everybody in the country has one bad  
16 type of instrument, or one bad, poor quality pump, or something  
17 like that, that failure, or failure of that device may occur  
18 frequently at many plants.

19 If only one plant has a bad one, that plant might  
20 look bad in the statistics on that particular component,  
21 because it came from a bad supplier.

22 And that's about all I have ever gotten out of  
23 this type thing.

24 CHAIRMAN SMITH: Could anybody on the panel help  
25 us with the purpose of that report?

wel 18

1 It appears that each year this document comes out,  
2 apparently, and divides all the reactors, operating reactors,  
3 into BWRs and PWRs, and it calculates all of the LERs and  
4 sets forth the proportion that each reactor has had as a  
5 percent of the total.

6 On that particular document you have there, it  
7 seemed that Brunswick -- which Brunswick is that, Brunswick-1?

8 WITNESS LONG: This is a boiling water plant.

9 CHAIRMAN SMITH: Brunswick-1 has --

10 WITNESS LONG: Brunswick-2.

11 CHAIRMAN SMITH: Brunswick-2 has a rather  
12 substantial proportion of the LERs for that year.

13 WITNESS LONG: Well, we can --

14 CHAIRMAN SMITH: If you can't help us with that --

15 WITNESS MURPHY: Mr. Chairman, I don't think that  
16 we can really provide you the background information that  
17 would make real good sense of the thing. I believe that it  
18 is put out as a, "Here's the information, and if you can  
19 make use of it, try."

20 I can see that a utility that is having a problem  
21 with a particular system may get with another utility that  
22 appears to be having problems with the same system, to see  
23 if their problems may not be common.

24 CHAIRMAN SMITH: So, as far as you know, no licensing  
25 actions are taken based on this report?

1 WITNESS LONG: It has nothing to do with licensing,  
2 as far as I know. Now, they may utilize the figures in  
3 evaluating and making safety analyses of certain systems  
4 where there seem to be a lot of problems.

5 But this really is a statistical data. There is  
6 a rather comprehensive form for every event. It has a lot  
7 of statistical matter, in classifying the event. They just  
8 take all of these, feed them into the computer, and then  
9 tabulate the occurrences.

10 CHAIRMAN SMITH: All right, would you pass that  
11 report along to counsel table?

12 MR. ERWIN: I was going to ask some questions  
13 about it, anyway.

14 CHAIRMAN SMITH: It is one of the official  
15 Commission publications. When I get it back, I'll read it  
16 into the record, and the parties may take -- well, we will  
17 take official notice of it, and the parties may cite it in  
18 their proposed findings, absent objection.

19 MR. ERWIN: Mr. Chairman, this will appear in --  
20 these two tables will appear in the record?

21 CHAIRMAN SMITH: We'll just put that in the  
22 transcript. As a matter of fact, we'll just insert it into  
23 the transcript, which would probably be the easiest way,  
24 because it will be coupled with our discussion at this point.

25 So when I get it back, we'll take official notice

1 of it, insert it into the record, and we also have the 1977  
2 version of that that I think should go into the record at the  
3 same time, because that, as I recall, shows a different  
4 breakdown of reportable events. It shows Brunswick to be  
5 quite favorable.

6 But we'll put them in back to back, when you're  
7 done passing it along.

8 The purpose of raising it now is that I just want  
9 to establish that this panel can't really help us too much  
10 on it, and, in any event, it doesn't function in their  
11 licensing procedures.

12 WITNESS LONG: We don't use it at all.

13 MR. ERWIN: May I ask a question, so that it --

14 CHAIRMAN SMITH: Yes.

15 BY MR. ERWIN:

16 Q May I ask whether or not, Mr. Long, the 13.70  
17 shown for Brunswick-2 in this table is not the highest value  
18 for any plant on the document?

19 CHAIRMAN SMITH: Well, don't spend much time on  
20 that, because it does speak for itself. You know, it's more  
21 than double, I think, the next one.

22 MR. ERWIN: That's all I wanted to --

23 WITNESS LONG: The thing is, reporting requirements  
24 vary across the board, and --

25 CHAIRMAN SMITH: Mr. Long, I can answer that question.



1 as well as you can. I mean, you know, it's right there, and  
2 there's no use wasting time on that. It'll be right in the  
3 transcript, right here.

4 MR. ERWIN: I don't have any other questions of  
5 this panel.

6 CHAIRMAN SMITH: All right. Why don't we take a  
7 ten-minute break.

8 (Recess.)

Madelon fls

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1 CHAIRMAN SMITH: Does the Attorney General have  
2 cross-examination?

3 MR. MYERS: No, sir, not at this time.

4 CHAIRMAN SMITH: Mr. Jones?

5 MR. JONES: Mr. O'Neill is handling the cross-  
6 examination of this panel.

7 MR. O'NEILL: Thank you, Mr. Chairman.

8 BY MR. O'NEILL:

9 Q I'd like to direct the first few questions to  
10 the panel at large.

11 I note that Appendices D, E, and F do not have  
12 a column that is entitled Items of Extraordinary Merit and  
13 Praise, or words to that effect. Do I take it that this is  
14 because the focus of NRC Inspection and Enforcement inspec-  
15 tions is in identifying deficiencies in licensees' activit-  
16 ies as compared to regulations and technical specifications?

17 A (Witness Murphy) That is correct: it is nega-  
18 tive.

19 Q And therefore of necessity and by design, is it  
20 not true that the I&E inspection reports discuss any  
21 deficiencies which it might identify?

22 A That's correct.

23 Q You do not have a policy of identifying things  
24 that we might consider to be praiseworthy?

25 A That is correct.

mpb2

1 Q And on page 26 of your testimony, the statement  
2 is made, beginning with line two and parenthetically:

3 "(These reports, incidently, appear to the  
4 layman to be very negative toward the licensee  
5 since they highlight problems and do not empha-  
6 size areas of good performance.)"

7 Is it fair to say that when you refer to the  
8 layman ---

9 A Excuse me.

10 Page 26?

11 Q That's correct, of your panel one testimony.

12 A Okay.

13 Q The parenthetical statement beginning on line 2.

14 A Yes. I have found it now.

15 Q When you refer there to the layman, is it fair  
16 to say that you're really referring to anyone who is not  
17 familiar in some detail and experience with these I&E  
18 inspection reports sufficient to place the findings in  
19 perspective compared with that kind of experience that would  
20 be gained with some familiarity?

21 A That is correct.

22 Q Are your docket files on a licensee composed  
23 primarily of these reports, these I&E inspection reports  
24 and the licensee responses to those reports on any particular  
25 licensee?

mpb3

1           A       Our docket files are composed of many things,  
2 including every piece of correspondence. But the primary  
3 thing that we have in them, our inputs to them, are the  
4 inspection reports and the documents related to these  
5 inspection reports.

6           Q       So once again, when you would go to the files  
7 to prepare testimony concerning events that happened in '75,  
8 '76, or perhaps earlier, most of the information in the file  
9 that is in writing would be negative or adverse comments  
10 and you would have to rely on your memory to present positive  
11 examples of licensees' performance.

12                    Would that generally be true?

13           A       I would state that the inspection reports that  
14 the person reviews reflects the findings of the inspector  
15 at that particular time, and without regard to the tone of  
16 the report.

17                    The report itself tends to be negative. What  
18 the reviewer would see would be the inspectors findings, and  
19 what is important to him would be what are his findings.

20           Q       Well, let me rephrase my question.

21                    With respect to your role sometimes in preparing  
22 testimony, if it involved events that were at some time in the  
23 past, it is perhaps easier to find examples of deficiencies  
24 in licensees' performance because it is already in your file?

25           A       That's correct.

mpb4

1 Q Whereas you might have to rely on your memory  
2 to conjure up some particular examples of good performance?

3 A We do not keep records except of the inspection  
4 findings which are, as I have said, somewhat negative.

5 Q Mr. Long, in your 16 years, as you mentioned, I  
6 believe, would you say that there has been an evolution of the  
7 Inspection and Enforcement program from what it was pre-  
8 Robinson to what it is today, and perhaps that evolution  
9 might be growth?

10 A (Witness Long) There has very definitely been  
11 an evolution. I mean, just in numerics alone in our organiza-  
12 tion, obviously we are much stronger, a much larger organiza-  
13 tion.

14 Our people are much more experienced. We have  
15 many years of experience in inspecting. There's a tremendous  
16 advantage in inspecting more plants because you can--if you  
17 find a problem at Plant A you may also expect to find it at  
18 some other plant.

19 In numbers alone, back in the Robinson days  
20 I imagine we went from less than about a dozen or so  
21 inspectors to over 100. The licenses in terms of thickness  
22 I imagine have doubled or tripled in thickness, the typical  
23 license.

24 The quality assurance program, which is a very  
25 basic part of the regulation process, has developed and

mpb5 1 matured. More and more people are becoming experienced in  
2 the QA area.

3 Q And this has, I take it, been accompanied or  
4 perhaps dictated by growth in regulatory requirements by  
5 which you inspect the plants.

6 A Regulatory requirements have grown. Security,  
7 emergency plans, many things have grown with time, public  
8 pressure, more thorough comprehensive safety evaluations,  
9 for many reasons.

10 Q Looking again at the operations side of your  
11 program, Mr. Long, in general would you expect a licensee  
12 to be more likely to be cited by your inspectors for  
13 operations-related non-compliance during a start-up period  
14 than during other periods of this operation?

15 A I think during the early -- the few months  
16 following licensing, the numbers of non-compliances -- it's  
17 more a technicality than anything else. If it's a non-  
18 compliance, that's what it is, regardless of whether it's  
19 major or minor. That's not the issue.

20 But numbers -- I think the record would show  
21 that during the first few months of operating with a new  
22 license there were more non-compliances.

23 Q Isn't it also true that your inspectors might  
24 be more likely to cite a licensee for non-compliances when  
25 there is the implementation of a new regulation? You mentioned

abl fls  
mpb5

1 security as an example.

2 A I don't know that it's intentional, but any new  
3 regulation or new requirement ultimately must be inspected  
4 for compliance. And if the regulation, as an example, is  
5 not very specific in some areas, there are probably going to  
6 be some interpretation problems. Where our people call them  
7 non-compliance they are non-interpretation. The licensee  
8 may not feel like the requirements mean specifically what we  
9 think they mean.

10 Q And perhaps philosophically would you agree that  
11 the inspection and enforcement program is part of the inter-  
12 action and educational process of a licensee which flushes  
13 out the specific implementation of new regulations to where  
14 the licensee and enforcement agree as to what the words mean  
15 on the new regulation?

16 A That really-- The Licensing Office I believe gets  
17 more directly involved in what the regulations really mean,  
18 and there probably are some problems that we have in inter-  
19 preting them, as well as the utilities. We have had problems  
20 sometimes in interpreting the meaning. In those cases we  
21 are obligated to go to Licensing to find out what they mean,  
22 as well as the licenses.

23 Q Perhaps oftentimes it isn't necessary to go to  
24 Licensing because your office is able to work in combination  
25 with the licensee as to what these regulations mean. Isn't

eb2

1 that often the case?

2 A No, I don't think that we would work an accommoda-  
3 tion. What we really look for is something that we can see  
4 is a generic or NRC position. That's what I look for because  
5 if I see something pop up at one plant, I want to make sure  
6 that that's the position we have when we go to the next plant.

7 And when things are black and white, and a lot  
8 of times they're not, we can make findings and I think will  
9 be pretty uniform within all facilities. There are some  
10 areas where we may not be fully uniform, particularly where  
11 there is considerable variance between license imposition  
12 or the technical specification.

13 Q I guess the thrust of my question, Mr. Long, is  
14 that it's not black and white often and one of the ways in  
15 which the ambiguities in the language often are flushed out  
16 is that there is a finding and the licensee will agree to  
17 comply in the way that the inspector has found. And that  
18 will then become how that regulation is interpreted. And as  
19 you mentioned, he will then apply that, to the extent you  
20 can, uniformly to the other plants that you inspect.

21 Would you agree with that statement?

22 A I don't think that would be too normal, too  
23 routine. I imagine it would happen, but I don't think we  
24 would want to use that as a....

25 Q Mr. Dance, you mentioned that Brunswick was not a



eb3

1 trouble-free plant. Is there such a thing as a trouble-free  
2 plant in your experience in the context in which you used it  
3 for Brunswick?

4 A (Witness Dance) I think all plants have different  
5 problems. It depends on the personnel; it depends on their  
6 equipment; it depends on their procedures. We see a certain  
7 amount of problems in all plants that we seek to resolve  
8 the issues normally.

9 At the time in question that we are reviewing  
10 Brunswick, I think we had more than normal.

11 Q You're saying at the time in question. That's  
12 referring to what period of time?

13 A The time covering this hearing. We're talking  
14 about the time frame of '75 to '77; in that time frame.

15 Q Can I imply from that statement that you suggest  
16 that that condition no longer exists at Brunswick where you  
17 might refer to some trouble?

18 A If you're asking me is Brunswick a trouble-free  
19 plant now, I would say No, we still have issues. We think  
20 the issues we have done have been addressed; corrective  
21 action has been taken, and we're on a good upward trend.

22 Q But again, as you used the term, you wouldn't  
23 say that any of your plants are trouble-free in your region?

24 A No.

25 MR. O'NEILL: I have no further questions.

eb4

1 CHAIRMAN SMITH: We didn't take into account in  
2 our order of procedure-- . I suppose the best thing to do  
3 would be for the Staff to wait for redirect, so to speak,  
4 until after the Board asks its questions.

5 MR. REIS: That's perfectly acceptable to me.

6 EXAMINATION BY THE BOARD

7 BY MR. BRIGHT:

8 Q Mr. Long, I picked you out because I noticed at  
9 one time you were a branch chief of Operating Reactors and  
10 now you appear to be associated with Construction.

11 A (Witness Long) No, sir, I started out as  
12 Construction and then to Operations and I'm just temporarily  
13 reassigned.

14 Q All right.

15 So you have experience in both.

16 A Experience in both.

17 Q Just for my education, would you try to tell me  
18 the difference between what an inspection amounts to and what  
19 are you looking for, and various types of areas that you get  
20 into, contrasting the construction and the operating types?

21 A Yes.

22 First, we always think of the urgency as the  
23 major significance between the two. In the operating plant  
24 obviously the plant must be safe right now to continue  
25 operating or start up, and that type of urgency is not as

eb5

1 important. The time frame is much more prolonged in the  
2 construction phase.

3 But we have essentially two organizations or two  
4 programs for inspecting plants. One major program covers  
5 the entire construction period; even before the permit is  
6 issued we inspect, mostly in the area of quality assurance  
7 for construction, the capability of the utility to manage  
8 and handle the construction program.

9 The inspection people in construction are of two  
10 types, one a project inspector much the same as we have in  
11 the operating area. He coordinates and sort of has oversight  
12 responsibility for the project. He does some inspection,  
13 particularly those in management-oriented areas like QA  
14 programs and training and that sort of thing, qualifications  
15 of people.

16 The construction branch also has quite a number  
17 and quite a wide variety of engineering or specialized people  
18 in various disciplines, the civil, mechanical, electrical  
19 areas, seismic, soils and that sort of thing. They are able  
20 to verify the adequacy of work in almost all areas of con-  
21 struction.

22 Then following their work is usually a one-shot  
23 type of thing. In other words, it follows the construction  
24 along from excavation and concreting, early concrete, through  
25 the containment structure, installation of piping systems,

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1. the electrical system, and on up through the completion of  
2. the plant, as things change and the specialized effort varies  
3. slightly with the status of the plant.

4. About a year before the issuance or the time that  
5. the license to operate is due, our inspectors in the Operations  
6. Branch become involved in the preoperational test program  
7. and they verify the adequacy of everything related to opera-  
8. tion, safe operation of the plant, the operating procedures,  
9. the training and qualifications of personnel, radiological  
10. programs, environmental programs, security programs, all these  
11. things that must be ready at the time the license is issued.

12. We sort of give an okay on it when we're  
13. satisfied to issuance of the license. In other words we agree  
14. that they are ready and capable and qualified to conduct  
15. operations.

16. As soon as the license is issued they then must  
240 17. have authority to load fuel. WE pick up. Our Operations  
18. Branch continues under an operations program. the inspection  
19. of all of these factors on the basis of compliance. Then it  
20. is a matter of compliance because everything from that license  
21. date on must be done in accordance with the license and with  
22. those regulations governing the operating plant.

23. We have project inspectors who likewise manage  
24. or coordinate the inspection program for the assigned facility.  
4. 48 25. We also have-- About half of the operating people are

ab7

1 semi-specialized. They are not in the engineering or those  
2 disciplines but in functional areas such as operating pro-  
3 cedures or fuel loading, fuel handling, quality assurance,  
4 many things that happen -- or occur routinely.

5 And the big difference there is in the operating  
6 plant this program is cyclic. There are orderly annual and bi-  
7 annual types of inspections procedures that we do. They  
8 recur and have some periodic frequency.

9 As I said, the urgency of the operating inspection  
10 results are so much more pronounced. We have to take some  
11 pretty prompt action on things that we feel are adverse.

12 That's brief, but....

13 Q I keep seeing quality assurance coming up all the  
14 time and I personally have a little difficulty in distinguish-  
15 ing between quality assurance construction and quality  
16 assurance operating.

17 A To be honest, I never did like the term applied  
18 to operations. Nevertheless, the Appendix B, Part 50 has  
19 clearly been identified as a requirement at both the operating  
20 plants and plants in construction. They are the-- The quality  
21 assurance criteria are more easily recognized in construction  
22 activity but in the operating plant it may be better to think  
23 of it as a management control system for operations.

24 There is a different operational QA program. It  
25 is made up especially for operations. It does about the same

eb8

1 thing. For example in an operating plant you are definitely  
2 going to have design problems, assurance of design, the same  
3 in construction. Procurement must be followed in the operating  
4 plant as well.

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5 Many of these are the same. They really are not  
6 different. But the difficulty in understanding is the  
7 quality assurance is purely operational matters and there are  
8 license requirements that address these, as well as certain  
9 standards, ANCI and other standards that address the equiva-  
10 lent requirements in parts of the license.

11 But it is a management system and I would agree  
12 that it is difficult to see the similarity purely on the  
13 operational.

14 Q Well, would it be fair to say that in terms of the  
15 difference between the two, that you would have quite a bit  
16 more flexibility in determining what would come under some kind  
17 of quality assurance program in an operating mode rather than  
18 construction where you have many codes, standards, and approved  
19 procedures?

20 A I think in construction it is more clear what the  
21 program is applied to. It may be you would need more flexi-  
22 bility in adapting the QA program to the operating plant.  
23 It's not as clear-cut. I think it's pretty well spelled out  
24 from custom, from practice in the industry. It is not too  
25 difficult to establish what is applicable to the QA program.

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1 Q Something else I've been wondering about. You're  
2 Region II.

3 A Yes.

4 Q And there are five regions over the United States.

5 A Yes.

6 Q I've heard a lot of words about comparing the  
7 reactors in question with other Region II reactors. I'm just  
8 curious as to how much interaction among the five areas, how  
9 much cross-fertilization of ideas there is. Is there any  
10 way that you have of being able to, say, compare the way  
11 the boys are shaping up here with the way they are out in  
12 Region V, which is quite a distance away?

13 A It is more difficult than it used to be because  
14 there are so many inspectors now, we can't travel as much  
15 between regions, obviously. That has been curtailed.

16 What we have done is instigate more periodic meet-  
17 ings between the supervisors or the branch chiefs where they--  
18 I believe it's typically about twice a year, isn't it? About  
19 twice a year the branch chiefs, construction or operations,  
20 get together and they go over this, and then we have many  
21 enforcement coordinators. Each region has an enforcement  
22 coordinator. His job is particularly uniformity between the  
23 regions. And their object is to see that one region isn't  
24 enforcing in an area where another region is not, that the  
25 same general weight is applied to certain types of

eb10.

1 non-compliances between the regions.

2 They have very frequent meetings where they dis-  
3 cuss what's going on and look at everybody's results and sort  
4 of compare them.

5 Q One last thing, the good old learning curve  
6 process.

7 You undoubtedly have learned quite a bit from  
8 going from Robinson to Brunswick to Brunswick 1 and now  
9 Harris. When the time comes to really start taking an in-  
10 terest in the adequacy of the operational aspects of this  
11 plant, do you think you've learned anything from this?

12 I mean it sounds like a ridiculous question but--

13 A I think we have. I know one thing for sure, based  
14 on experience, and that is that Harris 1 will be inspected  
15 probably much more -- by what factor I wouldn't guess -- but  
16 it will be much more heavily inspected than Brunswick, and so  
17 was Brunswick inspected quite more heavily than Robinson was.  
18 We are growing, just like the utilities growing in number of  
19 clients. We have more people; people are getting smarter.  
20 They are becoming more efficient, hopefully.

21 We are finding areas that we need to dwell on  
22 or change our efforts in certain directions. We're getting  
23 some order like that. What I mean is we want to put them  
24 on a par where the safety problems are and where the concerns  
25 have been. And that's just what we will do.



We have means for adapting our inspection effort in that manner. But it's quite a way operationally. The construction inspections of course have been underway at Harris, but that is still way down the road for operating licenses.

At the appropriate time we will definitely have a very strong effort applied there.

MR. BRIGHT: Thank you.

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end MPB

WRB fls.

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CHAIRMAN SMITH: I notice Mr. Erwin was summoned out of the room. Perhaps we can take a moment to go over some procedural matters, hoping he will return.

I understand, Mr. Trowbridge, that CP&L would like to install some sound equipment in the room. And so I thought if we were to adjourn, say, at quarter till five that would give them-- I understand they must be out by six.

MR. TROWBRIDGE: We understand.

We also understand for this purpose it's quite possible a few minutes extra may be allowed. We anticipate it won't take more than an hour to install it.

CHAIRMAN SMITH: So if we adjourn at quarter till five will that be enough time, do you think? --

MR. TROWBRIDGE: That'll give us time, as I understand it, for installation of the sound system.

CHAIRMAN SMITH: All right. Then we'll plan on our regular schedule of starting at nine in the morning, which I will state again when Mr. Erwin gets back.

Mr. Erwin isn't here, but he can get it from the transcript.

The Board-- Mr. Reis, I understand you had no other option but to produce this document to us this morning. And nothing we are saying in any way suggests criticism of you. But we're simply not happy with this situation.

25

wb2

1 First, the report is an inch or an inch and a  
2 quarter thick. It is specifically designed apparently as a  
3 board notification document. We simply have had no oppor-  
4 tunity to look at it. I know I've seen-- The testimony has  
5 indicated, and I've seen some remarks which I would think  
6 everyone would agree are less than favorable with respect  
7 to Robinson. I never could find the remarks about Brunswick.  
8 Other people seemed to be able to do that. I couldn't.

9 Even though it is not evidence, under the situation  
10 prevailing at the Commission we're expected to do something  
11 with this information. And I don't know what. And you don't  
12 know what. It seems to be a circular problem. We toss this  
13 information around.

14 But the point that I want to get to is, whatever  
15 the staff feels its obligation is under the Board Notifica-  
16 tion Program, we at least don't agree that that Board Notifica-  
17 tion function is accomplished by assuring a person that the  
18 information they provide will be treated under the Privacy  
19 Act, and giving us information which in no way can be used  
20 adjudicatively. It just doesn't reach the problem.

21 Several questions pop in our mind. And it's just  
22 a very casual informal observation. In the first place, we  
23 wonder if the Staff does have the authority to assure any  
24 member of the staff that information that they give in the  
25 course of their employment will be immunized from presentation

wb3

1 before the Board because of the Privacy Act.

2 So what we're going to do is to ask you and the  
3 applicant and everyone who's interested in this hearing  
4 to try to think about what has happened here. The applicant  
5 is entitled to address squarely and full unfavorable comments  
6 about Robinson and, if any remain, about Brunswick. We,  
7 under Commission policies, are not permitted apparently to  
8 walk away from a statement such as this and say, Well, okay,  
9 you notified us right in the middle of a hearing, and just  
10 walk away from it.

11 So we're trying to figure out what to do. We'd  
12 like to have some input from the Staff and from the Applicant.  
13 And I'm going to give you a chance to comment.

14 But one of the things you might consider is going  
15 back to these people: one of the things you might consider  
16 doing in this instance is going to the people who were the  
17 originators of the statements and asking them if their assurance  
18 under the Privacy Act could be put aside for the purpose of  
19 this hearing.

20 I think we're in a difficult situation. Even  
21 though we might question whether the officials of the staff  
22 had a right to assure privacy, once they have done that we  
23 don't want to be a party to saying, No, all bets are off.

24 But we have a problem here, and we want input  
25 from everybody on how to solve it consistent with the

wb4

1 applicant's rights and our responsibilities.

2 MR. REIS: First of all let me say these were  
3 unidentified questionnaires, so we cannot go back and identify  
4 these employees and call them in and say, What do you think  
5 in this particular situation.

6 You set forth some considerations. The Commission  
7 also feels, although it seeks unidentified statements, also  
8 has an overall concern outside the adjudicatory process,  
9 and I think much of this information was gathered that way in  
10 order to assure itself that it is doing some kind of a job,  
11 that there was nothing falling through, and so asks for  
12 unidentified comments. In other words, there are two con-  
13 flicting policy reasons here for why the Commission does  
14 what it does. And I don't know how we can synthesize these.

15 Let me say here, though, that in this particular  
16 record in this case, without addressing the question of  
17 whether we have authority to immunize the employees, we did  
18 go back and circulate at least every inspector still on the  
19 staff of Region 2 who looked at any CP&L facility. We did  
20 supply what we thought everything was on operations. We  
21 summarized those on construction. What we have there are  
22 specific replies. We published the name of every inspector  
23 here with the number of inspections they did and gave you  
24 a number, thinking that if the Board wanted to get all the  
25 inspectors and put them in the jury box, or all who made over

wb5

1 five inspections, or made over ten inspections of the plants,  
2 they could come in. We did circularize this, as I said  
3 before, the employees, and we have their written comments  
4 that have come in.

5 As you know, it is the policy of the Commission  
6 that no adverse action of any type be taken against any  
7 employee who speaks his mind on any matter of safety concern.  
8 And that has been re-emphasized and re-emphasized again at  
9 all levels of supervision, and to the employees themselves,  
10 so that there is no jeopardy to the employees. And the  
11 Commission has made the policy as clear as possible that  
12 there is to be none. So I don't think it's a real question.

13 There are hearsay statements in here pre-dating  
14 the later identified statements that are in the record, or  
15 will be put in the record. So I don't think we have to be  
16 too concerned with that.

17 Now the purpose of the-- I'm sorry, Dr. Leeds?

18 DR. LEEDS: I thought you had come to a stopping  
19 point.

20 MR. REIS: The purpose of the Board in setting  
21 this forth, of course, is to raise questions and to lead you  
22 into inquiry, whether or not it is an unsolicited anonymous  
23 letter from the public that could lead you into inquiry into  
24 areas of looking at things. And essentially that's what  
25 this is. And I think you have some answers in the circulars

wb6

1 that we have, which do show that there are essentially no  
2 more employees who want to come forward.

3 CHAIRMAN SMITH: Can it be determined that the  
4 circulars to the employees which we now have, or will have  
5 in evidence, include those employees to whom the circulars  
6 were sent? I mean--

7 MR. REIS: I cannot guarantee it, because people  
8 transfer in and out of Region 2, people have left the  
9 employment of the Commission. To the extent they're still  
10 in the Commission we have circularized every single employee--  
11 And I can guarantee it on the record. --working in Region 2,  
12 whoever inspected a CP&L facility.

13 CHAIRMAN SMITH: All right. So then it would  
14 necessarily be that the answers in response to Panel 2 and  
15 Panel 3 include the anonymous responses to the circular in  
16 the Board Notification Report?

17 MR. REIS: There is a small little hole in that.  
18 And I do think it is small. But I don't want to be misleading  
19 the Board.

20 If somebody quit we didn't circularize him. If  
21 somebody was transferred--

22 CHAIRMAN SMITH: But this pre-dated.... I see.

23 MR. REIS: This pre-dates that. In other words,  
24 if somebody was here the middle of '77, submitted this ques-  
25 tionnaire, and by the time we went back to him in the fall of

wb7 1 '78 and he had left the employ of the Commission or transferred  
2 to another region, we would not have reached him with that  
3 circular.

4 CHAIRMAN SMITH: But you could check that fact  
5 by calling the Atlanta office and asking them to look at the  
6 employment records. So we'll know when you make that phone  
7 call whether or not that's a hole or not.

8 MR. REIS: Okay. Well, I will ask my people, at  
9 the direction of the Board, to check with the Atlanta office  
10 for the number and the names of the inspectors who left the  
11 Atlanta office between the time of this survey and the time  
12 they surveyed their office in the fall of '78.

13 DR. LEEDS: I have another problem with this.

14 It's not just a question of whether or not that's  
15 complete. But I remember a long time ago the Atomic Energy  
16 Commission was criticized for passing pieces of paper around  
17 and not looking at them. --and very, very drastically criticized.  
18 And now we have a very similar situation.

19 The Board is given "Board Notification" of a  
20 document which is an attempt to evaluate, as I understand it:  
21 now I may be incorrect on this because I haven't had a chance  
22 to read it: but it is an attempt to evaluate maybe methods of  
23 evaluating different licensees' performances. We're in the  
24 process of evaluating a particular licensee's performance.

25 Now in some ways you may be asking me to read



wb8

1 and then erase what I read. But my problem is, How do I take  
2 this document which I have now been notified about into  
3 account, or how do I disregard it completely, and still not be  
4 perhaps wrongly disregarding it with respect to the evaluation  
5 of a licensee?

6           Obviously some people in here must have thought  
7 about the problem of evaluating a licensee in some detail.  
8 And now I'm handed this in a hearing in which I am doing the  
9 very thing that this document is attempting to do.

10           So I guess I have a problem with the whole process.  
11 It's not the kind of document that would have come in, if I  
12 may make an analogy, came in, say evaluating the performance  
13 of steam generator corrosion problems, or something like that,  
14 which we're not dealing with in this particular hearing.  
15 But this is a document dealing with subject matter with which  
16 we are dealing in this area.

17           So that's where I have my difficulty. At least  
18 I think it is. I'm not sure yet.

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1 MR. REIS: I cannot help you.

2 DR. LEEDS: If you thought about it, could you  
3 possibly?

4 (Laughter.)

5 MR. REIS: I think it does raise areas-- I think  
6 it can help you in that it does raise areas that you should  
7 look at and areas that show that the Commission -- that you  
8 have highlighted concerns that the Commission also has.

c5 9 What I think the document tells, if you look at  
10 it as a whole is that the Commission as such, in any kind of  
11 a generic way, has not focused on a method of rating applicants  
12 or utilities, that there are several methods floating around.  
13 But I think that it also says, and I think that this is  
14 important, as you know decisions can be made in a generic  
15 method or in an adjudicatory method. They can be made on a  
16 general basis or a specific basis. And I think you're still  
17 free to make them only on the case-specific basis.

18 CHAIRMAN SMITH: So the Atlanta people are going  
19 to try to figure out if there is a gap and how big it is.

20 MR. REIS: Right.

21 CHAIRMAN SMITH: Of course I also observe that  
22 comments of this nature and perhaps even worse appear in the  
23 responses to the questionnaire sent out by I guess it was  
24 Mr. Long, and there was no request on any of the parties to  
25 pursue those further.

WRB/eb2

1 BY DR. LEEDS:

2 Q Let me make a preliminary comment. And I want  
3 each of the-- well, if you don't understand the question I  
4 ask, ask me again, would you, to explain it to you? Because  
5 I don't want to get trapped into using a word that will mean  
6 something different to you. All I'm trying to do is to make  
7 sure that I understand what you told me in your testimony,  
8 and if it's not clear when I ask you a question please  
9 straighten me out. My skin will be quite tough on that.

10 If I ask you "Do you have any facts?" I don't  
11 want to be legalistic and say "facts, information, evidence,"  
12 and on down the line with every synonym I can think of, and  
13 perhaps leave out one and get something left out of the  
14 record.

15 So it it is not clear, if the question is not  
16 clear, just stop me and clean me up.

17 I have a preliminary question that has arisen  
18 from just the general set of questions that have occurred  
19 earlier. And I think I know the answer, but I want to make  
20 sure.

21 When you inspect different licensees do you make  
22 an attempt to treat them equally insomuch as possible?

23 A (Witness Murphy) Yes, sir, we inspect to the  
24 regulations as they apply to the licensee. Although they may  
25 vary somewhat, we try to, if you will, give all of them a

RB/eb3

1 fair shake and be consistent between them.

2 Q And so is an attempt made to make an inspection,  
3 in a sense, independent of the inspector, the particular  
4 person doing the inspection?

5 A We recognize-- I'm sorry; I would ask you to  
6 restate your question.

7 Q Sure.

8 Is an attempt made to make the inspection  
9 independent of the particular person making the inspection?

10 A Yes, sir; to the extent that we even send different  
11 inspectors to re-inspect the same areas, or carry on an  
12 inspection that had been previously started.

13 Q Yes. I think in your testimony on this panel or  
14 on another panel you mention that there was an optional  
15 piece of the inspection where the inspector could go look at  
16 things he wants to look at. So I'm excluding that as being--  
17 That obviously is peculiar with respect to each individual  
18 inspector.

19 Well let me ask the next question, then.

20 If I were to go looking around for data on this  
21 applicant and data -- this licensee; pardon me -- on this  
22 licensee and other licensees, their performance, where would  
23 I find it besides in the Region 2 I&E office?

24 A All of the information generated as a result of  
25 an inspection does go into the Public Document Room.

WRB/eb4

1 Q Okay.

2 So the pieces of paper in the Public Document  
3 Room and the personnel. But the personnel and the records  
4 are also in the Atlanta office?

5 A Yes, sir.

6 Q Okay.

7 Well could you tell me why, if you have all this  
8 information in the Atlanta office, plus the people who have  
9 made the individual inspections, and you have attempted to  
10 make the inspections independent of the particular inspector,  
11 why, then, you can't make comparisons between licensees?

12 The second part of the question is: If you can't,  
13 who could? —

14 A We can -- and Mr. Long alluded to it earlier. We  
15 can make a comparison with a licensee, most often with the  
16 same inspector, by knowing the characteristics of the  
17 inspectors, and weighing particularly their idiosyncrasies in  
18 a given small area. But recognize that I have, as I say, for  
19 example, thirty-four plants that my people are inspecting  
20 right now. The people spend roughly 30 percent of their  
21 time inspecting. There is a wealth of information there  
22 that -- and believe me, we are trying to find if there are  
23 problems, if there is anything wrong. And so our focus is on  
24 those problems, and does that licensee meet the particular  
25 requirements imposed upon him, not how he really ranks with

RB/eb5

1 someone else. We will have the gut reaction type of thing  
2 as to how he ranks. But even with the different inspectors  
3 you have personalities, and so on, that does build a dif-  
4 ference. The commitments and the requirements of the  
5 licensees differ in themselves. The time frame is different.  
6 The plants are different. The variables overwhelm us,  
7 really.

8 Q Am I at the right horse trough, so to speak, to  
9 drink? There is only one horse trough where this informa-  
10 tion resides; is that correct?

11 A That's the reason I&E is attempting, and has  
12 been for several years, to develop a system that has some  
13 reliability to evaluate. It's not particularly the need of  
14 I&E but recognizing the need of the Boards and of the public  
15 itself.

16 Q Let me go to a slightly different topic, because  
17 in the back of your testimony you list various meetings that  
18 occurred with regard to a different plant.

19 And as a preliminary question to the next one I'm  
20 after-- Let me get the right appendix here. Appendix E  
21 deals with Brunswick and it stops in September '76. It's a  
22 listing.

23 Why did it stop in September?

24 A Just glancing at this, I believe these are con-  
25 struction inspections, and the construction inspections would

RB/eb6

1 have stopped at that point in time.

2 Q So this is only construction inspections?

3 A That's correct, sir.

4 Q Have we got a list of operations inspections?

5 A (Witness Dance) I think Appendix C gives one for  
6 Robinson and one for -- we have a tabulation for Brunswick,  
7 but it's not in the submittal.

8 MR. REIS: Sir, if you want me to submit one  
9 that was prepared by the witnesses for Brunswick, we have  
10 such a tabulation.

11 DR. LEEDS: Well, wouldn't that make the record  
12 complete with respect to that?

13 MR. REIS: We will submit it.

14 DR. LEEDS: Okay.

15 BY DR. LEEDS:

16 Q I think it was in Mr. Cantrell's testimony there  
17 was mention about a meeting with CP&L management that occurred  
18 in January of '78. Now I pulled from the Public Document  
19 Room a file on that meeting. And it was relative to Brunswick  
20 and Robinson. And, as I understand it from that inspection  
21 report, Mr. Long and Mr. Dance were at the meeting, and the  
22 meeting occurred on 11 January 1978 in the Atlanta office.

23 Do you all remember that meeting?

24 A (Witness Dance) Yes.

25 Q The report was rather brief, but I would like to

RB/eb7

1 read a paragraph out of a letter from Mr. O'Reilly and ask  
2 you essentially what the meeting was about.

3 "Our concerns about recent operator  
4 errors, and the implementation of your management  
5 control system that permitted their occurrence,  
6 were related to you in the meeting. This and  
7 other subjects discussed are included in the inclosed  
8 inspection report."

9 Could you amplify on what the meeting was about  
10 and what were your concerns, and so forth?

11 I have a copy I'd be glad to hand you.

12 Would the inspection report be the best thing?

13 A That would be fine.

14 (Document handed to the panel.)

15 CHAIRMAN SMITH: While they're looking at this,  
16 Mr. Reis, the new list that you are going to provide in  
17 response to Dr. Leeds' question, do you intend to make that  
18 a part of this panel's testimony?

19 MR. REIS: I intended in redirect to make it an  
20 exhibit. I could do it at this time. Or I could bind it in  
21 if I have an opportunity to get enough copies. But at this  
22 point I intended to make it an exhibit. I don't have suffici-  
23 ent copies.

24 BY MR. LEEDS:

25 Q Do you remember the meeting?



RB/eb8

1 A (Witness Dance) Yes.

2 The meeting dealt with CP&L's operating per-  
3 formance involving their enforcement history, their licensee  
4 event reports, their staffing and safety performance, their  
5 emergency planning, their procedural and administrative  
6 controls, specific occurrences as a result of personnel  
7 errors. It was an evaluation that we had given them at that  
8 time based on their -- on the non-compliances that they had,  
9 the Licensee Event Reports.

10 Q Was this in a minor meeting or was this a fairly  
11 major thing to occur? --a major event, if you will. I'm not  
12 quite sure how to phrase that question.

13 A We do have program requirements that at least  
14 every three years we meet with licensees. This satisfied that  
15 requirement. Plus, their history had not been the best.  
16 So we combined the two issues.

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1 Q The document room contained a list of agenda --  
2 well, a letter or a notice of significant licensee event, and  
3 was dated, I guess, December 28, 1977, and that's the earliest  
4 date on any of those documents.

5 Could you tell me when you set up this meeting, and,  
6 whoever decided it, when it was decided to have this meeting?

7 A It was probably decided to have that meeting the  
8 latter half of December.

9 Q The latter half of December, but it was rather  
10 quick notice.

11 Had something happened between October and  
12 December to cause a meeting to be held? October '77 and the  
13 latter part of December of '77?

14 The reason I'm asking, October is when we had our  
15 hearing.

16 A No specific incidents, no specific event had  
17 occurred, no, that I recall, that brought about the meeting.

18 A combination of statistics, the three-year  
19 interval, our desires to impress upon them the need to follow  
20 regulatory requirements, which they already knew but we  
21 wanted to reemphasize.

22 Are you asking me if the hearing had a bearing on  
23 our meeting?

24 Q Well, no, I was not asking if the hearing had a  
25 bearing on the meeting. What I was really asking, indirectly,

we1 2

1 was whether or not we should have been told that it was at  
2 the point where you were contemplating having a meeting in  
3 December at the hearing. In other words, was the situation  
4 with respect to CP&L in such a state that Region II was  
5 planning to have what the agenda calls -- or the notice said,  
6 Notice of Significant Licensee Meeting, which occurred some  
7 two and a half months, or maybe three months, after our  
8 hearing.

9           What I want to know is what happened between the  
10 time we heard the testimony in October, and January that would  
11 have caused the significant licensee meeting to occur? If  
12 it's just the clock running, just the time interval, that's  
13 one thing. If it's some collection of events occurring, then  
14 that's something else.

15           I'd like to know what they are.

16           A     I think it was the clock running. But we did have  
17 a message to tell also.

18           Q     All right. What kind of things were bothering you  
19 then, that you had a message to tell about?

20                   Mr. Long, you were involved with this, too. If you  
21 have anything to add, please don't sit silent.

22           A     (Witness Long) I just don't remember the details,  
23 unfortunately. It appears to me -- my best memory of that  
24 was that it was a programmatic meeting, one that comes up at  
25 an interval. And when we have those, we always evaluate the

wel 3

1 record for the previous six to twelve months, or some interval  
2 of time since the last meeting with the management.

3 Q Would the agenda help you? It talks about staffing  
4 of personnel errors, and response to non-compliance items by  
5 Mr. Dance; emergency planning deficiencies, by Mr. Jenkins.  
6 And then it goes into inspection program presentation, which  
7 I gather is telling how you do things. And then a discussion  
8 of fueling the facility, and material safety inspection  
9 program, and a safeguards inspection program, which looks  
10 like an information transfer.

11 Would that help you?

12 A That's part of the programmatic function, that we  
13 are required to bring them up to date on all of the program  
14 changes, discuss all of these areas, introduce new inspectors,  
15 and that sort of thing.

16 I know that that was a major part of it. And I  
17 do recall some discussion of environmental problems. You  
18 see something in that agenda from each of the branches.

19 Q What is administrative procedural control that you  
20 gave a presentation on? What does that mean?

21 A I think that that had to do probably with the  
22 control, their methods for controlling their procedures, the  
23 status of them.

24 Q Well, what did you tell them?

25 A I find it difficult to remember the details of

wel 4

1 that right now.

2 Q Well, Mr. Dance, what did you tell them about  
3 staffing of personnel errors?

4 A (Witness Dance) I feel confident that we included  
5 many of the same words that we had included in our testimony,  
6 that there has been personnel errors, that they have been  
7 slow to respond in the past, they have made staffing changes,  
8 and we have noted that.

9 Q What about response to non-compliance items? Was  
10 that answered also in here, or is there anything else you want  
11 to add to that?

12 A I think the responses to non-compliances, we wanted  
13 to get their verbal assurances that they were indeed -- that  
14 they had the same feeling about responding to non-compliances  
15 that they were giving us in writing.

16 Q What about what Mr. Jenkins talked about, emergency  
17 planning deficiencies? What were those?

18 A I don't recall.

19 Q Does anybody?

20 (No response.)

21 You see, I don't have my report . . . oh, yes,  
22 here it is.

23 I guess you were not there, Mr. Murphy, is that  
24 right?

25 A (Witness Murphy) That's correct.

1 Q And Mr. Brownlee was not there.

2 So nothing happened in the time between October  
3 and this meeting that we didn't know about in October, is  
4 that correct?

5 A (Witness Dance) To the best of my knowledge, yes.

6 Q Mr. Long?

7 A (Witness Long) I don't recall anything that would  
8 have instigated an urgent meeting. My recollection is that  
9 this was a programmatic meeting, due in that calendar year.  
10 Probably the only thing that would be different would be  
11 those inspection results of several inspections between then  
12 and the time of that meeting. And without the benefit of  
13 those inspection reports, it would be difficult to say what  
14 the specific problems were.

15 That meeting does not imply that there were serious  
16 problems. We meet at least about once a year with everyone,  
17 and we always bring up matters across the board. We give  
18 each branch an opportunity to discuss with them issues, the  
19 things really that they reflect on where improvement is  
20 needed.

21 It's not recognized as an important method, but  
22 it is an area where we feel obligated, and we make a practice  
23 of informing them of problems at each opportunity.

24 That was rather typical at the time, that we bring  
25 them in specifically for a problem. But this was not, as I

wel 6

1 recall, the basic purpose of that meeting.

2 Q What kind of verbal assurances did you get from  
3 them?

4 A I recall that we were satisfied with what they  
5 were planning to do, or what they had done. I do recall that  
6 as having been a very productive meeting at the time. There  
7 were commitments for management attention to these areas;  
8 personnel errors, as I recall, we discussed quite a bit, the  
9 importance of it, and that sort of thing.

10 Q You have the document. I don't remember reading  
11 in that document anything about any commitments on the part  
12 of Carolina Power & Light.

13 Does that document not fully reflect, then, the  
14 content of the meeting?

15 A Not commitments in the way that commitments would  
16 be followed and checked for specific items; like a general  
17 commitment for looking in on, or, you know, concerning  
18 themselves with these matters and taking action, looking more  
19 on their own in their internal auditing process into these  
20 matters.

21 Q You don't make them put that in writing?

22 A Sometimes when there are urgent -- we're not  
23 necessarily talking about violations, or matters of compliance--  
24 but enforcement, they are specifically developed in writing.  
25 Reflections on where performance can be improved, many of

wel 7

1 these things, are not in the area of compliance and not  
2 necessarily ---

3 Q We're not talking now about a tech spec which says  
4 measure this, and if it's below this number you've got  
5 problems; we're talking about an evaluation of their concern  
6 and their attention to personnel problems, and so forth.  
7 Aren't these also amenable to written things, like, "We will  
8 solve by so-and-so this problem that you pointed out to us?"

9 A Sometimes they are, and other times they would  
10 not be. Trends, if we're concerned about the direction  
11 something is taking, it really is putting them on notice of  
12 problems that they could have with compliance unless there  
13 were improvements made.

14 Q And when these commitments are made you don't  
15 reduce them to at least a notice in a little inspection  
16 report that, hey, they're going to do something about "X"?

17 A (Witness Dance) Yes, we do. Let me explain.

18 Q Okay.

19 A If we had a specific concern, we would identify  
20 it. If we were talking in general terms, if we were trying  
21 to understand how they were responding to issues, we may not  
22 put it in writing.

23 If they are reassuring us that they have been  
24 deeply involved in these matters, we may not put that in  
25 writing as such. Any specific commitment which we would



wel 8

1 expect to correct a specific problem, we would put in writing,  
2 yes.

3 Q Now, with respect to the testimony in October  
4 about the management capabilities, and so forth, you thought  
5 at that time, in October, everything was okay with respect  
6 to their management attitude, and so forth, is that correct?

7 A We thought it was proceeding along a good path,  
8 right, and, therefore, I'll say it's okay, or we need  
9 something more, yes.

10 Q And that nothing had changed then between October  
11 and the time this meeting occurred?

12 A That's correct.

13 Q And these deficiencies which are still very  
14 nebulous -- I still don't know what they were, they're the  
15 ones you say you pointed out in your October testimony, but  
16 I don't know specifically what you talked about in the  
17 meeting, but they were not of significance to write down their  
18 corrective action, or anything? They were not of that  
19 importance to cause you to write down what corrective action  
20 they were going to take?

21 A That's correct.

22 Q Do you happen to have minutes or anything, or any  
23 sort of written notes, or anything like that, that would  
24 reflect what you told the Company in the meeting in January?

25 A I'd have to check. I may have.

wel 9

1 Q Would you, please?

2 A Yes, sir.

3 Q Mr. Long?

4 A (Witness Long) We'll have to look into that.

5 CHAIRMAN SMITH: We'll proceed down the testimony  
6 in numerical order.

7 BY CHAIRMAN SMITH:

8 Q The next question I have is at page 7.

9 Mr. Murphy, you indicated at page 7 -- or I thought  
10 you indicated -- that the Shearon Harris plant is less than  
11 3 percent constructed, but I don't see that on page 7, so I  
12 have a wrong notation on that.

13 A (Witness Murphy) Excuse me, sir? For Panel 1, sir?

14 Q Well, I guess I have this from the wrong panel  
15 here.

16 DR. LEEDS: I think somewhere you did say 3 percent.  
17 I remember seeing it.

18 BY CHAIRMAN SMITH:

19 Q Well, I know you've testified to that, but it  
20 wasn't on this panel. So I'll pick it up on the next panel.

21 Well, what I'm asking you, then, is: Is that your  
22 testimony somewhere in this proceeding?

23 A (Witness Murphy) I would be able to find out for  
24 you the current completeness of the facility. An order of  
25 magnitude of 3 to 5 percent.

1 Q It's page 17. .

2 A That would be from our testimony. Yes, sir, 3  
3 percent.

4 Q And I don't know why I attribute that to you,  
5 because that wouldn't be in your area anyway. Oh, yes it is--  
6 or is it? Is that your testimony?

7 A It still is in the construction testimony, yes.

8 Q Could you describe the 3 percent, or whatever you  
9 believe the current percentage to be, in terms that perhaps  
10 I could understand? Is this in terms of money spent, or work  
11 done, or a combination? Redressable impact, or . . .

12 A The figure 3 percent probably came from what we  
13 call the Yellow Book, but I'm not positive of that statement.  
14 A member of my staff is on the Construction Load Forecast  
15 Panel, and the information would have been supplied from his  
16 people, and from the project inspector.

17 It would probably be a combination of judgment and  
18 information received from the utility.

19 Q I'm looking at a photograph of the plant -- have  
20 you seen it -- attached to the Applicant's testimony, and  
21 just looking at it and making an estimate, I think it would  
22 be a lot more than 3 percent.

23 Would 3 percent of the money be a rough measurement?

24 A I do not feel qualified to answer that. The  
25 licensees do use various devices in reporting, including

wel 11

1 equipment ordered, expenditures made, manhours expended --  
2 this type of thing.

3 My own view, from having been at Harris a couple  
4 of months ago, would be that -- and this is judgment on my  
5 construction experience -- would be that that figure would  
6 not be far off, based on the progress of the plant for a  
7 4-unit plant. There's a lot of work left.

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BY DR. LEEDS:

Q Mr. Murphy, I think this is your testimony. It  
says at the bottom of page seven, it says:

"During all phases of inspections,  
whenever deficiencies are identified, IE  
requires licensee action to prevent re-  
currence as well as to correct the specific  
deficiencies."

So this is a case where you go in and find  
something like A is wrong, and you say fix A.

The next sentence says:

"If the results of a single inspection,  
or a sequence of inspections, indicate a  
deterioration in the performance of the  
Licensees' program, in-depth inspection  
will be conducted to upgrade the degree  
of control exercised at the highest level  
of the control system pyramid to assure  
that the deterioration is checked and the  
program as a whole returned to a satisfactory  
level of quality."

Now my question is:

What criteria do you use to decide there has  
been deterioration?

A (Witness Murphy) There is not a formal criteria

mpb2

1 developed for this. We do count numbers of non-compliances  
2 within a period of time and keep a running tab on this, the  
3 number of action points, if you will. But also we look at  
4 the number of discrepancies, deficiencies, say, within a  
5 given area.

6 If there appears to be some pattern to welding  
7 weaknesses, for example, it will trigger. The action can be  
8 triggered by the individual inspectors themselves. To  
9 alert management it can be triggered by the section chiefs  
10 and it can be triggered by my own overview.

11 We try to keep the threshold level quite low.

12 Q Well, counting those deficiencies would be one  
13 trigger, though.

14 A Counting deficiencies would be a trigger, yes,  
15 sir.

16 Q Okay.

17 Well, let's focus on that one for a second.

18 Let me suppose that Licensee A has ten defic-  
19 iencies. Do I compare that with Licensee B to see if that --

20 A We look at the background of those ten defic-  
21 iencies.

22 Q Do you do a QC control chart?

23 A Not as a formal type of matter.

24 In going back to the example, if we have  
25 inspectors that go to the site and they do find an area

mpb3

1 -- a problem in one area of the welding, another area of  
2 non-destructive examination associated with that and so on,  
3 another one to document control in that area, we do take --  
4 have the meetings with management, or, as I did last week,  
5 call a manager to be alerted to his problems.

c9

6 This review of the non-compliances, if you will,  
7 is not a hit or miss. We have the non-compliances and a  
8 brief description entered into our computer. And we do get  
9 feedouts from this on a program basis. And if the action  
10 points -- and these are points assigned according to the  
11 severity of the non-compliance -- reach a certain total,  
12 then we formally have to raise the question as Should we  
13 have a management meeting or not.

14 Q Okay.

15 Let's go to the computer, then. So somewhere  
16 sitting in a computer, then, are two kinds of points added  
17 for things, correct? I got that point from your answer.  
18 Correct me if I'm wrong: One is the numerical count and  
19 one is the severity of the deficiencies.

20 Is that correct?

21 A We can get the two informations from the computer.  
22 It is one program.

23 Q And so, then, coming out of that program, then,  
24 would be a punchout that tells you Hey, look at this guy  
25 because the number is too big. Is that right?

mpb4

1 A The numbers are approaching a level of concern.  
2 The actual data might show that the concern is not really  
3 that significant because the computer can't put a judgment  
4 to the numbers.

5 Q The Chairman has reminded me that I may have  
6 asked an imprecise question, so I want to try to clear it up.

7 I gather in the computer you've got the number  
8 of events.

9 A Yes.

10 By asking the computer for the number of events  
11 to a certain document.

12 Q And then you also have severity of events, if  
13 you will.

14 A That's correct, sir.

15 Q And I used the word "weighting".

16 Then does the computer automatically tell you  
17 Hey, you ought to look at this situation?

18 A Twice a year we are required to look at it  
19 programmatically, regardless of what the computer tells us.

20 Q Okay.

21 In between the twice a year, does the computer  
22 tell you to go look?

23 A Excuse me?

24 Q In between the twice a year, does the computer  
25 say the number here is too large, go look?



mpb5

1 A No. The computer does not tell us that. More  
2 often than twice a year it would be quite obvious because  
3 of the numbers of the inspections that we performed.

4 We have a man, a project inspector, who is keep-  
5 ing day to day track of the inspection results.

6 Q Okay.

7 A Then when I asked the question about weighting,  
8 what I meant was that you would take somehow each event and  
9 add a weight to it and then somehow one of those might be  
10 more severe than the other, and therefore you would get a  
11 trigger out of the computer when the weighted number, rather  
12 than just the number of events, was high.

13 In other words, you might have only three events  
14 but their weight was so severe you would get an indica-  
15 tion from the computer -- well, you might have 20 events --

16 A It's according to the degree of depth you mean  
17 by weighting, sir, we have the enforcement program that  
18 assigns so many action points to a violation level on  
19 compliance, so many to an infraction level and so many to a  
20 deficiency level. And it's when these totals reach a  
21 total of 70.

22 Q So the action point is a weighting.

23 A That is the only weighting that is done by the  
24 computer. Then the weighting that is done outside of the  
25 computer determines whether the meeting is actually held or

mpb6

1 not, the reviews by the inspectors, the section chief, and  
2 myself, to see what really are the significant of these  
3 non-compliances.

4 Q Now, if you have that kind of information, why  
5 can't you make the comparisons again, you see? It keeps  
6 coming back to the points.

7 You have an immense amount of data on your hands.  
8 The Board doesn't have data like that. And so why is it  
9 that you all feel so reluctant to make comparisons?

10 A I don't think, sir, that it is a reluctance on  
11 the part of anyone to make such a comparison. And I believe  
12 that this document here will point it out, that when we  
13 attempt to make a comparison we find that we have holes in  
14 the method. It is a terrifically complex type of operation.

15 It involves the differences of the licensees  
16 and our people.

17 CHAIRMAN SMITH: You waved a document. This is  
18 the report, the Board Notification of Licensing?

19 WITNESS MURPHY: Yes.

20 CHAIRMAN SMITH: Okay.

21 I think we'd better give this thing an exhibit  
22 number.

23 Let's make this Board Exhibit -- and it may not  
24 be used. It's a Board exhibit simply for identification.  
25 We will have to determine later the extent that it can be

mpb7

1 used in proposed findings.

2 Do you have any objection to assigning a Board  
3 exhibit number to this document?

4 MR. O'NEILL: No, sir, not if you're giving it  
5 a number.

6 CHAIRMAN SMITH: All right.

7 This will be Board Exhibit 8, the Board  
8 Notification of Licensee Regulatory Performance Evaluation.

9 (Whereupon, the document  
10 referred to was marked as  
11 Board Exhibit No. 8  
12 for identification.)

13 BY DR. LEEDS:

14 Q Well, Mr. Murphy, let me go to the next page.

15 On page 8, at the bottom of the page, I think  
16 it's your testimony that:

17 "If the licensee's program" -- this is talking  
18 about the licensee's quality assurance program -- "is  
19 working properly...", I have the same question:

20 How do you decide whether or not the licensee's  
21 program is working properly?

22 A (Witness Murphy) I think you left out a "not".  
23 You said, "If the licensee's program is working properly..."  
24 and it says "not properly".

25 Q Oh, I'm sorry, there are two sentences. The

mpb8 1 first one says if it is working properly, the second one says  
2 if it is not working properly. And it doesn't make any  
3 difference in my question which way you go.

4 What I want to know is how you decide whether it  
5 is or isn't.

6 A If we find non-compliances, it's not working  
7 properly.

8 Q Any?

9 A Any.

10 Q If you find any non-compliances, the licensee's  
11 QA program is not working properly?

12 A Certainly.

102 13 Q Does any licensee's program work properly, then?

14 A That type of success is something that all of us  
15 would like to see achieved, but we recognize that it cannot  
16 be.

17 Our first step, sir, is the enforcement letup,  
18 and it is triggered by any non-compliance.

19 Q And if the QA and the applicant did not catch  
20 it, then it is not working properly.

21 A That is correct, sir.

22 Q Would a count at the time the QA did not catch  
23 a problem be an evaluation?

24 A The number of inspection areas -- the QA program  
25 is an overview, just as ours is. We actually look at

mpb9

1 somewhere on the order of one percent of a licensee's  
2 activities; their QA program is also a function-type. It  
3 does not examine everything. During any given period of  
4 time their program may or may not have looked at the  
5 specific area that we looked at.

6 That does raise the question: should theirs  
7 have looked at it? We found the problem.

8 Q I'll go back to my question. I don't think you  
9 understood it, or at least I don't think you answered it.

10 If I look at the number of times that their QA  
11 program did not work properly, is that a measure of the  
12 performance of the management of that company?

13 A Not in itself, no, sir. And I should have  
14 preceded my previous with that statement.

15 Q So that would go with the answer?

16 A Yes.

17 Q On the next page you testify that:

18 "The IE sampling inspection is not a  
19 statistical random sample."

20 I understood that a large number of sample  
21 programs are statistical in nature and you do pull random  
22 samples.

23 What is the reason for not doing both?

24 A Sir, I am not an expert in this area. I am  
25 aware that we tried a statistical random sample inspection

mpb10 1 effort on a trial basis at a facility, I'm not even sure  
2 which facility. I have seen no documents really on it, and  
3 my understanding was that it was -- did not appear to be a  
4 workable system.

5 Q Does anybody else have any comments on it?

6 A (Witness Long) One of the obvious things about  
7 statistical samples is it lends itself only to certain types  
8 of very small percentage of the areas that are looked at.  
9 The records, of course, might lend themselves to that,  
10 radiographic, the record examination, some of those things.

11 But we have found that our sample more than  
12 likely would exceed a value arrived at by statistical analy-  
13 sis determined by that more complex method.

14 Q In other words, you oversampled in a sense?

15 A It would be easier often than determining what  
16 the statistical samples or something would be.

17 A (Witness Murphy) Sir, we probably, if you will,  
18 oversample in some areas, undersample in others, based on  
19 our experience, and that collective experience and judgment.

20 Q But if you chose the time to go inspect at  
21 random and you choose in some sense the things that you look  
22 at at random, aren't you in a sense doing a statistical  
23 random sample?

24 A. Number one, our inspection times are not done  
25 at random. We are aware of the general areas of work that

mpb11 1 are involved.

2 I will say actually in this that where we had  
3 a particular problematic plant here a while back we  
4 actually did do a statistical sample because we were look-  
5 ing at a very small area. And the statistical sampling  
6 did give us a confidence level.

7 Q Okay.

8 In the same paragraph you talk about:

9 "Our review of the overall program  
10 gives considerable confidence that our spot  
11 checking and sampling review provides an  
12 accurate assessment of the licensee's per-  
13 formance in meeting regulatory require-  
14 ments."

15 What review?

16 A The sampling review of QC actions. I take that  
17 to mean the review; our inspectors do review the QC actions  
18 of the licensee's as a part of their inspection effort.

19 Q But it says here "Our review of the overall  
20 program..."

21 Is that referring back to the IE sampling  
22 inspection program? Am I misreading the sentence?

23 A Let me get here.

24 (Pause.)

25 A That says our review of the licensee's overall

mpbl2 : QA program, sir. Their program is based on the requirements  
2 imposed upon them by Appendix B and contained in Chapter 17  
3 of their SER. And that is a structured program. And then  
4 a program description, and then our reviews of the program  
5 implementation.

6 Q Okay.

7 Now where is the assessment, then?

8 A The assessment, you have the formal and the  
9 informal assessment, sir. The assessments actually of the  
10 operating of the program come with each of the inspections  
11 that we perform.

12 Q It's the reports?

13 A The reports, yes, sir.

14 Q Now I still have a problem with this sampling,  
15 this random stuff. I'm trying to get myself squared away,  
16 when you do random stuff and when you do regular stuff and  
17 so forth.

18 On page 10, the bottom of the page, there is a  
19 question that says:

20 "These events, sometimes called  
21 Abnormal or Reportable Occurrences or  
22 Unusual Events are reviewed by inspectors  
23 on a sample basis..."

24 What kind of sample?

25 A Actually these are the reports over into the



mpbl3 1 operations area, sir.

2 Q Okay.

3 A (Witness Dance) May I address that?

4 Q Surely. Anybody. I don't know who to ask the  
5 questions.

6 A There are two types of reports, immediate reports  
7 which require a written report in 14 days, notification and  
8 a written report in 14 days, and another type wthat requires  
9 a 30 day report, no verbal notification previously.

10 Of the immediate reports of the program we  
11 inspect 100 percent. We review onsite 100 percent.  
12 Of the 30 day reports we review a certain percent. It's  
13 30 percent plus any we suspect we may have problems with,  
14 that we may have non-compliance with.

15 So that is our random sampling of those 30 day  
16 reports, the licensing event reports. It's up to the  
17 inspector or his supervisor, if they spot a problem, Hey,  
18 I want you to review that one. Otherwise it's simply  
19 inspector's judgement which one he reviews.

20 Q Okay.

21 There is no statistical underlying sampling  
22 mechanism?

23 A Other than required, a certain percent.

24 A (Witness Murphy) Sir, I might add that as far  
25 as construction deficiency reports are concerned, we review

mpbl4 1 100 percent of them.

2 DR. LEEDS: Well, the Chairman is reminding me  
3 that the witching hour has occurred and we must all leave.

4 CHAIRMAN SMITH: Have the people in the back  
5 of the room, since the crowd has cleared out, have you been  
6 able to hear all right? Has it improved?

7 VOICE FROM THE AUDIENCE: No problem.

8 CHAIRMAN SMITH: We might take that into account.

9 MR. TROWBRIDGE: We've already made the  
10 arrangements.

11 Mr. Chairman, may I take a minute more?

12 The Board requested that the Applicant make  
13 available as a witness the Manager of the Corporate Nuclear  
14 Safety and Quality Assurance Audit Section. That is Mr.  
15 McManus. And we'll make him available.

16 At the same time, Mr. McManus has had several  
17 predecessors to his job, one of whom is Mr. Banks, who will  
18 be here as a witness on another panel, and one of whom is  
19 Mr. Loflin. Mr. Banks and Mr. Loflin will be offered at  
20 the same time.

21 We would suggest that because we have a not  
22 too long piece of prepared testimony for Mr. McManus that  
23 we distribute this now, along with the qualifications of  
24 Mr. Loflin. Mr. Banks's qualifications are in his other  
25 testimony and Mr. McManus's are in his prepared testimony

mpb15 1 that we will distribute. This will give the Board an  
2 opportunity, when we get to the area where we need it,  
3 whether we read it or whether we put it in the record as  
4 if read.

5 CHAIRMAN SMITH: Fine. We will appreciate it.

6 Okay, if there's no further business this evening,  
7 we will adjourn until 9:00 a.m.

8 The hearing is adjourned.

9 (Whereupon, at 4:45 p.m., the hearing in the  
10 above-entitled matter was adjourned, to reconvene  
11 at 9:00 a.m., the following day.)  
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