

NEWS FROM

WASHINGTON PUBLIC POWER SUPPLY SYSTEM

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FOR IMMEDIATE RELEASE May 30, 1978
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WPPSS News Release No. 78-41
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AUDIT FIRM FINDS WPPSS SYSTEMS "ADEQUATE"

RICHLAND -- Washington Public Power Supply System has instituted project management control systems which "should be considered adequate under the interpretations of Prudent Utility Practices," an auditing firm has concluded after a five-month study, and has reported in their audit report of May 17, 1978.

In January, the Supply System retained the firm of Coopers and Lybrand, certified public accountants with offices worldwide, to review contract administration and project accounting systems for the construction of five nuclear generating plants.

The objective of the independent study was to assess whether the Supply System's procedures and accounting systems were adequately designed and being properly followed to provide prudent control of the construction activities.

While the programs were judged adequate, the auditing firm made a number of recommendations for improvement in the processing of change orders, progress payments, costs and commitments and materials control.

The auditors also noted that, beginning in the summer of 1977, there was a "dramatic improvement" in the change order documentation and attributed this to recent increases in staff and more experience in processing of change orders.

WPPSS Managing Director N. O. Strand said he has directed an ongoing review and assessment program to insure continued improvement.

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