



MHI/SCE-05-393:Minutes of Executive Oversight Meeting

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Minutes of the SONGS RSG 2nd Executive Oversight Meeting.doc

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Engineering Manager}
PO No.6C294014
SO23-617-01 Rev.2
MHI/SCE-05-393
Date:May 30, 2005

Dear { }

We are pleased to submit herewith the Minutes of Executive Oversight Meeting held on May 20, 2005.

(See attached file: Minutes of the SONGS RSG 2nd Executive Oversight Meeting.doc)

If you have any question or comment, please contact us.

Best regards,

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MHI Kobe SONGS RSG PJ

Minutes of the SONGS RSG 2nd Executive Oversight Meeting

Time/Venue: May 20, 2005 at MHI Kobe

Attendees: Edison: {
MHI: {

Minutes:

1. Status of MHI Work Scope

- 1) Document schedule: Corrective Action to recover the original drawing submittal schedule has been taken. This includes re-scheduling some of the submittal dates and increasing engineering personnel on the project. Critical path will be recovered by August 2005.
- 2) Resource for the Project Management: 2 new members, on a full-time basis, have been added to the Project.
- 3) Resource for the Design Engineering: 8 full-time engineers have been added to the Project since the last Executive Review Meeting, making a total of 16 engineers. In addition, 2 consultants, on a part-time basis, have been added since the last Executive Review Meeting. Edison expressed a request to add a thermo-hydraulic design consultant to the Project. ***ACTION ITEM 1: Edison and MHI to discuss the necessity of consultant for thermo-hydraulic design.***
- 4) Schedule of Major Subcontractor: Current activities were presented.
- 5) Overall Status of Material Procurement: MHI explained there is necessity to issue POs to subcontractors earlier than normal because of the tight materials market. MHI has scheduled earlier procurement of materials in order to meet manufacturing schedule.
- 6) Analysis Progress: MHI explained the status and the schedule. Edison requested to be informed of dates of "Point of No Return" when the design is "Locked in". ***ACTION ITEM 2: Both parties to discuss the management tool for important design items Edison desire to be involved, with project schedule ("Point of No Return" etc).***
- 7) Resident Representative: Ongoing reviews by Edison Resident Representative for condition of qualification are going well. Edison stated Edison and MHI should more closely communicate each other, with face to face meeting or Video conference, and decide the frequency of communication based on priorities and requirements. ***ACTION ITEM 3: Edison and MHI to discuss and decide how to communicate more closely and more effectively.***

2. Upcoming Significant Work Activities

- 1) Tubesheet fabrication: MHI explained the fabrication schedule of Unit 2A(2E089) through September 2005.
- 2) Design Review (DR) Meetings: MHI explained the schedule of #3 DR (May 23-) and #4 DR (July 11-).
- 3) Tubing Work: Pouring for Pre-Production Qualification tube is scheduled to begin in July, 2005.

3. MHI Quality Performance

- 1) MHI Quality Performance: MHI QA section performs weekly monitoring of design activity since the Edison QA surveillance performed in March 2005. MHI explained the quality of engineering documentation has been improved significantly. SCE stated strict adherence to procedures is important for QA.

4. MHI Subcontractor Performance

- 1) Survey/Audit of Subcontractor: MHI explained its survey/audit results and future plans for three subcontractors ((), (), and ()).

5. Issues / Concerns

- 1) RCS Hydraulic Calculation: MHI explained the status of in-house mockup test, and ()'s loop flow analysis. The result of the calculation of Loop Flow Analysis was not significantly different between () and MHI.

- 2) AVB design: MHI explained the status of design process. Both parties agreed to discuss on this issue later. SCE expressed their concern about the wear of AVB which was experienced in all the large RSG except one project.

SCE requested a systematic gathering of information in order to address industry problems and optimize the AVB design to be prepared by a special team of Edison/MHI personnel and presented at the next Executive Review Meeting..

ACTION ITEM 4: Edison and MHI to discuss and develop a plan for this effort.

- 3) Seismic Issue: MHI explained its present approach on the RCS Loop Structural Analysis.

- 4) Third Party Review: MHI explained its present approach:

- Participation of (), as an overall SG design expert, from February 2005.
- Participation of (), as an AVB expert, from June 2005
- Participation of (), as an structural analysis expert, from May 2005

- 5) SDR Process: MHI expressed the present status of SDRs.

6) Invoicing Schedule: Certain milestones for engineering have been re-defined and payments have moved out. MHI stated there is no outstanding commercial contract issue.

7) Design Review Process: MHI explained its present activities concerning the Design Review meeting.

8) Readiness Reviews: Edison requested MHI not to proceed with critical steps of engineering and fabrication before Edison confirmation. ACTION ITEM 2 stated above is also requested.

6. Action Item

1) 4 Action Items were identified, as described above.

7. Next Executive Oversight Meeting:

1) #3: Aug 2005 (at SONGS site). Major purpose is to follow up the improvement in the communication matters including clarification of "Point of No Return".

End of the Minutes