

TENNESSEE VALLEY AUTHORITY

CHATTANOOGA, TENNESSEE 37401

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May 27, 1987

U.S. Nuclear Regulatory Commission  
ATTN: Document Control  
Washington, D.C. 20555

Gentlemen:

In the Matter of the	)	Docket Nos. 50-259	50-390
Tennessee Valley Authority	)	50-260	50-391
		50-296	50-438
		50-327	50-439
		50-328	

On April 22, 1987, James S. Keppler forwarded five specific questions and concerns on Revision 4 of the Corporate Nuclear Performance Plan (CNPP) to me. Enclosed are answers to each question and concern. These answers will be incorporated into the next revision of the CNPP as Appendix 9 including associated text changes to sections II, III, IV, and Appendix 8. The CNPP will also be revised to reflect changes in staff and progress in programmatic areas.

Very truly yours,

TENNESSEE VALLEY AUTHORITY

*S. A. White*  
S. A. White  
Manager of Nuclear Power

Sworn to and subscribed to before me  
this 27<sup>th</sup> day of May 1987

*Paulette H. White*  
Notary Public

My Commission Expires 8-24-88

Enclosure  
cc: See page 2

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U.S. Nuclear Regulatory Commission

May 27, 1987

cc (Enclosure):

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Commissioner Asselstine  
Commissioner Bernthal  
Commissioner Carr  
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Washington, D.C. 20555

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Watts Bar Resident Inspector  
Watts Bar Nuclear Plant  
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1. The Plan does not provide for a transitional organization structure. Specifically, what steps are being taken to prepare for the transition in the organizational structure which will occur when the current Manager of Nuclear Power and other contract individuals leave their positions? Also provide the time schedule in which the Management Development Program will be implemented.

Response

No transitional organization structure is necessary when the current Manager of Nuclear Power and other contract individuals leave their positions. The Revised Corporate Nuclear Performance Plan describes the action TVA is taking to improve its nuclear program. This plan includes the revised organizational structure developed to successfully function in the long term. The organizational structure was not developed as a short-term plan but as the long-term organization to be in place to improve the TVA nuclear program.

The transition in management from contract individuals will be phased so that not all contract managers are replaced at once. Each replacement will occur with sufficient overlap and assistance from the contract manager to evaluate the performance of the permanent TVA manager against the performance requirements established by the Manager of Nuclear Power. Specifically, in the case of the replacement for the Manager of Nuclear Power, this concept of overlap will be assured. Any changes in organizational structure in the future will be determined by the then existing manager.

With respect to management development, TVA is implementing a Management Development and Training Program, as outlined in Volume 1, with the goal being to prepare managers in sufficient numbers and with sufficient skills to assume responsibility at all levels in the Office of Nuclear Power.

Development of managers by the placement of potential managers in responsible positions under the direction and guidance of TVA's senior nuclear management is being done now. Managers will be selected to assume full responsibility for these positions only when they have demonstrated the ability to perform adequately. Training of managers is currently underway and will take 18-24 months to cover current managers and supervisors.

Programs for management performance appraisal, succession planning, skills assessment, and a skills inventory data bank are under development to provide improvements in management development. These programs are scheduled to be implemented over the next 6-18 months.



2. There are areas of the CNPP that refer to long-term activities, scheduled to be completed after restart of Sequoyah, without providing a timeframe for these activities to be completed. For example, Section VI C1a(2) of Revision 4 to the CNPP describes a long-term program for developing an integrated nuclear procedures system. However, milestones for the program are not provided. In addition, Section VI C2 describes tasks designed to make improvements in planning and integration of nuclear activities but does not provide a schedule for implementing the proposed information system. We request that a major programmatic implementation schedule for each long-term activity in the CNPP be provided.

### Response

The major programmatic implementation schedule for each long-term activity will be addressed specifically for each plant depending on the significance of the long-term program to that plant. Appendix 8 of the CNPP contains a listing of commitments indicating which activities are intended to be long term. Long term for these purposes means after restart of Sequoyah unit 2, the TVA unit first scheduled to restart. The Nuclear Performance Plan for each plant, i.e., Sequoyah, Browns Ferry, and Watts Bar, contains the specific status of CNPP commitments relating to restart or fuel load for that plant. Because of the relationship of each long-term program to the schedule for plant-specific activities, the major milestone schedule is being provided with each plant-specific Nuclear Performance Plan. For example, the elements of the major milestone schedule for the long-term program for developing an integrated nuclear procedure system, Section VI.C.1.a(2), required for Browns Ferry restart will be available in the Browns Ferry Nuclear Performance Plan. Also, long-term improvements in planning and integration of nuclear activities required for Browns Ferry restart, Section VI.C.2, although not specifically required for Sequoyah restart, will be addressed with major milestones and accomplishments in the Browns Ferry Nuclear Performance Plan.

3. The Manager of Engineering Assurance reports to the Director of Nuclear Engineering on all matters other than quality assurance. Provide a description of the functions or matters other than quality assurance for which the Manager of Engineering Assurance is responsible.

Response

The functions or matters other than quality assurance for which the Manager of Engineering Assurance is responsible to the Director, Division of Nuclear Engineering (DNE), can be generally described as assistance, advice, and support to the Director of DNE on matters relating to the performance of engineering work, methods of implementation, and supervision of Engineering Assurance personnel.

Specific functions are:

- a. Management of Engineering Assurance personnel.
- b. Development of DNE Procedures which prescribe engineering work methods for approval by the Director of DNE.
- c. Training of DNE personnel in performance of approved work methods.
- d. Conduct of in-depth technical audits to assess the technical adequacy of engineering work.
- e. Assignment of Engineering Assurance engineers to plant sites to provide support to project engineering personnel for implementation of engineering activities affecting quality.
- f. Development and implementation of a feedback system for evaluation of TVA and industry problem reports, including review of Inspection and Enforcement Bulletins, Regulatory Guides, and owners group reports, etc.
- g. Development of, and operation within, an approved budget for Engineering Assurance.

4. Procurement functions are not under the Office of Nuclear Power (ONP). Provide a comprehensive discussion addressing the interaction between the procurement office and the ONP to ensure that the regulatory requirements such as Appendix B are properly implemented in procurement actions for TVA's nuclear plants.

#### Response

The TVA Division of Purchasing does not report to the Manager of Nuclear Power; however, the ONP Materials Management and Procurement Support Branch, headed by the ONP Manager, Planning and Financial Staff (who reports directly to the Manager, ONP), provides oversight of TVA's centralized purchasing activities in support of ONP as well as the onsite materials function and the operation of the Power Stores warehouses. The Division of Purchasing has been responsive in meeting ONP requirements and is organized to address unique ONP needs. Surveillance and performance monitoring occur through periodic reports as well as almost continual contact between the ONP Materials Branch, the site materials organizations, and the purchasing staff.

ONP quality-related procurement activities are controlled by the Nuclear Quality Assurance Manual (NQAM) to ensure that the regulatory requirements such as Appendix B are properly implemented. Those quality-related procurement activities performed for ONP by the Division of Purchasing are controlled by the Purchasing QA Manual which implements ONP's NQAM within the Division of Purchasing. Procedures within the Purchasing QA Manual, and revisions thereto, are reviewed and concurred with by ONP's Division of Nuclear Quality Assurance for compliance with NQAM requirements. The Purchasing QA Manual and the implementation of the manual are audited for compliance with regulatory requirements on a periodic basis by ONP's Division of Nuclear Quality Assurance.

ONP issues purchase requisitions to the Division of Purchasing. The purchase requisitions contain all applicable technical specifications and quality assurance requirements which have been established by ONP. ONP quality assurance organizations independently verify the adequacy of the purchase requisition quality assurance requirements.

The Division of Purchasing is then responsible for ensuring that the requirements as stated in ONP purchase requisitions are incorporated in requests for proposals or invitations to bid, in addition to the applicable commercial terms and conditions. To ensure compliance with the competitive procurement requirements of the TVA Act, the Division of Purchasing issues requests for proposals or invitations for bids, receives and opens proposals or bids, and evaluates the commercial responsiveness of bids and proposals.

Bidder deviations, substitutions, or exceptions to technical and quality assurance requirements require ONP technical and quality assurance review and approval prior to contract award. After contract award, any proposed changes affecting technical or quality assurance requirements likewise require ONP technical and quality assurance review and approval before the Division of Purchasing processes a contract change to a contract. Source inspections are performed by ONP's quality assurance organization when specified by the requisitioner or whenever deemed necessary by the quality assurance organization. These procedures take advantage of the Division of Purchasing's expertise in meeting Government contract laws and allow ONP to focus its efforts on ensuring that regulatory requirements are properly implemented.



5. Provide a description on the specific interactive relationships between various organizational entities (e.g., NMRG, NSRB) responsible for performing safety review functions.

Response

In addition to the key onsite safety and audit functions (Plant Operations Review Committee, Plant Operations Review Staff, Division of Nuclear Quality Assurance (DNQA), and Division of Nuclear Engineering - Engineering Assurance), TVA has three corporate level review groups, the Nuclear Safety Review Boards (NSRB), the Independent Safety Engineering Groups, and the Nuclear Manager's Review Group (NMRG). The functional responsibilities of each group and the specific interactive relationships between them are as follows:

NSRB is the senior-level committee which reviews the total TVA nuclear program with respect to nuclear safety and fulfills the technical specification requirement for offsite independent review and audit. The NSRB reviews the activities of the line organizations which could affect nuclear safety and also the activities of other review, audit, and verification organizations. The NSRB provides recommendations and advice in writing to the Manager of the Office of Nuclear Power (ONP). A NSRB consisting of senior TVA nuclear managers and outside senior advisors is constituted for each operating nuclear site. All NSRBs are chaired by the same senior manager.

The Independent Safety Engineering Group (ISEG) from the Division of Nuclear Safety and Licensing provides the daily onsite independent review function required by NUREG 0737. An ISEG staff is located at each nuclear plant site and in the corporate office. ISEG procedures require consideration of reviews

conducted by other review groups to preclude duplicate reviews of the same activity or to indicate areas where an ISEG review may be warranted. Close liaison is maintained between NSRB and ISEG to ensure the functions of each group are complementary. The lead onsite ISEG individual normally attends each NSRB meeting to report on ISEG activities and findings and serves on the NSRB Unreviewed Safety Question Determination Subcommittee for that site. All ISEG studies and reports are reviewed by the NSRB. Further, the Chairman and the Technical Secretaries for each NSRB consult regularly with the ISEG manager concerning potential topics for formal review by NSRB or for formal observation by ISEG. ISEG, in developing its review topics and work schedule, gives strong consideration to NSRB suggestions and requests. In order to avoid duplication of effort, the Manager, ISEG, coordinates with Nuclear Manager's Review Group (NMRG) prior to review of ISEG topic approval.

The NMRG is responsible for developing and implementing a review program to assess activities associated with the design, construction, and operation of TVA nuclear plants. As directed by the Manager of Nuclear Power, the group provides an independent check on the effectiveness of ONP policies and programs and their implementation. The group consists of senior TVA staff members expert in various aspects of nuclear plant design, construction, and operation. It may call upon consultants or outside expertise as necessary. The NMRG considers, during the review process, the ISEG review reports and monthly status reports. NMRG periodically reports to the Manager, ONP, on the results of the review program and the safety and effectiveness of the nuclear program, and, as appropriate, makes recommendations to the Manager of Nuclear Power for improvements in nuclear policies, programs or activities. The NMRG performs followup reviews to verify problem resolution.

The reports of all NMRC reviews are used by the NSRB in evaluating the safety of operation of all TVA nuclear plants. The Manager, NMRC, and the Chairman, NSRB, consult regularly concerning safety topics which the NMRC may wish to propose to the Manager of Nuclear Power. The NSRB can also recommend to the Manager of Nuclear Power that special studies be done (such as those by NMRC, DNQA special audits, or other appropriate means).

In summary, these review functions, while administratively distinct, have sufficient interaction, including the exchange of meeting minutes and reports, to provide both a reasonable degree of independence and a reasonable degree of coordination.