

December 18, 1987

Docket Nos. 50-³⁵²~~277/278~~

Mr. Edward G. Bauer, Jr.
Vice President and General Counsel
Philadelphia Electric Company
2301 Market Street
Philadelphia, Pennsylvania 19101

Dear Mr. Bauer:

SUBJECT: FEDERAL REGISTER NOTICE

RE: Limerick Generating Station, Unit 1

Enclosed is an Individual Notice of Consideration of Issuance of Amendment to Facility Operating License and Proposed No Significant Hazards Consideration Determination and Opportunity for Hearing. This amendment was requested by your letter dated November 18, 1987. Your application has been considered to have been augmented by the information provided in your "Plan for Restart of Peach Bottom Atomic Power Station" submitted on November 25, 1987. This Notice was forwarded to the Office of Federal Register for publication.

Sincerely,

Original signed by
Richard J. Clark

Richard J. Clark, Project Manager
Project Directorate I-2
Division of Reactor Projects I/II
Office of Nuclear Reactor Regulation

Enclosure:
As stated

cc w/enclosure:
See next page

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

December 18, 1987

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Sincerely,

A handwritten signature in cursive script that reads "Richard J. Clark".

Richard J. Clark, Project Manager
Project Directorate I-2
Division of Reactor Projects I/II
Office of Nuclear Reactor Regulation

Enclosure:
As stated

cc w/enclosure:
See next page

Mr. Edward G. Bauer, Jr
Philadelphia Electric Company

Limerick Generating Station
Units 1 & 2

cc:

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Chairman Board of Supervisors of
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Limerick, Pennsylvania 19468

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Philadelphia Electric Company
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Philadelphia, Pennsylvania 19101

Dept. of Environmental Resources
ATTN: Director, Office Radiologic
Health
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PA Dept. of Environmental Resources
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Mr. Robert Gramm
Senior Resident Inspector
U.S. Nuclear Regulatory Commission
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Planning and Development
ATTN: Coordinator, Pennsylvania
State Clearinghouse
P. O. Box 1323
Harrisburg, Pennsylvania 17102

UNITED STATES NUCLEAR REGULATORY COMMISSIONPHILADELPHIA ELECTRIC COMPANYDOCKET NOS. 50-352NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TO
FACILITY OPERATING LICENSE AND PROPOSED NO SIGNIFICANT HAZARDS
CONSIDERATION DETERMINATION AND OPPORTUNITY FOR HEARING

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License No. NPF-39 issued to Philadelphia Electric Company, for operation of the Limerick Generating Station, Unit No. 1 located in Montgomery County, Pennsylvania.

The proposed amendment would modify Section 6 of the facility Technical Specifications to reflect (I) a new corporate and (II) a new plant staff organizational structure, and (III) a revised composition of the Plant Operations Review Committee, in accordance with the licensee's application for amendment dated November 18, 1987. In connection with this matter the Commission has also issued, by letter dated December 18, 1987, a temporary waiver of compliance with respect to deviations from the organizational structure currently described in Section 6, Administrative Controls, of the Technical Specifications. This letter also permits initiation of implementation of the above proposal on an interim basis pending completion of consideration of the application for amendment.

The licensee's application is submitted as a result of corrective actions taken by the licensee in response to an Order issued by the Nuclear Regulatory Commission (NRC) on March 31, 1987 which required the other nuclear power plant

operated by the licensee, the Peach Bottom Atomic Power Station (PBAPS), to be shut down due principally to inattentiveness by control room licensed personnel. The proposed reorganization, particularly the corporate reorganization, is also reflected throughout the licensee's Plan for Restart of Peach Bottom Atomic Power Station, Section I, Corporate Action, (Plan) which was submitted on November 25, 1987. The information in the Plan has been considered by the staff to be supplementary to the licensee's application for amendment. In the Plan the licensee has identified four root causes for the declining performance at the PBAPS, the fourth root cause being: Corporate management failed to recognize the developing severity of the problems at PBAPS and thus, did not take sufficient corrective action. The November 25, 1987 submittal responds to the fourth root cause by describing the Corporate portion of the overall Plan which the licensee submits "will also ensure continued excellence of operations at the Limerick Generating Station (LGS)".

The licensee's Plan states that two concepts underlie its response to the fourth root cause. The first concept is that organization structure, management systems and managerial ability are interdependent elements; each impacts upon the varying degree of effectiveness of the others. The second concept deals with strengthening the licensee's self assessment activities. The proposed organizational structure identified in the licensee's amendment application is a principal factor in attaining the goals associated with both of these objectives.

I. Corporate Organizational Structure

The proposed revisions would reorganize the corporate staff between the plant manager and the senior vice president levels. The current Technical

Specification (TS) Figure 6.2-1-1 showing the offices of the Senior Vice President-Nuclear Power, the Vice President (VP)-Electric Production, the Manager-Nuclear Production, the Superintendent-Nuclear Generation Division and the Superintendent-Quality Assurance Division would be revised. Replacing these offices would be a Senior Vice President-Nuclear with four Vice Presidents and a General Manager for Nuclear Quality Assurance reporting to him. This would reduce the organizational chain of command by removing two levels of offsite corporate management. Two of the VP's would be located on the Limerick and the Peach Bottom plant sites thus establishing a corporate office presence onsite. The VPs for Nuclear Services and for Nuclear Engineering would direct staffs who would have responsibility only for nuclear power plant related issues. The licensee indicates that these changes will focus corporate attention on station necessities, will enhance communications between the station organizations and the highest levels of corporate management and will provide better functional grouping of related disciplines.

The proposed position of Vice President-Nuclear Services will include certain responsibilities that were previously within the Offices of the VP-Electric Production Department, the Manager-Nuclear Production, and the Superintendent-Nuclear Services. The office of VP-Nuclear Services would have four organizations: (1) Nuclear Support, for licensing, fuel management, radiation protection, waste management, chemistry, emergency preparedness, security and the Operating Experience Assessment Program, (2) Nuclear Maintenance, for supplemental craft maintenance support, (3) Nuclear Training, for licensed, general employee and crafts training and the professional development programs and (4) Nuclear Administration, for personnel, budget,

computer and record management. The benefits attributable to the reorganization of Nuclear Services are discussed in detail in Section 2.6 of the Plan. These benefits generally accrue from the provision of additional resources and the centralization of these functions to support the identification and meeting of needs in these areas in a focused, timely manner.

The proposed office of Vice President-Nuclear Engineering will include certain responsibilities that were previously within the office of the VP-Engineering and Research Department. This office would include four organizations: (1) Engineering, for design, analyses, studies and assistance, (2) Project Management, to manage engineering projects for each station, (3) Engineering Design, for conceptual design support and services, and (4) the Construction Superintendent for Limerick Unit 2. The licensee identifies the benefits of the reorganization of Nuclear Engineering in Section 2.5 of its Plan as being (1) the dedication of a significant portion of its corporate engineering resources to the support of nuclear operations exclusively, and (2) establishing single point accountability for the management of engineering projects at appropriate management levels.

The corporate level Nuclear Review Board (NRB) will be revised to provide for an elevated reporting relationship to the office of the Chief Executive Officer on a quarterly basis in addition to reporting regularly to the Senior VP-Nuclear. The NRB chairmanship has been made a full time position and the NRB membership has been broadened by including three members from outside the Philadelphia Electric Company. The licensee states that this will strengthen the experience and expertise of the NRB and will ensure its direct access to the highest corporate management level.

The proposed position of General Manager-Nuclear Quality Assurance will include certain responsibilities that were previously within the offices of the Manager-Nuclear Production, the Superintendent-Nuclear Generation Division and the VP, Engineering and Research Department. This office would include five organizations: Peach Bottom Quality, Limerick Quality, Quality Support, Performance Assessment and the Independent Safety Engineering Group. The licensee states that this consolidation of quality assurance efforts will provide for a more coordinated quality assurance operation resulting in early identification, evaluation and resolution of potential safety concerns.

II. Plant Staff Organizational Structure

The onsite station organizational structure, below the Vice President level, will be expanded horizontally by increasing the number of positions at both the Manager and the Superintendent levels. Figure 6.2-2 would be revised to reflect these changes. The current Superintendent-LGS Plant will be renamed Plant Manager. A Project Manager will be added to provide separate management accountability and authority for plant outages, planning and scheduling, reporting and modifications. A Support Manager will be added to provide strengthened focus and accountability for such activities as security, emergency preparedness, administration and personnel. A Superintendent-Training will be added, reporting to the VP-LGS to ensure more attention to site training needs.

The Plant Manager will manage the positions of Superintendent-Operations, Superintendent-Plant Services, Superintendent-Maintenance and Instrumentation and Controls and Superintendent-Technical. The Superintendent-Operations will be assisted by an Assistant Superintendent-Operations position. The current shift superintendent, the Shift Technical Advisor, Shift Supervisor and operator positions remain essentially unchanged.

A new position of Operations Support Engineer will report to the Assistant Superintendent-Operations. This position will provide staff support in the areas of regulatory and licensing needs, coordination of shift training and certain administrative functions.

The current position of Superintendent-Plant Services will consolidate the existing chemistry and health physics groups and will also have a new position of radwaste engineer. A new position of Superintendent-Technical will manage a Technical Engineer and a Regulatory Engineer to provide technical support for modification testing, reactor engineering, plant performance, process computer, regulatory and INPO interfaces, the LER program and commitment tracking. A new position of Superintendent-Maintenance and Instrumentation and Controls will manage several assistant superintendents, engineers and supervisors in the consolidation of these two areas from the current organization.

A Unit 2 Start-up Manager position will be added, reporting to the VP-LGS. This manager, with several superintendants, will be responsible for certain Unit 2 programs prior to fuel loading.

The licensee indicates that these onsite organization changes will establish a separation of responsibility that will better enable onsite management to concentrate their attention on each organizational function and will also delete various administrative duties from the Plant Manager, thereby allowing more focus on daily plant activities. All groups performing onsite activities which currently report to non-station organizations, except those involved in independent corporate assessment and oversight activities, and those involved in the construction of LGS-Unit 2 prior to start-up, will be integrated into the onsite station organization. The licensee states that this

will improve communications and coordination among the groups and will provide accountability to the site vice president.

III. Plant Operations Review Committee (PORC)

The licensee proposes revisions to the PORC composition on TS page 6-7. The Superintendent-Operations will replace the Station Superintendent as Chairman. The other three Superintendents reporting to the Plant Manager will also be included as well as the Assistant Superintendent-Operations. The Maintenance Engineer and the Technical Engineer positions will be added to the PORC. The positions of Shift Superintendent and Regulatory Engineer will continue on the PORC.

The licensee indicates that the new representatives on the PORC will be a superior of the selected position and that the qualifications, experience and training requirements of previous PORC positions will be maintained. Disciplines previously represented on the PORC will continue to be represented. Relieving the Plant Manager as a member of the PORC will allow him to focus attention on those issues which affect personnel, plant and public safety as well as the efficiency of operations.

Before issuance of the proposed license amendments, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously

evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety.

(1) The changes discussed above in Section I regarding the corporate organization are proposed to shorten and strengthen the nuclear operations chain of command, provide an onsite corporate presence and ensure that all onsite employees, except independent oversight functions, and Unit 2 construction activities are accountable to the site vice president, establish support and engineering organizations that are focused on nuclear related activities only, enhance and elevate Quality Assurance's role, strengthen the operating experience assessment program and to strengthen the independent assessment process. Accordingly, these changes are directed at bringing about improvements which will provide additional control of and reduce the probability or consequences of the spectrum of accidents previously evaluated in the Final Safety Analysis Report. For example, the reorganized Quality Assurance function under the General Manager-Nuclear Quality Assurance will include an interface of the QA activities at each site with the corporate QA group and the results are provided with a higher level of visibility. Independent assessment of operational performance and trend analysis of performance will be performed and will have a higher level of visibility. Therefore, on the bases discussed above and in Section I, the proposed changes will not result in an increase in the probability or consequences of any accident previously evaluated.

- (2) The changes discussed above in Section I, regarding the corporate organization do not involve any physical modifications in plant hardware, plant design or plant systems operation. For this reason and for the reasons stated above in part (1) the proposed changes will not create the possibility of a new or different kind of accident from any accident previously evaluated.
- (3) The objective of the proposed corporate reorganization is to change the organizational structure to increase control, accountability and corporate direction for nuclear operations, to strengthen self-assessment and problem resolution capabilities and to strengthen the independent assessment process. Since the proposed changes would be directed at providing the improved features and enhancements discussed in part (1) above, they do not involve a significant reduction in a margin of safety.
- (4) The changes discussed above in Section II regarding the onsite organization are proposed to provide a strong corporate presence onsite; to provide separate management accountability and authority for plant operations through the Plant Manager, and outage management through the Project Manager; to ensure more attention and responsiveness to site training needs through the Superintendent-Training; and to provide strengthened management focus and accountability for critical station support functions through the Support Manager. The licensee states that this will eliminate various administrative responsibilities from the Plant Manager, thereby allowing more focus on daily plant activities. The proposed organization will further provide the Plant Manager with a staff that, as discussed in Section II above, will be expanded horizontally to include the Superintendents of Plant Services,

Maintenance and Instrumentation and Controls, Technical and Operations. This is directed at establishing a separation of responsibility that will enable concentration on each organizational function. The proposed organization will provide better functional grouping of related disciplines through the Superintendents of Plant Services and Maintenance, Instrumentation and Controls.

As stated in the licensee's application, the qualifications, education and training requirements for the positions in the organization meet or exceed the requirements of ANSI/ANS-3.1-1978. The changes are implemented by changes to Technical Specification Figures 6.2.1-1 and 6.2.2.-1; by changing the title of the Station Superintendent to Plant Manager on pages 6-1, 6-2, 6-7, 6-8 and 6-13; by adding the Plant Manager as a recipient of reports on pages 6-12 and 6-13; by changing the reporting levels for the Independent Safety Engineering Group on page 6-6; by changing the responsible licensee representative to the Senior Vice President-Nuclear on pages 6-9, 6-11, and 6-12; by changing the designee for responsibility for direction of the site training program to reflect a generically titled site training organization on page 6-7; by adding additional designees to provide for the adequate control of shift coverage on page 6-2; and by adding the Plant Manager and by providing for an elevated level of reporting on pages 6-8, 6-9, 6-12 and 6-13.

The proposed changes do not involve physical changes in the design or operation of plant structures, systems or components. For this reason and for the reasons discussed above and in Section II above, the proposed changes will not result in an increase in the probability or consequences of any accident previously evaluated.

- (5) The changes discussed above in Section II regarding onsite organization do not involve any physical changes in the design or operation of plant structures, systems or components. For this reason and for the reasons stated in part (4) above the proposed changes will not create the possibility of a new or different kind of accident from any accident previously evaluated.
- (6) As discussed in part 4 above, the objective of the proposed onsite organization is to provide resources to strengthen the focus and accountability for plant activities, to provide better functional grouping of related disciplines and to enhance management-operator interaction and improve the professionalism of the operations organization. For these reasons and as discussed in Section II and part 4 above, the proposed changes do not involve a significant reduction in a margin of safety.
- (7) The changes discussed above in Section III regarding the Plant Operations Review Committee are proposed to increase the role of maintenance and operations; to decrease the role of disciplines not directly involved with operational safety; and to maintain a representation of the required technical disciplines. The proposed PORC composition also reflects the revised titles for certain positions. Therefore, on the bases discussed above and in Section III, the proposed changes will not result in an increase in the probability or consequences of any accident previously evaluated.
- (8) The changes discussed above in part 7 and Section III regarding the PORC do not involve any physical changes in the plant structures, systems and components. For this reason and for the reasons stated in part 7 above the proposed changes will not create the possibility of a new or different kind of accident from any accident previously evaluated.

(9) The objective of the proposed revisions are to reflect the enhancements that have been proposed for the onsite organizations and to increase the emphasis on the roles of maintenance and operations in the PORC reviews. The size of the PORC and the quorum requirements are unchanged. On these bases, the proposed changes do not involve a significant reduction in a margin of safety.

Based on the above discussions in Sections I, II, and III and Parts 1-9 the staff proposes to determine that the requested amendment does not involve a significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination. The Commission will not normally make a final determination unless it receives a request for a hearing.

Written comments should be addressed to the Rules and Procedures Branch, Division of Rules and Records, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, and should cite the publication date and page number of this FEDERAL REGISTER notice. Copies of comments received may be examined at the NRC Public Document Room, 1717 H Street, NW, Washington, D.C.

By January 22, 1988, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written petition for leave to intervene. Request for a hearing and petitions for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. If a

request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) the nature of the petitioner's right under the Act to be made a party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the Board up to fifteen (15) days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than fifteen (15) days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter, and the bases for each contention set forth with reasonable specificity. Contentions shall be limited to matters within the scope of the amendment under consideration. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice period such that failure to act in a timely way would result

in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received. Should the Commission take this action, it will publish a notice of issuance and provide for opportunity for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Att: Docketing and Service Branch, or may be delivered to the Commission's Public Document Room, 1717 H Street, NW Washington, D.C., by the above date. Where petitions are filed during the last ten (10) days of the notice period, it is requested that the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at (800) 325-6000 (in Missouri (800) 342-6700). The Western Union operator should be given Datagram Identification Number 3737 and the following message addressed to Walter R. Butler, Director, Project Directorate I-2, Division of Reactor Projects I/II: petitioner's name and telephone number; date petition was mailed; plant name; and publication date and page number of this FEDERAL REGISTER notice. A copy of the petition should also be sent to the General Counsel, U. S. Nuclear Regulatory Commission, Washington, D.C. 20555, and to Conner and Wetterhahn, 1747 Pennsylvania Avenue, N.W., Washington, D.C. 20006, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board, that the petition and/or request should be granted based upon a balancing of factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment dated November 18, 1987, which is available for public inspection at the Commission's Public Document Room, 1717 H Street, NW, Washington, D.C. 20555, and at the Pottstown Public Library, 500 High Street, Pottstown, Pennsylvania 19464.

Dated at Bethesda, Maryland, this 18th day of December 1987

FOR THE NUCLEAR REGULATORY COMMISSION



Walter R. Butler, Director
Project Directorate I-2
Division of Reactor Projects I/II
Office of Nuclear Reactor Regulations