May 22, 2006

CAL 3-05-001

Mr. L. William Pearce
Vice President
FirstEnergy Nuclear Operating Company
Perry Nuclear Power Plant
10 Center Road, A290
Perry, OH 44081

SUBJECT: PERRY NUCLEAR POWER PLANT CONFIRMATORY ACTION LETTER (CAL) FOLLOWUP INSPECTION EMERGENCY PREPAREDNESS ACTION ITEM IMPLEMENTATION AND EFFECTIVENESS REVIEW NRC INSPECTION REPORT 05000440/2006010

Dear Mr. Pearce:

The purpose of this letter is to provide you with Inspection Report (IR) 05000440/2006010, detailing the results of our recent review of actions that you completed to address issues associated with the implementation of your emergency preparedness program. You and other members of your staff attended the April 7, 2006, technical debrief and the May 9, 2006, telephone exit meeting conducted from the Region III office in Lisle, Illinois.

As a result of poor performance, the Nuclear Regulatory Commission (NRC) designated the Perry Nuclear Power Plant as a Multiple/Repetitive Degraded Cornerstone column facility in the NRC's Action Matrix in August 2004. Accordingly, a supplemental inspection was performed in accordance with Inspection Procedure (IP) 95003, "Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or One Red Input." As documented in IP 95003 Supplemental Inspection Report 50-440/2005003, the NRC determined Perry was being operated safely. The NRC also determined that the programs and processes to identify, evaluate, and correct problems, as well as other programs and processes in the Reactor Safety strategic performance area were adequate.

Notwithstanding these overall conclusions, in the area of emergency preparedness, the NRC determined that there were some performance deficiencies associated with your implementation of the Emergency Plan. In particular, two findings were identified in which changes to the Emergency Plan or Emergency Action Levels were made without required prior NRC approval. In addition, the results of an augmentation drill where personnel were required to report to the facility for a simulated emergency were unsatisfactory. In particular, the Technical Support Center was not able to be declared operational within timeliness goals.

By letters dated August 8, 2005, and August 17, 2005, you responded to the findings and observations contained in the IP 95003 supplemental inspection report. As discussed in these letters, the Perry leadership team established commitments and planned additional actions to address the issues detailed in the report.

The purpose of this inspection was to determine whether your commitments associated with the emergency preparedness program that were identified in your August 8 and 17, 2005, letters as well as other actions to address issues associated with the emergency preparedness program were adequately implemented. A review to determine the overall effectiveness of your actions toward realizing improvements in the emergency preparedness program was also performed.

Based on the results of this inspection, no findings of significance were identified and the team determined that all of your commitments associated with the emergency preparedness program were adequately implemented. In particular, the team concluded that your actions to expand the population of qualified emergency preparedness responders and conduct additional drills to demonstrate appropriate emergency response organization response times were completed satisfactorily. In addition, to determine the overall effectiveness of your actions in this area, the team observed an unannounced augmentation drill that we requested that you perform in which personnel were required to report to the site to ensure that your emergency facilities could be staffed in a timely manner consistent with the goals of your emergency plan.

Based upon the positive results of this augmentation drill as well as our review of the results of your implementation of commitments and other actions to address previously identified issues in the emergency preparedness area, we have concluded that your actions to address issues in the emergency preparedness area have been effective. As a result, we do not intend to conduct any additional inspections in this area beyond that which is normally prescribed by the Reactor Oversight Process baseline inspection program.

Because no concerns were identified during this inspection, a specific response to this inspection report is not required.

Notwithstanding our conclusions regarding your implementation of the emergency preparedness program, the NRC will continue to provide increased oversight of activities at your Perry Nuclear Power Plant until you have demonstrated that your corrective actions in all areas of the September 28, 2005, Confirmatory Action Letter are lasting and effective. Consistent with Inspection Manual Chapter (IMC) 0305 guidance regarding the oversight of plants in the Multiple/Repetitive Degraded Cornerstone column of the NRC's Action Matrix, the NRC will continue to assess performance at Perry and will consider at each quarterly performance assessment review the following options: (1) declaring plant performance to be unacceptable in accordance with the guidance in IMC 0305; (2) transferring the facility to the IMC 0350, "Oversight of Reactor Facilities in a Shutdown Condition Due to Significant Performance and/or Operational Concerns" process; and (3) taking additional regulatory actions, as appropriate. Until you have demonstrated lasting and effective corrective actions, Perry will remain in the Multiple/Repetitive Degraded Cornerstone column of the NRC's Action Matrix.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS), accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html (the Public Electronic Reading Room).

Sincerely,

/RA/

Mark A. Satorius, Director
Division or Reactor Projects

Docket No. 50-440
License No. NPF-58

Enclosure: Inspection Report 05000440/2006010

cc w/encl: G. Leidich, President - FENOC
J. Hagan, Chief Operating Officer, FENOC
D. Pace, Senior Vice President Engineering and Services, FENOC
Director, Site Operations
Director, Regulatory Affairs
M. Wayland, Director, Maintenance Department
Manager, Regulatory Compliance
G. Halnon, Director, Performance Improvement
J. Shaw, Director, Engineering Department
D. Jenkins, Attorney, FirstEnergy
Public Utilities Commission of Ohio
Ohio State Liaison Officer
R. Owen, Ohio Department of Health

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U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket No:	50-440
License No:	NPF-58
Report No:	05000440/2006010
Licensee:	FirstEnergy Nuclear Operating Company (FENOC)
Facility:	Perry Nuclear Power Plant
Location:	10 Center Road Perry, Ohio 44081
Dates:	April 3 - May 9, 2006
Inspectors:	F. Laughlin, Lead Inspector, NSIR T. Ploski, Senior Emergency Preparedness Analyst, Region III R. Jickling, Emergency Preparedness Analyst, Region III R. Ruiz, Reactor Engineer, Region III
Approved by:	Eric R. Duncan, Chief Branch 6 Division of Reactor Projects

Enclosure

EXECUTIVE SUMMARY

The purpose of this inspection was to review the accomplishment of actions associated with improving the implementation of the emergency preparedness program. In particular, this inspection focused on determining whether the commitments associated with the emergency preparedness program that were identified in the licensee's August 8 and 17, 2005, letters that responded to the NRC's IP 95003 inspection report, as well as other actions to address issues associated with the emergency preparedness program, were adequately implemented. A review of the overall effectiveness of these actions toward realizing improvements in the emergency preparedness program was also performed.

To accomplish these objectives, the team reviewed corrective actions to address emergency preparedness program commitments and Performance Improvement Initiative (PII) Detailed Action and Monitoring Plan (DAMP) action items; emergency preparedness program self-assessment results; previously identified non-cited violations; previously identified Unresolved Items; and other observations identified in the Perry Inspection Procedure (IP) 95003 supplemental inspection report. Of particular note, the team observed an unannounced off-hours augmentation drill that the team requested be performed to verify the ability of the Emergency Response Organization (ERO) to staff the Technical Support Center (TSC), Operations Support Center (OSC), and Emergency Operations Facility (EOF) in a timely manner during a simulated emergency. The licensee simulated the declaration of a Site Area Emergency (SAE) and notified the on-call ERO through the normal callout pager system, who were then required to report to the site and staff these emergency facilities.

Based on the results of this inspection, no findings of significance were identified and the team confirmed that all commitments associated with the emergency preparedness program were adequately implemented. In particular, the team concluded that the actions to expand the population of qualified emergency preparedness responders and conduct additional drills to demonstrate appropriate ERO response times were completed satisfactorily. In addition, based upon the positive results of an April 6, 2006, unannounced augmentation drill in which all drill objectives were met, as well as the results of the review of the implementation of commitments and other actions to address previously identified issues in the emergency preparedness area, the team concluded that the licensee's actions to address issues in the emergency preparedness area have been effective.

As a result, no additional inspections in this area beyond that which is normally prescribed by the Reactor Oversight Process baseline inspection program are planned.

SUMMARY OF FINDINGS

IR 05000440/2006010; 4/3/2006 - 5/9/2006; Perry Nuclear Power Plant; Confirmatory Action Letter (CAL) Followup Inspection - Emergency Preparedness Action Item Implementation and Effectiveness Review.

This report covers a 1 week period of supplemental inspection by headquarters and region-based inspectors. No findings of significance were identified during this inspection. The NRC's program for overseeing the safe operation of commercial nuclear power reactors is described in NUREG-1649, "Reactor Oversight Process," Revision 3, dated July 2000.

A. NRC-Identified and Self-Revealed Findings

None.

B. Licensee-Identified Violations

None.

REPORT DETAILS

1.0 Background

As a result of poor performance, the Nuclear Regulatory Commission (NRC) designated the Perry Nuclear Power Plant as a Multiple/Repetitive Degraded Cornerstone column facility in the NRC's Action Matrix in August 2004. A summary of the performance issues that resulted in this designation is discussed in Attachment 2, "Perry Performance Background," of this report.

In accordance with Inspection Manual Chapter (IMC) 0305, "Operating Reactor Assessment Program," a supplemental inspection was performed in accordance with Inspection Procedure (IP) 95003, "Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or One Red Input." As documented in IP 95003 Supplemental Inspection Report 50-440/2005003, the NRC determined Perry was being operated safely. The NRC also determined that the programs and processes to identify, evaluate, and correct problems, as well as other programs and processes in the Reactor Safety strategic performance area were adequate.

Notwithstanding these overall conclusions, in the area of emergency preparedness, the NRC determined that there were some performance deficiencies associated with the licensee's implementation of the Emergency Plan. Two findings were identified in which changes to the Emergency Plan or Emergency Action Levels were made without required prior NRC approval. In addition, the results of an augmentation drill where personnel were called to report to the facility for a simulated emergency were unsatisfactory. A summary of all of the IP 95003 inspection results is discussed in Attachment 3, "Perry IP 95003 Inspection Results," of this report.

By letters dated August 8, 2005, and August 17, 2005, the licensee responded to the findings and observations contained in the NRC's IP 95003 supplemental inspection report. As discussed in these letters, the Perry leadership team established commitments and planned additional actions to address these findings and observations. Attachment 2, "Actions to Address Key Issues Identified in the IP 95003 Inspection Report," of these letters focused on the following areas and summarized the actions that FirstEnergy Nuclear Operating Company (FENOC) had taken or planned to take to address those issues:

- Implementation of the Corrective Action Program
- Human Performance
- Performance Improvement Initiative
- IP 95002 Inspection Followup Issues
- Emergency Planning

2.0 Inspection Scope

The purpose of this inspection was to review the accomplishment of actions associated with improving the implementation of the emergency preparedness program. In particular, this inspection focused on determining whether the commitments associated with the emergency preparedness program that were identified in the licensee's August 8 and 17, 2005 letters that responded to the NRC's IP 95003 inspection report, as well as other actions to address issues

associated with the emergency preparedness program, were adequately implemented. A review of the overall effectiveness of these actions toward realizing improvements in the emergency preparedness program was also performed.

To accomplish these objectives, the following categories of items were reviewed:

- Commitments/Phase 2 Performance Improvement Initiative (PII) Detailed Action and Monitoring Plan (DAMP) Action Items
- Planned Actions to Address the 2004 Emergency Preparedness Self-Assessment Results
- Previously Identified Non-Cited Violations
- Previously Identified Unresolved Items
- Other Observations Identified in the Perry IP 95003 Inspection Report

3.0 Review of Commitments/Phase 2 DAMP Action Items

3.1 Commitment 4.a/DAMP Action Item EP1

a. Inspection Scope

The team reviewed Commitment 4.a/DAMP Action Item EP1: "FENOC is expanding the population of qualified EP [Emergency Preparedness] responders by approximately 125 persons to increase the depth of the emergency response organization."

To determine whether Commitment 4.a/DAMP Action Item EP1 had been adequately implemented, the team reviewed documentation such as condition reports, corrective action program closure documentation, original and revised procedures, training plans and training attendance records, and qualification records.

b. Observations and Findings

No findings of significance were identified and the team concluded that the licensee's actions adequately implemented Commitment 4.a/DAMP Action Item EP1.

The team noted that the licensee expanded the population of qualified Emergency Preparedness responders by about 130 personnel by December 2005, which represented a 38 percent increase over the number of trained responders that existed previously. Each position required by Emergency Plan Table 5-1, "Perry Plant Emergency Response Organization Functions and Shift Staff Augmentation Plan," was staffed with a primary responder and a minimum of two backup, alternate responders. Both licensed Senior Reactor Operators as well as non-licensed Emergency Coordinators (ECs) received Emergency Action Level classroom training. The team concluded that the licensee had significantly increased the depth of the ERO and satisfied Commitment 4.a/DAMP Action Item EP1.

3.2 Commitment 4.b/DAMP Action Item EP2

a. Inspection Scope

The team reviewed Commitment 4.b/DAMP Action Item EP2: "Additional drills will be conducted to demonstrate appropriate emergency response organization response times."

To determine whether Commitment 4.b/DAMP Action Item EP2 had been adequately implemented, the team reviewed documentation such as condition reports, corrective action program closure documentation, drill records, and drill critiques.

b. Observations and Findings

No findings of significance were identified and the team concluded that the licensee's actions adequately implemented Commitment 4.b/DAMP Action Item EP2.

The team reviewed licensee self-assessment reports that were completed following unannounced augmentation drills conducted in August, November, and December of 2005, and March and April of 2006.

Two of four drill objectives were not met during the August 2005 drill. This included the inability of the TSC to be declared operational within the 60-minute timeliness goal due to the failure to meet minimum staffing requirements; a weakness also identified in the May 2005 augmentation drill. Additionally, two Table 5-1 Emergency Preparedness responders failed to meet timeliness goals; another weakness identified during the May 2005 augmentation drill.

Two of four drill objectives were also not met during the November 2005 augmentation drill. In this case, the EOF was declared operational without filling a required staff position, and three Table 5-1 Emergency Preparedness responders failed to meet timeliness goals.

However, all four drill objectives were met during the last four augmentation drills, the most recent of which was conducted and observed at the request of the NRC inspection team during this inspection on April 6, 2006. Therefore, the team concluded that the licensee's efforts to conduct additional drills to demonstrate appropriate emergency response organization response times satisfied Commitment 4.b/DAMP Action Item EP2.

3.3 April 6, 2006 Unannounced Augmentation Drill and Review of Licensee Drill Critique

a. Inspection Scope

On April 6, 2006, at 6:30 p.m., the licensee conducted an unannounced off-hours augmentation drill to verify the ability of the ERO to staff the TSC, OSC, and EOF in a timely manner during a simulated emergency. The licensee simulated the declaration of a Site Area Emergency (SAE) and notified the on-call ERO through the normal callout

pager system, who were then required to report to the site and staff the emergency facilities.

The objectives of the drill were as follows:

Drill Objective #1: Demonstrate the ability of the on-call ERO personnel, or alternates, to declare the OSC operational within 60 minutes of an SAE in accordance with the Emergency Plan.

Drill Objective #2: Demonstrate the ability of the on-call ERO personnel, or alternates, to declare the TSC operational within 60 minutes of an SAE in accordance with the Emergency Plan.

Drill Objective #3: Demonstrate the ability of the on-call ERO personnel, or alternates, to declare the EOF operational within 90 minutes of an SAE in accordance with the Emergency Plan.

Drill Objective #4: Demonstrate satisfactory Emergency Preparedness Table 5-1 augmentation response times.

The team observed the drill and assessed licensee performance in meeting the following Emergency Plan timeliness goals:

- Staff arrival goals: 45 minutes for the TSC/OSC (15 minutes to notify, 30 minutes to report in), and 75 minutes for the EOF (15 minutes to notify, 60 minutes to report in). This was intended to verify that all Table 5-1 30-minute and 60-minute responders could report to the site within the required time frame.

- Facility operational goals: 60 minutes for the TSC/OSC and 90 minutes for the EOF (15 minutes after staff arrival). This was intended to verify that the ERO could follow licensee procedures to make emergency facilities operational 15 minutes after all minimum staff were in place.

b. Observations and Findings

No findings of significance were identified.

The licensee simulated the SAE declaration at 6:30 p.m. Therefore, using a 15-minute notification period, the 30-minute responders were required to report by 7:15 p.m.; the 60-minute responders by 7:45 p.m. The weather was clear and calm, and therefore did not hinder ERO staff response.

Objective #1 - OSC Response

The staff arrival goal was 7:15 p.m., 45 minutes following event classification for 30-minute responders and 7:45 p.m., 75 minutes following event classification for 60-minute responders. All 30-minute ERO responders were present in the OSC by

7:10 p.m.; all 60-minute responders by 7:26 p.m.; and the facility was declared operational at 6:45 p.m., with a 7:30 p.m. goal. Therefore, the team concluded that Drill Objective #1 was met.

Objective #2 - TSC Response

The staff arrival goal was 7:15 p.m., 45 minutes following event classification. All ERO responders were present in the TSC by 7:08 p.m., and the facility was declared operational at 7:14 p.m., with a 7:30 p.m. goal. Therefore, the team concluded that Drill Objective #2 was met.

Objective #3 - EOF Response

The staff arrival goal was 7:45 p.m., 75 minutes following event classification. All ERO responders were present in the EOF by 7:25 p.m., and the facility was declared operational at 7:35 p.m., with an 8:00 p.m. goal. Therefore, the team concluded that Drill Objective #3 was met.

Objective #4 - Emergency Plan Table 5-1 Augmentation Response Time

All Emergency Plan, Table 5-1 ERO responders met their augmentation timeliness goals. Therefore, the team concluded that Drill Objective #4 was met.

Licensee Drill Critique Review

The team reviewed self-assessment report 876PYER2006, "April 6, 2006 Emergency Response Organization (ERO) Off Hours Unannounced Drill," which evaluated the unannounced augmentation drill.

The report concluded that the overall conduct of the drill provided a valid method to demonstrate that all of the drill objectives were met. The report noted that the Radiation Protection response was successful despite a period of low resources due to resource sharing at FENOC's Davis-Besse and Beaver Valley facilities.

The team determined that the assessment report provided a critical and accurate critique of the drill. No deficiencies were identified. The team agreed with the licensee's conclusions that all drill objectives were met.

4.0 Review of Planned Actions to Address the 2004 EP Self-Assessment Results

a. Inspection Scope

In late 2004, FENOC conducted a review of the Perry Emergency Preparedness Program as part of the Programs/Procedures element of the Perry Phase 1 Performance Improvement Initiative (PII). As documented in the licensee's August 8 and August 17, 2005 letters which responded to the NRC's IP 95003 supplemental inspection report, this review identified a number of potential issues concerning changes to the Emergency Plan.

The review compared the Emergency Plan in effect in December 2004 to the Emergency Plan approved in an NRC Safety Evaluation Report in 1986. The review identified several corrective actions to examine interfacing plant processes that had a potential impact on the emergency plan. This examination was also extended to the fleet level where common processes were implemented. Examples of interfacing processes included the Security Plan and the Design Change Program. The Emergency Plan and implementing procedures were revised to address the identified issues.

The team reviewed the subject revised procedures and condition reports generated to address the potential issues.

b. Observations and Findings

No findings of significance were identified.

The team reviewed information associated with eight condition reports concerning Emergency Plan changes that potentially decreased the effectiveness of the Emergency Plan. In all cases, the team concluded that the issues identified did not represent a decrease in the effectiveness of the Emergency Plan.

5.0 Review of Previously Identified Non-Cited Violations (NCVs)

5.1 Review of Corrective Actions to Address Non-Cited Violation 05000440/2005003-26

a. Inspection Scope

Corrective actions associated with NCV 05000440/2005003-26, “Inappropriate Use of the HP [Health Physics] Technician as the Interim OSC Coordinator,” that was identified in the NRC’s IP 95003 supplemental inspection report and summarized below was reviewed:

Procedure EPI-A7, "Operations Support Center Activation," Attachment 1, “OSC Activation Checklist,” stated that the HP Technician on duty assumes HP Supervisor duties in an emergency until relieved by HP Supervision. The checklist also stated that the shift HP Technician or an OSC Support Supervisor can temporarily assume the OSC Coordinator position until the on-call OSC Coordinator arrives.

The IP 95003 inspection team determined that the shift HP Technician had specific emergency response functions as assigned by Emergency Plan Table 5-1 and to assign additional responsibilities to the Shift HP Technician would not implement Table 5-1 as written. The NRC concluded that the potential assignment of the shift HP Technician as the interim OSC Coordinator did not comport with Emergency Plan Table 5-1 and therefore was not in compliance with the Emergency Plan. The assignment of additional duties to a Table 5-1 responder was viewed as a decrease in effectiveness (DIE) of the Emergency Plan, which had not received prior NRC approval.

This issue was entered into the licensee's corrective action program as condition report (CR) 05-03271. At the conclusion of the IP 95003 inspection, the licensee was in the process of developing formal corrective actions to address the issue.

During this inspection, the team reviewed condition reports, corrective action program closure documentation, and revised and original Emergency Plan and Emergency Plan Implementing Procedures, and determined whether appropriate corrective actions were identified and adequately implemented. In particular, the team reviewed the licensee's corrective actions that were implemented to address CR 05-03271, "Unannounced Augmentation Drill Documentation Deficiencies," dated April 8, 2005, which documented that NRC inspectors questioned the appointment of the HP Technician as interim OSC Coordinator in order to declare the facility operational during the November 12, 2004, augmentation drill.

b. Observations and Findings

No findings of significance were identified.

Licensee corrective actions included a revision to implementing procedure EPI-A7, "Operations Support Center Activation," to ensure that the on-shift HP Technician would not be assigned as the interim OSC Coordinator. Additionally, Attachment 1 of EPI-A7, "OSC Activation Checklist," was revised to state that the OSC Support Supervisors can temporarily assume the OSC Coordinator position until the on-call OSC Coordinator arrives. This change was made effective on October 3, 2005, and the item was closed.

The licensee also revised Perry Business Practice PYBP-EPU-0018, "10 CFR 50.54(q) Evaluation Guide," Revision 3, to include the most recent regulatory guidance with respect to revising the Emergency Plan to ensure that future Emergency Plan changes would not result in a decrease in effectiveness.

The team concluded that these corrective actions were adequate to prevent the on-shift HP Technician from being appointed as the interim OSC Coordinator.

5.2 Review of Corrective Actions to Address Non-Cited Violation 05000440/2005003-27

a. Inspection Scope

Corrective actions associated with NCV 05000440/2005003-27, "Failure to Identify Impact of Security Plan Change on Emergency Plan," that was identified in the NRC's IP 95003 supplemental inspection report and summarized below was reviewed:

On November 8, 2004, the licensee revised its Security Plan and deleted terms from the Plan and Security Event Checklists that the Security Shift Supervisor must communicate to the Shift Manager for two event classifications. Specifically, the revision deleted the terms "Security Alert," which was used in Emergency Action Level (EAL) NU1 for the declaration of a Notice of Unusual Event (NOUE), and "Security Emergency," which was used in EAL NA1 for the declaration of an Alert. Further, the licensee failed to identify

that these changes would affect Emergency Plan EALs during the design bases impact review and the regulatory applicability determination performed for the Security Plan change.

The Shift Manager relied on the Security Shift Supervisor to use these terms during certain security events so that he/she could accurately classify the events in a timely manner. The terms were used in the two EALs as follows:

- "NU1: Any security event resulting in the declaration of a SECURITY ALERT in accordance with the PNPP [Perry Nuclear Power Plant] Physical Security Plan. (One of the two NOUE entry criteria)"

- "NA1: Any security event resulting in a declaration of a SECURITY EMERGENCY in accordance with the PNPP Physical Security Plan. (One of the two Alert entry criteria)"

The deletion of these terms from the Physical Security Plan and the associated Security Event Checklists used by the Security Shift Supervisor for the mitigation of security events impacted the accuracy and/or timeliness of classifications under EALs NU1 and NA1.

This issue was entered into the licensee's corrective action program as CR 05-03659. As part of the licensee's immediate corrective actions, licensee personnel issued Security Operations Directive 05-0005 to require security personnel to use the terms "Security Alert" and "Security Emergency" to communicate event information to the Shift Manager. Additionally, the Operations Department issued an Operations Night Order dated April 21, 2005, which directed that shift managers ask the Security Shift Supervisor if a Security Alert or Security Emergency was being declared.

During this inspection, the team interviewed cognizant licensee staff; reviewed condition reports; corrective action program closure documentation; revised and original Emergency Plan and Emergency Plan Implementing Procedures; Security Operations Directive 05-005; the April 21, 2005, Operations Night Order; and current Security Contingency Instructions and Checklists, and determined whether appropriate corrective actions were identified and adequately implemented.

b. Observations and Findings

No findings of significance were identified.

The team noted, through review of the Apparent Cause Evaluation that was conducted to address the issue, that the primary cause was the lack of a formal line of communication between the Security and Emergency Planning organizations. Had these communications been properly established, terms that impacted the procedures and processes of both organizations would have been identified and evaluated. In particular, in this case, a lack of rigor in the implementation of the 10 CFR 50.59 screening process resulted in the failure to formally identify the need for a cross-organizational impact review by the Emergency Planning organization.

The team assessed the adequacy of the licensee's corrective actions. One remedial corrective action consisted of a focused retraining session for the qualified 10 CFR 50.59 reviewers in the Perry Site Protection Section. The team reviewed the retraining session charter and determined that the areas of the 10 CFR 50.59 Regulatory Applicability Determination process that had been ineffectively implemented had been adequately addressed. Additional corrective actions included revisions to the Emergency Plan including EALs NA1 and NU1; the associated EAL Bases Document; Security Contingency Instructions; and Security Contingency Checklists, to ensure that the terminology used for EAL entry criteria were consistent with the associated security procedures. Another corrective action initiated a revision to NOBP-LP-1101, "Security Plan Preparation, Review and Approval," which specified that the Emergency Plan shall be reviewed as an interfacing document when changes are proposed to the Security Plan. Additionally, at the time of the inspection, a document change request was implemented to revise PAP-0507, "Perry Supplemental Procedure Requirements/Guidance," to add requirements for the Emergency Planning organization to perform a cross-discipline review of proposed significant changes to the Security Plan or Security Contingency Instructions.

Overall, the team determined that corrective actions were appropriately identified and effectively implemented to address the apparent and contributing causes.

6.0 Review of Previously Identified Unresolved Items

6.1 (Closed) Unresolved Item (URI) 50-440/2005003-01

a. Inspection Scope

As discussed in IP 95003 Supplemental Inspection Report 50-440/2005003, in their critique of a May 19, 2005 augmentation drill, licensee personnel established a 10-minute "grace period" or "adjustment factor" to account for early morning response delays and the increase in the stand-off distance from the plant due to an expanded no parking zone. At the end of the IP 95003 inspection, the team had not had an opportunity to review the basis for this adjustment factor. As a result, this issue was identified as URI 50-440/2005003-01 pending a determination of whether the 10-minute adjustment factor was in compliance with the Emergency Plan.

During this inspection, the team reviewed licensee actions to address URI 50-440/2005003-01. In particular, the team reviewed documentation such as condition reports, corrective action program closure documentation, original and revised procedures, original and revised Emergency Plan and Emergency Plan Implementing Procedures, drill and exercise documentation, and training documents, and determined whether URI 50-440/2005003-01 had been adequately addressed.

b. Observations and Findings

No findings of significance were identified and Unresolved Item 50-440/2005003-01 was closed.

The team noted that following the May 2005 augmentation drill, licensee personnel implemented PYBP-ERU-0033, "Off-Hour Unannounced Drill Conduct," to provide amplifying guidance for the conduct of off-hours augmentation drills. This business practice referenced Note 5 in Table 5-1 of the Emergency Plan, which provided the basis for the assignment of a "grace period" or "adjustment factor" to response timeliness goals. Specifically, Note 5 of Table 5-1 stated:

> "These goals are for the response of designated Emergency Response Organization positions and individuals, and reflect the time it should take an individual under normal day-to-day conditions to respond to the Perry Plant site from his/her home residence. As such, these goals do not take into account delays which may be incurred due to adverse weather or a late evening/early morning response."

The team concluded that the Emergency Plan provided a basis for allowing additional time for response goals due to unusual circumstances. However, the business practice also stated that the licensee would refrain from assigning an arbitrary adjustment factor during drills, and that response times during events would be evaluated on a case-by-case basis, depending on specific circumstances. The team noted that the licensee had not assigned timeliness adjustment factors during any of the five augmentation drills conducted after the May 2005 augmentation drill.

Concerning the issue of assigning an adjustment factor due to "the increase in stand-off distance from the plant due to an expanded no parking zone," the licensee stated that the stand-off distance from the plant was incorrectly cited as part of the basis for the 10-minute adjustment factor during the May 2005 off-hours unannounced augmentation drill. The licensee reviewed the impact of security modifications on emergency response as part of the corrective actions to address CR 04-05825 and concluded that the site response was not affected by the increased stand-off distance from the plant. The team concluded that the use of a 10-minute adjustment factor for response timeliness goals was in compliance with the Emergency Plan and was not affected by security modifications such as the expanded no parking area.

Because the team did not identify any case in which an improper use of the 10-minute adjustment factor significantly affected the overall assessment of the response timeliness of the ERO staff to a drill or actual event, the team considered the issue to be of minor significance.

6.2 (Closed) Unresolved Item 50-440/2005003-02

As discussed in IP 95003 Supplemental Inspection Report 50-440/2005003, the following issues concerning ERO staffing were identified:

– The Radiation Protection (RP) Technicians carried pagers, but were not assigned to ERO on-call teams as 30-minute or 60-minute responders. Nine RP Technicians were required to respond in an emergency to meet ERO staffing requirements, five in 30 minutes and four in 60 minutes. The Dialogics callout system paged them all, and during a drill the RP Technicians call in to fill the nine positions. Once the positions are electronically filled, all other responders

for those positions are informed that their response is not required. During the May 19, 2005 augmentation drill, five of the nine RP Technicians were late reporting to the site; three of five 30-minute responders and two of four 60-minute responders.

– Of the 27 RP Technicians, 16 resided within 30 minutes of the site, 8 resided within 60 minutes of the site, and 3 resided more than 60 minutes from the site. The team identified that during a drill, 30-minute responder positions could be filled by Dialogics by personnel who resided more than 30 minutes from the site, resulting in the inability to staff the 30-minute RP Technician positions within Emergency Plan staffing timeliness goals. Licensee personnel stated that this was not possible during an actual event since the RP Technicians adhered to an "all-call" management expectation that all responders respond to actual events, regardless of the number of other individuals also reporting. However, this was simply a management expectation and was not required by licensee procedures.

– RP Technicians were not specifically assigned to ERO teams and as such were not required to remain fit for duty or remain within the vicinity of the facility. Therefore, at any given time, a number of these responders could be outside the local area or may not be fit for duty. This would not be known to plant management, since an accountability system to track their whereabouts had not been established. Of the 27 RP Technicians, 9 were required to respond in an emergency to meet Emergency Plan staffing goals. The possibility existed that a number of them could be outside the local area or not fit for duty, resulting in an insufficient number of RP Technicians to fill all required ERO positions.

At the end of the IP 95003 inspection, additional information was required to determine whether the Emergency Plan could be properly and consistently implemented. Therefore, the two issues above were identified as URI 05000440/2005003-02 pending additional NRC review.

During this inspection, the team reviewed licensee actions to address URI 50-440/2005003-02. In particular, the team reviewed documentation such as condition reports, corrective action program closure documentation, original and revised procedures, original and revised Emergency Plan and Emergency Plan Implementing Procedures, drill and exercise documentation, and training documents, and determined whether URI 50-440/2005003-02 had been adequately addressed.

b. Observations and Findings

No findings of significance were identified and Unresolved Item 50-440/2005003-02 was closed.

The team interviewed licensee personnel and determined that a misunderstanding by some of the RP Technicians of the need to respond to the site during the May 2005 augmentation drill was created when the same pager code used for weekly pager call-in tests was used for the drill. When the pager indicated the normal weekly call-in test code and the RP Technicians responded by telephone, it was unclear to some RP Technicians that they were required to respond to the site.

The team also reviewed the licensee's "all-call" philosophy for the staffing of RP Technician ERO positions. The team determined that to address this issue, licensee personnel benchmarked other plants and determined that for facilities that utilized an "all call" philosophy similar to Perry, that some plants implemented on-call schedules during periods of anticipated low RP Technician availability, such as holidays.

To address these issues and ensure that an adequate number of RP Technicians were available in the event of an ERO activation, the licensee increased the number of available RP Technician ERO responders and developed on-call schedules during anticipated periods of low RP Technician availability. In addition, licensee personnel created a specific pager code to notify ERO personnel of off-hours unannounced report-in augmentation drills to avoid any further confusion.

Additional corrective actions consisted of counseling individual RP Technicians who failed to meet response timeliness goals during the May 19, 2005 augmentation drill; the reinforcement of management expectations of emergency plan call out for RP Technicians through memoranda from the Emergency Response Unit Supervisor and the RP Operations Superintendent; and the formalizing of the "all call" philosophy through the issuance of a Radiation Protection Operations Unit Policy.

The team concluded that corrective actions implemented since the May 19, 2005 augmentation drill and discussed above were adequate to ensure the capability of RP Technicians to respond to required drills and actual events.

Because the team did not identify any case in which RP Technicians failed to fill required ERO positions due to the issues identified above for an actual event, the team considered the issue to be of minor significance.

6.3 (Closed) Unresolved Item 50-440/2005003-03

a. Inspection Scope

As discussed in IP 95003 Supplemental Inspection Report 50-440/2005003, the NRC approved Revision 5 of the Emergency Plan on August 16, 1985. In Section 8.1.2.2 of the Emergency Plan, the licensee committed to provide specialized training to the ERO which was delineated in Table 8-1 of the Emergency Plan, and consisted of several training modules for each position. For example, Emergency Coordinators (ECs) received classroom training on Radiological Controls, Emergency Response, Emergency Classification, Accident Assessment Protective Response, Re-entry/Recovery, and Emergency Operations Facility. The Emergency Plan also stated that EC training would include a comprehensive review of the Emergency Plan and Implementing Instructions, with special attention to the areas of dose projections, protective action recommendations, and communications.

In Revision 6 to the Emergency Plan, dated August 21, 1986, the licensee removed the Table 8-1 Training Matrix from the Emergency Plan, and placed it in Procedure EPI-C3, "Emergency Preparedness Training," Revision 0, effective September 4, 1986. This Emergency Plan revision stated the following:

< Re-training would be conducted annually by job function and in accordance with the Onsite Emergency Plan Training Matrix contained in Attachment 1 to EPI-C3.

< EC training would include the same comprehensive training as in Revision 5 of the Emergency Plan, including classroom training, and drill and exercise performance.

Procedure EPI-C3, Revision 0, specified the following:

< Section 6.2.1: The requalification program shall be conducted on an ERO position basis per Attachment 1 (i.e., the former Table 8-1 training matrix).

< Section 6.2.3: Based on the judgment of the EPU [Emergency Preparedness Unit] Supervisor and Perry Training Section, a mini-drill or exercise, separate from the annual graded exercise, may be utilized to meet any specified or all requalification requirements.

Section 6.2.3 was a procedural initiative and was not included in Revision 6 to the Emergency Plan. This change, which allowed drill and/or exercise participation to meet requalification requirements, was an apparent reduction in training commitments, and therefore a potential decrease in effectiveness (DIE) of the Emergency Plan. It also contradicted the statement that requalification would be in accordance with the courses listed in Attachment 1 to EPI-C3; however, this change was later approved in Revision 11 to the Emergency Plan in 1994 as noted below.

The requalification training commitment change was incorporated in the Emergency Plan in August 1994, through Temporary Change Notice 7 to the Emergency Plan, Revision 11, such that ERO personnel could meet annual continuing training requirements through participation in a drill or exercise only, to the exclusion of the specialized classroom training. Revision 11 added the following paragraph:

“When practical, participation in drills and exercises can be used to meet the requalification requirements of TMP-2302 [new training program procedure] and to provide hands on experience to ERO personnel.”

The IP 95003 inspection team questioned the meaning and intent of "when practical" relative to the substitution of a drill or exercise for formal classroom training. Formerly, in EPI-C3, the EPU Supervisor and Perry Training Section personnel exercised judgment as to whether a drill or exercise could be utilized to meet any specified or all requalification requirements. The requalification requirements were specified in Attachment 1 to EPI-C3. This implied that the use of a drill or exercise in lieu of classroom training may be considered "practical" if all Attachment 1 training requirements were accomplished during the drill.

Additionally, the present Emergency Plan, Revision 22, contained the following specific requalification training requirements:

< Personnel assigned to the ERO with specific duties and responsibilities receive specialized training for their respective assignments. This training ensures that emergency response personnel maintain and improve their skills.

< EC training will include a comprehensive review of the Emergency Plan and Implementing Instructions, which includes emergency classifications, protective action recommendations, and communications. Other topics to be included in this training are a basic review of: Local County Emergency Plans, the State of Ohio Emergency Plan, the NRC Incident Response Plan, and the interfaces of the Perry Plant Emergency Plan with each.

The IP 95003 inspection team noted that performance in an annual drill or exercise may not provide the specialized training necessary to maintain and improve all required responder skills. Additionally, a drill or exercise may not provide ECs with the specialized training they require, including a comprehensive review of the Emergency Plan and Implementing Instructions, to include emergency classifications, protective action recommendations, and communications. For example, the EC may have occasion to perform only one event classification and one protective action recommendation during a drill or exercise, which may not be adequate to satisfy the comprehensive specialized training stated above.

As a result, this issue was identified as URI 05000440/2005003-03 pending NRC review of the following items:

- Verification that any revisions to the training matrix received an adequate review in accordance with 10 CFR 50.54(q) to ensure that there had been no decrease in the effectiveness of the Emergency Plan.

- Verification that in instances where a drill or exercise was substituted for requalification training, there was reasonable assurance that those events met all requirements of the training matrix, as well as the additional stringent training requirements specified in the Emergency Plan.

- A review of documentation which demonstrates that Emergency Preparedness and/or Training management reviewed and approved the substitution of a drill or exercise for requalification training only after having verified that the substitution was “practical.”

During this inspection, the team reviewed licensee actions to address URI 50-440/2005003-03. In particular, the team reviewed documentation such as condition reports, corrective action program closure documentation, original and revised procedures, original and revised Emergency Plan and Emergency Plan Implementing Procedures, drill and exercise documentation, and training documents, and determined whether URI 50-440/2005003-03 had been adequately addressed.

b. Observations and Findings

No findings of significance were identified and Unresolved Item 50-440/2005003-03 was closed.

Review of Training Matrix Revisions

Revision 6 to the Emergency Plan provided for the removal of the Table 8-1 Training Matrix from the Emergency Plan, and its relocation to Revision 0 of Procedure EPI-C3, "Emergency Preparedness Training." Since Revision 6 of the Emergency Plan referenced Procedure EPI-C3, this procedure was subject to the requirements of 10 CFR 50.54(q) concerning Emergency Plan changes. Specifically, the licensee was required to ensure that any changes to the matrix did not decrease the effectiveness of the Emergency Plan. The team reviewed the 3 revisions to EPI-C3; 10 revisions to procedure TMP-2302, "Emergency Plan Training Program;" and procedure PSI-0022, "Emergency Plan Training Program," as well as the licensee's pre-implementation reviews of these revisions, to determine if changes resulted in a decrease in the effectiveness of the Emergency Plan. Following that review, the team concluded that relocation of the Training Matrix from the Emergency Plan to an implementing procedure was adequately controlled and had not resulted in a decrease in the effectiveness of the Emergency Plan.

Review of the Substitution of a Drill for Requalification Training

In their assessment of the significance of ERO members completing continuing training by drill participation in lieu of classroom training, the team reviewed a licensee comparison study associated with the corrective actions to address CR 06-00731. This study included a review of standard drill "enabling objectives" that were incorporated into Procedure PSI-0017, "Drills and Exercises for Emergency Planning;" and training module objectives associated with procedures EPI-C3, TMP-2302, and PSI-0022. The team agreed with the licensee's conclusion that drill objectives could be associated with training module objectives, and therefore there was a basis to justify the premise that requalification training may be adequately accomplished through drill participation.

Based on a sampling review of records and discussions with licensee staff, the team determined that during the 1990's, drill participation and the required reading of Emergency Preparedness program procedure revisions became the dominant method for ERO members to satisfy continuing retraining requirements. Beginning in 1991 with the issuance of Revision 0 of TMP-2302, continuing ERO training included lessons learned from industry and Perry events, although the mechanisms for providing such training were not specified. Participation in pre-drill briefings that discussed operating experience and Emergency Preparedness program revisions became a proceduralized expectation in Revision 7 of TMP-2302.

The team also reviewed a sample of records associated with EC training completed from 1986 through 2005, and noted that continuing EC training was completed through a combination of drill participation and classroom training. A sample of pre-drill briefing packages in 1996 and 1997 illustrated that pre-drill briefings began to supplement drill and exercise participation as training methods prior to Revision 6 of TMP-2302. Other training records indicated that in March 2006, all personnel assigned to the EC position, who were not also Shift Managers, completed expanded EC training on Emergency Action Levels (EALs), relevant implementing procedures, and relevant off-normal instructions. Also, an ERO newsletter documented that, due to the cancellation of a

May 2005 drill, about 40 ERO members completed their continuing training requirements by attending classroom training sessions.

The team agreed with the licensee's conclusion that a number of other training module objectives had no analogous standardized drill "enabling objective" because not every drill or exercise scenario was intended to test all aspects of the licensee's pre-planning. Examples of continuing training topics suitable to be covered in either a classroom setting or through computer-based training include interfacing with on-scene NRC responders; use of 10 CFR 50.54(x) and (y); activation and operation of back-up or alternate emergency response facilities; onsite recovery planning; and Federal agencies' coordinated response to an offsite radiological release.

The team concluded that, overall, there was reasonable assurance that in instances where a drill or exercise was substituted for requalification training, all elements of the Training Matrix were met for the topics most necessary for an adequate response. The team also concluded that some emergency response topics that were anticipated to be seldom utilized would be more appropriately addressed through classroom training.

Review of the "Practicality" of the Substitution of a Drill for Classroom Training

The team determined that no records existed to document that Emergency Preparedness or Training department management had formally reviewed and approved the substitution of a drill in lieu of requalification training. However, the team noted that the licensee had initiated CR 06-00731 to improve the Emergency Preparedness training program. One corrective action associated with CR 06-00731 was the performance of a job task analysis for each ERO position that would identify preferred continuing training methods, with the options of classroom training, required reading, computer-based training, and drill participation. The team discussed this ERO training program upgrade project with licensee personnel and understood that this project was scheduled to begin in Spring 2006.

Another corrective action associated with CR 06-00731 was the creation of an ERO training curriculum review committee. The team reviewed and discussed with cognizant licensee staff PYBP-ERS-0036, "Perry ERO Curriculum Review Committee Charter," as well as the minutes of this committee's initial meeting. The committee was chaired by the Emergency Response Unit Manager and included ERO members assigned to each of the licensee's emergency response facilities. The charter summarized the committee's overall objectives, a generic agenda, provisions for documenting committee meeting results, and reflected that the committee was to meet at least quarterly. The minutes of the committee's initial meeting identified the contractor that would perform the job task analyses for ERO positions and indicated that the committee would be responsible for approving the results of these analyses.

The team concluded that the committee's documented goals were reasonable, and that provisions for recording the committee's decisions should eliminate a historic shortcoming in the licensee's management of its ERO training program, namely the documentation of decisions on whether to grant continuing training credit for ERO members' participation in specific drills.

Because the team did not identify any case in which a drill was improperly substituted for classroom training, the team considered the issue to be of minor significance.

7.0 Review of Other Observations Identified in the Perry IP 95003 Inspection Report

7.1 Event/Drill Response Time Monitoring and Verification

a. Inspection Scope

During the IP 95003 inspection, the team determined that the licensee's required response times for Emergency Plan Table 5-1 responders during three 2004 augmentation drills were not adequate to determine if the staff arrival timeliness goals were met. The Emergency Plan specified two response timeliness goals as follows:

< Staff Arrival - 15 minutes for ERO notification; plus 30 minute response in accordance with Table 5-1 for TSC/OSC responders (45 minutes total); plus 60 minute response for EOF responders (75 minutes total).

< Facility to be Fully Functional - an additional 15 minutes after staff arrival, i.e., 60 minutes for the TSC/OSC; and 90 minutes for the EOF.

The licensee's required response times for the three 2004 augmentation drills only considered the facility operational goals of 60 minutes and 90 minutes. Although this was proper to verify the facility operational timeliness goal, it did not verify the staff arrival goals of 45 and 75 minutes. The licensee performed a more detailed review of keycard logs detailing when personnel entered the protected area, which indicated that several responders exceeded the staff arrival goals by up to 8 minutes. The team determined that the licensee was not aware in all cases that the goals had been exceeded and therefore had not adequately assessed staff arrival goals.

The team also identified that the TSC electrical and mechanical engineers' (both 60 minute responders) response times were not monitored during the three drills, and the Chemistry Technician response time, a 60 minute responder, was not monitored during two of the three drills. Keycard logs indicated that these personnel did respond in within the timeliness goals, but this issue also impacted the ability to perform a comprehensive assessment of the augmentation drill results.

The licensee entered these staff augmentation issues into their corrective action program as CR 05-03271.

During this inspection, the team reviewed the licensee actions to address this issue.

b. Observations and Findings

The team determined that following the May 2005 augmentation drill, licensee personnel generated, issued, and implemented PYBP-ERU-0033, "Off-Hour Unannounced Drill Conduct," to provide specific guidance for the conduct of off-hours augmentation drills. This procedure included provisions to document the arrival times of all required augmentation staff on a facility-by-facility basis. The team reviewed licensee critiques of

the five augmentation drills conducted since the May 2005 drill and noted that detailed documentation of staff arrival times and facility activation times existed. Therefore, the team concluded that the licensee had adequately documented drill results concerning staff arrival and facility activation timeliness.

7.2 Declaration of OSC as "Operational"

a. Inspection Scope

During the IP 95003 inspection, the team identified that procedure EPI-A7, Attachment 1, was revised to state that the OSC could be declared operational with only the OSC Coordinator present. This did not appear to meet the intent of Table 5-1 of the Emergency Plan which required other 30-minute augmentation staff to report to the OSC, i.e., three RP Technicians and two radiation monitoring teams, for a total of seven personnel. Additionally, Figure 5-1, "ERO Interim Phase," which was a block diagram of all required augmentation staff which reported to the OSC at an Alert classification (i.e., in 60 minutes), indicated that Health Physics (HP) personnel, OSC repair teams, and radiation monitoring teams were present during this phase. Lastly, Section 5.2.1 of the procedure stated that the facility should be declared operational after determining available staff. The licensee documented this issue in CR 05-03685 for evaluation.

The IP 95003 inspection team concluded that there was undue emphasis on making the OSC operational in the required time instead of giving due consideration to the staff resources that were actually available. However, this was not considered to be a decrease in the effectiveness of the Emergency Plan since the additional staff must report in the required time period regardless of whether the facility was declared operational or not. The licensee generated CR 05-03407 to enter this issue into the corrective action program.

During this inspection, the team reviewed the licensee's actions to address this issue.

b. Observations and Findings

The team determined that licensee personnel revised Attachment 1 to Procedure EPI-A7, "Operations Support Center Activation," to correct the response time of OSC Support Supervisors from 90 minutes to 75 minutes. The licensee also performed a detailed review of other activation procedures, including EPI-A6, "Technical Support Center Activation," and EPI-A8, "Emergency Operations Facility Activation," to determine if any other errors were made in facility activation or staff arrival times. No other errors were identified. Lastly, licensee staff reviewed lesson plan EPL-0815, "Operations Support Center," to verify that it correctly stated the timeliness goals for OSC activation.

The team concluded that adequate corrective actions were implemented to address this issue.

8.0 Emergency Preparedness Action Item Effectiveness Assessment

a. Inspection Scope

Based upon the inspection results, the team completed an overall assessment of the licensee's actions to address the Emergency Preparedness area of the NRC's September 28, 2005 Confirmatory Action Letter.

b. Observations and Findings

Based on the results of this inspection, no findings of significance were identified and the team confirmed that all commitments associated with the emergency preparedness program were adequately implemented. In particular, the team concluded that the actions to expand the population of qualified emergency preparedness responders and conduct additional drills to demonstrate appropriate emergency response organization response times were completed satisfactorily. In addition, based upon the positive results of an unannounced augmentation drill that the team observed on April 6, 2006, as well as the results of the review of the implementation of commitments and other actions to address previously identified issues in the emergency preparedness area, the team concluded that the licensee's actions to address issues in the emergency preparedness area have been effective.

9.0 Exit Meeting

On April 7, 2006, the team presented the inspection results, with the exception of the results of the team's review of the licensee's critique of the April 6, 2006, augmentation drill, to Mr. L. Pearce, Vice President, and other members of his staff, who acknowledged these results. Subsequently, on May 9, 2006, the team conducted a final telephone exit and presented the results of the review of the drill critique.

The team asked the licensee whether any materials examined during the inspection should be considered proprietary. No proprietary information was identified.

ATTACHMENT:
1. Supplemental Information
2. Perry Performance Background
3. Perry Inspection Results

SUPPLEMENTAL INFORMATION

KEY POINTS OF CONTACT

Licensee

L. Pearce, Vice President, Perry
F. von Ahn, Plant Manager, Perry
G. Halnon, Director, Performance Improvement Initiative, Perry
J. Messina, Manager, Operations, Perry
J. Shaw, Director, Engineering, Perry
M. Wayland, Director, Maintenance, Perry
J. Lausberg, Manager, Regulatory Compliance, Perry
V. Hagaki, FENOC Emergency Planning Supervisor
H. Kelley, Perry Emergency Preparedness Coordinator

LIST OF ITEMS OPENED, CLOSED, AND DISCUSSED

Closed

05000440/2005003-01	URI	Use of Adjustment Factor to Meet ERO Staffing Timeliness Goals
05000440/2005003-02	URI	Staffing ERO Positions From a Pool of Individuals
05000440/2005003-03	URI	Emergency Preparedness Training Methodology

Discussed

05000440/2005003-26	NCV	Inappropriate Use of HP Technician as Interim OSCC
05000440/2005003-27	NCV	Failure to Identify Impact of Security Plan Change on Emergency Plan

LIST OF DOCUMENTS REVIEWED

The following is a list of documents reviewed during the inspection. Inclusion on this list does not imply that the NRC team reviewed the documents in their entirety but rather that selected sections or portions of the documents were evaluated as part of the overall inspection effort. Inclusion of a document on this list does not imply NRC acceptance of the document or any part of it, unless this is stated in the body of the inspection report.

Condition Reports

CR 04-05254, "Various ERO Equipment Issues," dated October 5, 2004
CR 04-05258, "Dialogics Lack of Timely Corrective Action," dated October 5, 2004
CR 04-05262, "Training Improvement Issues," dated October 5, 2004
CR 04-05881, "Perry Improvement Initiative - Certain Emergency Plan Statements Need Clarification"
CR 05-03271, "Unannounced Augmentation Drill Documentation Deficiencies," dated April 8, 2005
CR 05-03659, "NRC Identified: Terms Related to EAL Entry Criteria Improperly Removed From Security Procedure," dated April 21, 2005
CR 05-04400, "Inability of Automated Notification System to Differentiate Between 30 and 60 Minute ERO Responders During May 2005 Augmentation Drill"
CR 05-04395, "TSC Operations Advisor Did Not Respond When Paged," dated May 19, 2005
CR 05-04396, "On-Call TSC Electrical Engineer Did Not Respond to Site," dated May 19, 2005
CR 05-04398, "OSC Radiation Protection Staff Response," dated May 20, 2005
CR 05-04399, "TSC Declared Operational Without Minimum Staff," dated May 19, 2005
CR 05-04400, "Inability of Dialogics to Differentiate 30 and 60 Minute Responders," dated May 20, 2005
CR 05-04401, "Impact of Security Requirements During Drill," dated May 20, 2005
CR 05-04402, "ERO Phonebook Response Times," dated May 19, 2005
CR 05-04403, "Pager Anomaly," dated May 19, 2005
CR 05-04473, "Off-Hour Unannounced Drill Call-Out Method Ineffective," dated May 23, 2005
CR 05-04477, "Off-Hours Unannounced Drill Response Time Evaluation," dated May 19, 2005
CR 05-04481, "Use of RP Personnel Pool to Provide ERO Response," dated May 23, 2005
CR 05-05855, "Declaring ERO Facility Operational Without Minimum Staff," dated August 4, 2005
CR 05-05856, "Failure to Meet ERO Response Time," dated August 4, 2005
CR 05-05857, "Failure to Meet ERO Response Time," dated August 4, 2005
CR 05-05858, "Additional Pager Information During ERO Drill," dated August 4, 2005
CR 05-05885, "Administrative Rigor For Emergency Plan Drill Documents," dated August 4, 2005
CR 05-05607, "Use of Adjustment Factor for ERO Response in May 2005 Augmentation Drill"
CR 05-05608, "NRC URI 2005003-001 on Use of Adjustment Factor in May 2005 Drill"
CR 05-05549, "Training Need Identified for Radiation Protection," dated July 22, 2005
CR 05-05561, "RPC and RPA Deficiency," dated July 19, 2005
CR 05-05774, "Emergency Response Notification Mechanics During 7/19/2005 Emergency Plan Drill," dated August 8, 2005
CR 05-05913, "Follow-Up Actions to NRC NCV Response," dated August 8, 2005
CR 05-06611, "NRC Denial of Disputed NCV 2005003-26," dated September 14, 2005
CR 05-07300, "Event Notification Form (PNPP No. 6912) PAP-1604," dated October 25, 2005

CR 05-07740, “ERO Team ‘A’ Call-out Fitness For Duty,” dated November 22, 2005
CR 05-07741 “Declaration of EOF Operational Without Minimum Staff,” dated November 22, 2005
CR 05-07744, “Delays While Responding to Dialogics,” dated November 22, 2005
CR 05-07745, “Unsatisfactory Chemistry Response to Dialogics,” dated November 22, 2005
CR 05-08032, “Problems With the Dialogics Notification System,” dated December 12, 2005
CR 05-08180, “Emergency Response Organization Drive-In Drill,” dated December 27, 2005
CR 06-00670, “Fire in Control Complex Due to Control Complex Miscellaneous Ventilation Fan 2B,” dated February 11, 2006
CR 06-00671, “Fire in 0M23C0002B Recirculation Fan,” dated February 11, 2006
CR 06-00672, “Control Complex Miscellaneous Ventilation Train ‘A’ Did Not Start When ‘B’ Tripped,” dated February 11, 2006
CR 06-00673, “Difficulty in Communicating Using Plant Two-Way Radios,” dated February 11, 2006
CR 06-00674, “Emergency Response Personnel - Improper Escort,” dated February 11, 2006
CR 06-00675, “Lessons Learned During Alert for M23 Fire,” dated February 11, 2006
CR 06-00676, “Documentation of Post Fire and Alert Operations Critique,” dated February 11, 2006
CR 06-00677, “During Alert - Plant Emergency Alarm Not Activated,” dated February 11, 2006
CR 06-00678, “Dialogics for Emergency Event Filled Position Twice,” dated February 11, 2006
CR 06-00679, “No Fire or Smoke Alarm Received During Fire,” dated February 11, 2006
CR 06-00680, “Timeliness of ERO Position Changes for Shift Personnel,” dated February 11, 2006
CR 06-00706, “TSC Mechanical Engineer Did Not Meet Response Time,” dated February 11, 2006
CR 06-00707, “TSC Administrative Assistant Did Not Meet Response Time,” dated February 11, 2006
CR 06-00708, “Inability to Contact Additional Administrative Staff for TSC,” dated February 11, 2006
CR 06-00717, “Dialogics Stated, ‘This is a Drill’ for Alert,” dated February 11, 2006
CR 06-00731, “NRC URI 2005003-003 on ERO Continuing Training”
CR 06-00748, “Duty OSC I&C [Instrumentation and Controls] Supervisor Late Response for Alert,” dated February 15, 2006
CR 06-00951, “Initial Notification Not Faxed to State and Counties,” dated February 27, 2006
CR 06-01373, “Several RP Persons Did Not Respond to the Call-In Drill,” dated March 21, 2006

Procedures
NOBP-LP-1651, “Security Contingency Checklists,” Current Revision as of April 4, 2006
NOP-LP-1651, “Security Contingency Instructions,” Current Revision as of April 4, 2006
NOBP-LP-1101, “Security Plan Preparation, Review and Approval,” Revision 1
EPI-A1, “Emergency Action Levels,” Revisions 15 and 16
EPI-A6, “Technical Support Center Activation,” Revision 17
EPI-A7, “Operations Support Center Activation Checklist,” Revision 17
EPI-C3, “Emergency Preparedness Training,” Revisions 0, 1, and 2
TMP-2302, “Emergency Plan Training Program,” Revisions 0 through 10
PSI-0001, “Maintenance of the Emergency Response Telephone Directory,” Revision 10
PSI-0017, “Drills and Exercises for Emergency Planning,” Revision 4
PSI-0019, “Emergency Action Level Bases Document,” Revisions 9 and 10
PSI-0022, “Emergency Plan Training Program,” Revision 0

Other Documents

SOD 05-0005, “Required to Use the Terms Security Alert or Security Emergency When Communicating With the Shift Manager,” dated June 4, 2005
Integrated On Call Report, dated April 4, 2006
Operations Night Order, dated April 21, 2005
Emergency Plan, Revisions 4, 23 and 25
EPI-A1, “Emergency Action Levels,” Revisions 15 and 16
PSI-0019, “Emergency Action Level Bases Document,” Revisions 9 and 10
Emergency Response Organization Telephone Directory, Section 7, dated April 4, 2006
Self Assessment 672RAS2004, “ERO Team C Unannounced Drill,” dated April 2, 2004
Self Assessment 701RAS2004, “ERO Team B Evaluated Response,” dated May 13, 2004
Self Assessment 713RAS2004, “ERO Team ‘A’ Evaluated Response,” dated October 5, 2004
Self Assessment 724PYRC2004, “ERO Team A Evaluated Response,” dated November 18, 2004
Self Assessment 753PYPC2005, “ERO Team ‘B’ Drill,” dated June 19, 2005
Self Assessment 760PYPC2005, “ERO Team ‘C’ Drill,” dated June 20, 2005
Self Assessment 793PYRC2005, “ERO Team ‘A’ Drill,” dated November 11, 2005
Self Assessment 759PYRC2005, “ERO Team ‘A’ Unannounced Drill,” dated May19, 2005
Self Assessment 771PYRC2005, “ERO Team ‘C’ Unannounced Drill,” dated August 4, 2005
Self Assessment 811PYRC2005, “ERO Team ‘A’ Unannounced Drill,” dated November 22, 2005
Self Assessment 817PYRC2005, “ERO Team ‘A’ Unannounced Drill,” dated December 12, 2005
Self-Assessment Report 869PYRC2006, March 21, 2006 ERO Off-Hours Unannounced Drill
Self-Assessment Plan 876PYER2006, April 2006 ERO Off-Hours Unannounced Drill
Self-Assessment Report 876PYER2006, April 2006 ERO Off-Hours Unannounced Drill
Training Tracking Qualification Matrix, “RP Technician, RMT Driver, RMT Leader,” dated April 4, 2006
Perry Plant Emergency Plan; Section 5.2.3 and Table 5-1; Revisions 4, 5, 10, 22, and 25
Perry Plant Emergency Plan; Section 8.1.2; Revisions 5, 6, 10, 11, 21, 22, and 25
Licensee Safety Evaluation 86-0257 on Revision 6 to Emergency Plan, dated August 20, 1986
Internal Memorandum, “Provisions For Returning RP Section to Pool ERO Positions,” dated June 22, 2005
Internal Memorandum, “Expectations For E-Plan Callout,” June 24, 2005
Internal Memorandum, “PORC [Plant Onsite Review Committee] Meeting Minutes 86-157,” dated August 22, 1986
Internal Memorandum, “E-Plan Response,” dated March 30, 2006
Letter from NRC Region III to Licensee, “Approval of Revision 6 to Emergency Plan,” dated December 18, 1986
10 CFR 50.59 Applicability Checklists, Pre-Implementation Reviews of Revisions 0, 1, and 2 of Procedure EPI-C3
Excerpt of Safety Evaluation 91-001, Section 5 of Revision 10 to Emergency Plan, dated February 15, 1991
Temporary Change Notice 1 to Revision 10 of Emergency Plan, dated February 22, 1991
Letter from NRC Region III to Licensee, Review of Revision 10 to Perry Plant Emergency Plan, dated March 14, 1991
PY-CEI/NRR-2898L, “Denial of Non-Cited Violations in NRC Report 05000440/2005003,” dated August 8, 2005

10 CFR 50.54(q) Initial Screening Checklist, Revision 22 to Emergency Plan, dated December 17, 2004
Safety Evaluation 94-142, Revision 11 to Emergency Plan, dated June 7, 1994
Internal Memorandum, PORC Meeting Minutes 94-118, dated July 9, 1994
Internal Memorandum, PORC Meeting Minutes 94-130, dated July 20, 1994
ERO Training Module 2, Communications, Revision 0, dated February 2, 1984
ERO Training Module 4, Emergency Classification, Revision 0, dated June 10, 1983
ERO Training Module 6, Accident Assessment and Protective Response, Revision 0, dated June 10, 1983
Lesson Plan 0903-002-01, Emergency Coordinator, undated
Lesson Plan 0801-008-01, Emergency Coordinator, undated
Lesson Plan 0601, Emergency Coordinator, dated March 6, 2006
Sample of EC Training Records Between 1986 and 2006
ERO Newsletter for May 16 through May 22, 2005
Samples of ERO Newsletters Between March 2004 and January 2006 Summarizing Updates on Implementing Procedure Changes and EAL Re-assessments
Comparison Study; Standardized Drill/Exercise Enabling Objectives to Training Module Objectives Associated with Procedures EPI-C3 and TMP-2302, dated April 2006
PYBP-ERS-0036, Perry ERO Curriculum Review Committee Charter, Revision 6
Minutes of Initial ERO Curriculum Committee Meeting on March 29, 2006
Draft Project Plan, ERO Training Analysis and Materials Upgrade
Investigation Summary for CR 04-05881, Certain Emergency Plan Statements Need Clarification
Investigation Summary for CR 05-04400, Inability of Automated Notification System to Differentiate Between 30 and 60 Minute ERO Responders During May 2005 Augmentation Drill
Investigation Summary for CR 05-04402, Use of Automated Notification System to Contact All RPTs During May 2005 Augmentation Drill
Investigation Summary for CR 05-05608; NRC Unresolved Item - Use of Adjustment Factor in May 2005 Augmentation Drill, dated September 6, 2005
PYBP-ERS-0026, ERO Participation and Response, Revision 1
PYBP-ERU-0033, Off-Hour Unannounced Drill Conduct; Revisions 0, 1, and 2
Self-Assessment Report 869PYRC2006, ERO Off-Hours Unannounced Drill on March 21, 2006
Issue Summary Document; NRC URI 2005003001 on Use of Adjustment Factor to Meet ERO Timeliness Goals, dated March 28, 2006

LIST OF ACRONYMS USED

ADAMS	Agency Document and Management System
CADAP	Computer Aided Dose Assessment Program
CAL	Confirmatory Action Letter
CFR	Code of Federal Regulations
CR	condition report
DAMP	Detailed Action and Monitoring Plan
DIE	Decrease in Effectiveness
EAL	Emergency Action Level
EC	Emergency Coordinator
EOF	Emergency Operations Facility
EP	Emergency Preparedness
EPU	EP Unit
ERO	Emergency Response Organization
ESW	Emergency Service Water
FENOC	FirstEnergy Nuclear Operating Company
HP	Health Physics
HPCS	High Pressure Core Spray
IMC	Inspection Manual Chapter
IP	Inspection Procedure
IR	Inspection Report
LPCS	Low Pressure Core Spray
NCV	Non-Cited Violation
NOUE	Notice of Unusual Event
NRC	Nuclear Regulatory Commission
OSC	Operations Support Center
PARS	Publicly Available Records
PII	Performance Improvement Initiative
PNPP	Perry Nuclear Power Plant
RHR	Residual Heat Removal
RP	Radiation Protection
SAE	Site Area Emergency
SCAQ	significant condition adverse to quality
TS	Technical Specification
TSC	Technical Support Center
URI	Unresolved Item

PERRY PERFORMANCE BACKGROUND

As discussed in the Perry Annual Assessment Letter dated March 4, 2004, plant performance was categorized within the Degraded Cornerstone column of the NRC's Action Matrix based on two White findings in the Mitigating Systems cornerstone. An additional White finding in the Mitigating Systems cornerstone was subsequently identified and documented by letter dated March 12, 2004.

The first finding involved the failure of the high pressure core spray (HPCS) pump to start during routine surveillance testing on October 23, 2002. An apparent violation of Technical Specification (TS) 5.4 for an inadequate breaker maintenance procedure was identified in IR 05000440/2003008. This performance issue was characterized as White in the NRC's final significance determination letter dated March 4, 2003. A supplemental inspection was performed in accordance with IP 95001 for the White finding and significant deficiencies were identified with regard to the licensee's extent of condition evaluation. Inspection Procedure 95001 was re-performed and the results of that inspection were documented in IR 05000440/2003012, which determined that the extent of condition reviews were adequate.

The second finding involved air-binding of the low pressure core spray (LPCS)/residual heat removal (RHR) 'A' waterleg pump on August 14, 2003. A special inspection was performed for this issue and the results were documented in IR 05000440/2003009. An apparent violation of TS 5.4 for an inadequate venting procedure was identified in IR 05000440/2003010. This performance issue was characterized as White in the NRC's final significance determination letter dated March 12, 2004.

The third finding involved the failure of the 'A' Emergency Service Water (ESW) pump, caused by an inadequate maintenance procedure for assembling the pump coupling that contributed to the failure of the pump on September 1, 2003. An apparent violation of TS 5.4 was documented in IR 05000440/2003006. This performance issue was characterized as White in the NRC's final significance determination letter dated January 28, 2004.

As documented in IP 95002 Supplemental Inspection Report 05000440/2004008, dated August 5, 2004, which reviewed the licensee's actions to address these issues, the NRC concluded that the corrective actions to prevent recurrence of a significant condition adverse to quality (SCAQ) were inadequate. Specifically, the same ESW pump coupling that failed on September 1, 2003, failed again on May 21, 2004. This resulted in the ESW pump White finding remaining open.

As a result, Perry entered the Multiple/Repetitive Degraded Cornerstone column for Mitigating Systems in the Reactor Safety strategic performance area for having two White inputs for five consecutive quarters. Specifically, for the third quarter of 2004, the waterleg pump finding remained open a fourth quarter while the ESW pump finding was carried open into a fifth quarter as a result of the findings of the IP 95002 supplemental inspection.

Attachment 3

PERRY IP 95003 INSPECTION RESULTS

As a result of poor performance, the Nuclear Regulatory Commission (NRC) designated the Perry Nuclear Power Plant (PNPP), owned and operated by FirstEnergy Nuclear Operating Company, as a "Multiple/Repetitive Degraded Cornerstone Column" facility in the NRC's Action Matrix[1] in August 2004. Accordingly, a supplemental inspection was performed in accordance with the guidance in NRC Inspection Manual Chapter (IMC) 0305 and Inspection Procedure (IP) 95003, "Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or One Red Input."

In addition, the scope of the IP 95003 inspection included the review of licensee actions to address deficiencies identified during a previous IP 95002 inspection. In particular, the NRC reviewed the licensee's root cause and corrective actions to address the areas of procedure adequacy, procedure adherence, and training deficiencies identified in the previous IP 95002 inspection; as well as the problem identification, root cause review, and corrective actions to address repetitive emergency service water (ESW) pump coupling failures.

By letter dated September 30, 2004, FENOC advised the NRC that actions were underway to improve plant performance. To facilitate these performance improvements, FENOC developed the Perry Performance Improvement Initiative (PII). As part of the NRC's IP 95003 inspection, the team conducted a detailed review of the PII.

As documented in IP 95003 Supplemental Inspection Report 50-440/2005003, the NRC determined Perry was being operated safely. The NRC also determined that the programs and processes to identify, evaluate, and correct problems, as well as other programs and processes in the Reactor Safety strategic performance area were adequate. Notwithstanding these overall conclusions, the NRC determined that the performance deficiencies that occurred prior to and during the inspection were often the result of inadequate implementation of the corrective action program and human performance errors.

The team identified that a number of factors contributed to corrective action program problems. A lack of rigor in the evaluation of problems was a major contributor to the ineffective corrective actions. For example, in the engineering area, when problems were identified, a lack of technical rigor in the evaluation of those problems at times resulted in an incorrect conclusion, which in turn affected the ability to establish appropriate corrective actions. The team also determined that corrective actions were often narrowly focused. In many cases a single barrier was established to prevent a problem from recurring. However, other barriers were also available that, if identified and implemented, would have provided a defense-in-depth against the recurrence of problems. The team also identified that problems were not always appropriately prioritized, which led to the untimely implementation of corrective actions. A number of programmatic issues were identified that have resulted in the observed weaknesses. For example, the team identified a relatively high threshold for classifying deficiencies for root cause analysis. As a result, few issues were reviewed in detail. In addition, for the problems that were identified that required a root cause evaluation, the team found that the qualification

[1]The NRC's Action Matrix is described in Inspection Manual Chapter 0305, "Operating Reactor Assessment Program."

requirements for root cause evaluators were limited and multi-disciplinary assessment teams were not required. The team also identified that a lack of independence of evaluators existed. which has hindered the ability to correct problems at an early stage before they become more significant issues. Finally, the team determined that a lack of adequate effectiveness reviews This resulted in the same individuals repeatedly reviewing the same issues without independent was a barrier to the identification of problems with corrective actions that had been implemented.

In the area of human performance, the team determined that a number of self-revealed findings relating to procedure adherence occurred that had a strong human performance contribution. These findings emanated from events that have resulted in an unplanned engineered safety feature actuation, a loss of shutdown cooling, an unplanned partial drain down of the suppression pool, inadvertent operation of a control rod (a reactivity event), and other configuration control errors. The team reviewed the events that occurred during the inspection and identified that the procedure adherence problems had a number of common characteristics. In a number of cases, personnel failed to properly focus on the task at hand. Although pre-job briefings were held prior to many events, and procedures were adequate to accomplish the intended activity, personnel failed to sufficiently focus on the individual procedure step being accomplished and performed an action outside of that prescribed by the procedure. In some cases, the team determined that a lack of a questioning attitude contributed to the procedure problems that occurred. Although information was available to personnel that, if fully considered, could have prevented the procedure adherence issues that occurred, that information was not sought out or was not questioned. The presence of supervisors with the necessary standards to foster good procedure adherence could have acted as a significant barrier to prevent some of the problems that occurred. However, adequate supervisory oversight was not always available or used. Further, the team identified that available tools for assessing human and organizational performance had not been effectively used.

In the area of design, the IP 95003 inspection team concluded that the systems, as designed, constructed, and modified, were operable and that the design and licensing basis of the systems were sufficiently understood. Notwithstanding the overall acceptability of performance in the engineering area, the team identified common characteristics in a number of problems identified during the inspection. These characteristics included a lack of technical rigor in engineering products that resulted in an incorrect conclusion. Also, there appeared to be a lack of questioning by the licensee staff of some off-normal conditions. Finally, weaknesses in the communications between engineering and other organizations such as operations and maintenance sometimes hindered the resolution of problems.

In the area of procedure adequacy, the team determined that the licensee’s procedures to safely control the design, maintenance, and operation of the plant were adequate, but warranted continued management focus and resource support. In particular, process-related vulnerabilities in areas such as periodic plant procedure reviews, procedure revisions, and use classifications were identified by the team.

In the area of equipment performance, the team acknowledged that the licensee had completed numerous recent plant modifications to improve equipment performance. In addition, improved engineering support and management oversight of equipment performance were noted. Notwithstanding the above, the team identified numerous examples that indicated that the resolution of degraded equipment problems and implementation of the corrective action program continued to be a challenge to the organization.

In the area of configuration control, the team identified numerous examples that indicated the resolution of configuration control issues and implementation of the corrective action program continued to challenge the organization. The team agreed with the licensee's assessment that continuing configuration control problems were primarily the result of inappropriate implementation of procedural requirements rather than the result of configuration management procedural shortcomings. However, given the on-going errors associated with equipment alignment, as well as multiple errors associated with maintenance configuration control such as scaffolding erection, the team concluded that adequate evaluations of the root causes of configuration control errors had not been performed. The team also concluded that the licensee lacked rigor in its efforts to resolve latent configuration control issues. Several licensee-identified issues have not been corrected, and contributed to configuration control shortcomings.

In addition, in the area of emergency preparedness, the team determined that there were some performance deficiencies associated with the licensee's implementation of the Emergency Plan. A number of findings were identified in which changes to the Emergency Plan or Emergency Action Levels were made without required prior NRC approval. In addition, the results of the augmentation drill where personnel were called to report to the facility for a simulated emergency were unsatisfactory.

With regard to the NRC's review of issues associated with the previous IP 95002 inspection, the NRC determined that actions to address procedure adequacy and ESW pump failures was still in progress at the end of the IP 95003 inspection. In particular, the team identified that one of the licensee's corrective actions to address the verification of the quality of ESW pump work was inadequate. In addition, in light of the continuing problems in human performance and the impact on procedure adherence, the team concluded that actions to address procedure adherence had not been fully effective. Finally, actions to address training were also still in progress at the end of the inspection. In this case, the licensee's corrective actions to address this issue had not been timely and at the conclusion of the IP 95003 inspection, had not yet been implemented. As a result, the NRC concluded that the open White findings associated with the IP 95002 inspection would continue to remain open pending additional licensee actions and the NRC's review of those actions.

In the assessment of the licensee's performance improvements planned and implemented through the Perry PII, the team determined that the Perry PII had a broad scope and addressed many important performance areas. The IP 95003 inspection team also observed that, although substantially completed, the PII had not resulted in significant improvement in plant performance in several areas. There were a number of reasons identified as why this occurred, one being that the PII was largely a discovery activity, and as such, many elements of the PII did not directly support improving plant performance. Instead, the problems identified through

the PII reviews were entered into the corrective action program and the proper resolution of these problems depended upon the proper implementation of the corrective action program. During the IP 95003 inspection, the NRC identified that in some cases the corrective action program had not been implemented adequately to address the concerns identified during PII reviews. The team identified that although many PII actions have been completed, some of the more significant assessments, such as in the area of human performance, were still in progress at the end of the inspection.

Overall, based on the factors discussed above, the NRC was unable to draw any definitive conclusions regarding the overall effectiveness of the Perry PII. As a result, further reviews were deemed to be necessary to determine whether the PII was sufficient to address and resolve the specific issues identified.