

**SOUTH CAROLINA ELECTRIC & GAS COMPANY**  
**OFFICE OF REGULATORY STAFF'S FIRST AUDIT INFORMATION REQUEST**  
SCE&G Activities and Events Related to the Intention to Abandon V.C. Summer  
for Units 2 & 3 site in Jenkinsville, SC

**REQUEST 1-16 and 1-17:**

Please describe the Company's determination as to completing or abandoning these facilities and any future use of these facilities based on that determination.

The following structures for the Units are over 50% complete:

- a) Service Building
- b) Water Treatment Plant
- c) Colling Towers
- d) Simulator equipment and training programs
- e) Switchyard
- f) Shooting Range

**RESPONSE 1-16 and 1-17:**

SCE&G is evaluating whether to abandon or complete the Service Building. SCE&G is abandoning the Cooling Towers. SCE&G is retaining the Water Treatment Plant, Switchyard and Shooting Range. SCE&G intends to salvage or sell the simulator equipment and training programs.



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**REQUEST 1-18:**

Please provide contractor and Company staff severances, bonus payments, and contract breach costs associated with the abandonment.

**RESPONSE 1-18:**

The total amount for contractor and Company staff severances is \$13,142,256. With regard to bonus payments, the Company has not yet decided whether any bonus payments will be made. As for contract breach costs, exclusive of any mechanic's liens, SCE&G has not incurred any such costs as of November 8, 2017.



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**REQUEST 1-19:**

Please identify the equipment/components that require an inert gas purge or blanket and the actions being taken to ensure the appropriate storage requirements are maintained.

**RESPONSE 1-19:**

Please see attached. Moreover, SCE&G has retained the services of Saulsbury Industries, Inc. to ensure the appropriate storage requirements are maintained. SCE&G is in the process of coordinating with Saulsbury Industries, Inc. to identify the precise actions to be taken.





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**REQUEST 1-22:**

Provide a list of documents that have been provided and will need to be provided to the NRC as a result of SCE&G's announcement of its intention to abandon the Units.

**RESPONSE 1-22:**

By letter dated August 17, 2017, (NND-17-0464) SCE&G notified the NRC of termination of construction activities and committed to provide a plan for COL disposition within 90 days. By letter dated October 27, 2017, (NND-17-0513), SCE&G extended its submittal date for its COL plan to December 15, 2017.

As part of complete abandonment of the project, a COL withdrawal request must be sent to the NRC. The request would include the status of the site, a site redress plan, and a request to withdraw any License Amendments, Exemptions, Code Alternative requests under NRC review and all ITAAC Closure Notices.

Until the NRC withdraws the COLs, routine reports (noting construction termination status) will continue to be submitted to the NRC for the following:

- a. ITAAC Schedule Updates (every 6 months)
- b. Operational Program Schedule Updates (every 6 months)
- c. Departures Reports (6 months)
- d. FSAR Update (annually)
- e. Fukushima Response Status Reports (every 6 months)
- f. 50.46 Updates (annually)
- g. Transfer responsibility for radioactive source oversight to Unit 1 (completed NND-17-0494)



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**REQUEST 1-23:**

ORS understands the NRC requires a written plan of abandonment as a result of SCE&G's intentions to abandon the Units. Please provide that written plan upon completion.

**RESPONSE 1-23:**

SCE&G's Response 1-22 sets forth the steps for abandonment concerning the COL. The plan for abandonment required by the NRC has not yet been completed, but it will be provided upon completion.



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**REQUEST 1-24:**

Please discuss the required records needed to maintain the COL license.

**RESPONSE 1-24:**

Records required by 10 CFR 50 Appendix B and the QA Plan should be maintained while the COL remains active. With the cessation of construction, the QA Plan does not need to be as extensive and can be revised to reflect anticipated activities. In this case, records associated with preventative maintenance should be maintained. If critical equipment is to be sold, then records associated with procurement, fabrication/installation, and preventative maintenance of that equipment should be maintained.

In addition, records associated with correspondence with the NRC and other regulatory agencies will be maintained and any other required program records (e.g. corrective action program, fitness for duty program).



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**REQUEST 1-25:**

Please provide the current status of Inspections, Tests, Analyses, and Acceptance Criteria ("ITAAC") for the Units, a list of completed ITAACs and the steps SCE&G is taking to preserve the ITAAC database.

**RESPONSE 1-25:**

The following link provides a listing and status by the NRC for all Unit 2 & 3 ITAAC (scroll to the bottom of the page where ICN Review Status is listed by plant).

<https://www.nrc.gov/reactors/new-reactors/oversight/itaac.html>

**Summary of Current Status:**

- 873 ITAAC Closure Notifications (ICN's) per Unit
- ICN's submitted to date – 112
- Unit 2 ICN's submitted: 57
- Unit 3 ICN's submitted: 55

SCE&G does not currently have access to the WEC Smartplant (ITAAC) database.





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**REQUEST 1-26:**

Please identify what state or federal permits are necessary to achieve and maintain a safe and stable abandonment status at the construction site. Also, discuss what actions the Company is taking to meet those permit requirements.

**RESPONSE 1-26:**

Please see SCE&G's Response 1-11.



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**REQUEST 1-27:**

Please discuss the status of transferring the American Society of Mechanical Engineers qualifications from WEC to SCE&G.

**RESPONSE 1-27:**

The American Society of Mechanical Engineers (ASME) Certificate Holders are Westinghouse, Carolina Energy Solutions, WECTEC, and CBI Services (collectively, Existing Certificate Holders). By letter dated August 17, 2017, a copy of which is attached to this response, SCE&G requested that Westinghouse provide SCE&G with assistance in transferring the ASME Certificate Holder responsibilities to SCE&G. In order to transfer the ASME Certificate Holder responsibilities to SCE&G, the parties referenced above, including SCE&G, must enter into a Memorandum of Understanding (MOU). The MOU will serve to preserve the ASME Section III work performed for VC Summer Units 2 and 3 by documenting completed work utilizing guidance from ASME Section III Code, Appendix Z. The MOU will also document the status of the code activities and acceptance of transfer responsibilities. The MOU must be approved by the Existing Certificate Holders as well as their Authorized Nuclear Inspector. The MOU must also be approved by the Owner and the jurisdictional authority, namely, the NRC, at the construction site.

Westinghouse has not officially responded to SCE&G's request that would aid in development of an MOU and subsequent transfer of responsibilities; however, Westinghouse and SCE&G have had numerous discussions concerning the cost of securing an MOU but have not yet reached a commercial agreement on this matter.





August 17, 2017

NND-17-0466

Mr. Carl Churchman  
Westinghouse Electric Company  
Nuclear Power Plants  
1000 Westinghouse Drive, Suite 112  
Cranberry Township, PA 16066

Subject: ASME III Completion and Preservation

- Reference:
- (1) Engineering, Procurement, and Construction Agreement for AP1000 Nuclear Power Plants, dated May 23, 2008 – V.C. Summer Units 2 and 3, as Amended (“Agreement”)
  - (2) October 2015 Amendment, dated October 27, 2015
  - (3) Interim Assessment Agreement, effective March 28, 2017
  - (4) Interim Assessment Agreement, Amendment No. 1, effective April 28, 2017
  - (5) Interim Assessment Agreement, Amendment No. 2, effective June 26, 2017
  - (6) ASME Boiler and Pressure Vessel Code, Section III, Appendix Z, 1988 with 1989 Addenda

Action: Westinghouse to transfer ASME Certificate Holder responsibilities to Owner and provide Owner with all requested ASME information by August 23, 2017.

Dear Mr. Churchman:

SCE&G requests the transfer of ASME Certificate Holder responsibilities to SCE&G via a Memorandum of Understanding to preserve the ASME Section III work performed for VC Summer Units 2 and 3 by documenting completed work utilizing guidance from ASME Section III Code, Appendix Z (reference 6).

Reference 6 requires that a Memorandum of Understanding shall be approved by all parties involved, which documents the status of the code activities and acceptance of transfer responsibilities. The Memorandum of Understanding must be approved by the existing certificate holder and their Authorized Nuclear Inspector (ANI). When work is performed on a Nuclear construction site, the Memorandum of understanding must also be approved by the Owner and the Jurisdictional authority (NRC) with Jurisdiction at the construction site.



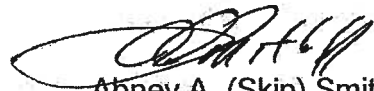
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SCE&G requests the following information from the ASME Certificate Holders (Westinghouse, Carolina Energy Solutions, WEGTEC and CBI Services) to support the creation of a Memorandum of Understanding:

1. Provide a list of all ASME material on site, or to be delivered that SCE&G has paid for.
2. Provide a list of ASME Section III work scope completed (open and closed work packages/travelers).
3. Provide the point of completion that would be required by the Certificate Holders ASME Program.
4. Provide a written estimate including a resource loaded schedule which would be required to complete each activity below:
  - Certification of installed ASME III systems and transfer of systems to SCE&G.
  - Certification of uninstalled ASME III components and loose material and transfer of items to SCE&G.

SCE&G requests this information to be returned no later than August 23, 2017. Please let me know if you have any further questions.

Sincerely,



Abney A. (Skip) Smith  
Manager  
Business & Financial Services

AAS/cw





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cc: Ronald A. Jones – SCE&G  
Abney A. Smith – SCE&G  
Alan D. Torres – SCE&G  
Kyle Young – SCE&G  
Robert B. Stokes – SCE&G  
April Rice – SCE&G  
Kevin Kochems – SCE&G  
Judy Wasieczko – SCE&G  
Michael Verrilli – SCE&G  
Todd Johnson – SCE&G  
Guy Bradley – SCE&G  
Kyle Nash – SCE&G  
Al Bynum – SCE&G  
Ryder Thompson – SCE&G  
Keith Savastano – SCE&G  
Marion Cherry – Santee Cooper  
Carl Churchman – Westinghouse  
JoAnne Hyde - Westinghouse  
Daniel Magnarelli - Westinghouse  
Patrick Young – Westinghouse  
Andrew Rhea - Westinghouse  
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