

January 2, 1996

Mr. Leslie Hill, Jr.  
Site Executive Officer  
New York Power Authority (NYPA)  
Indian Point 3 Nuclear Power Plant  
Post Office Box 215  
Buchanan, New York 10511

**SUBJECT: NRC INSPECTION REPORT NO. 50-286/95-16**

Dear Mr. Hill:

This report transmits the findings of all the safety inspections conducted by NRC inspectors at Indian Point 3 Nuclear Power Plant, Buchanan, New York from October 31 through December 4, 1995. At the conclusion of the inspection, the findings were discussed with you and members of your staff at an exit meeting on December 11, 1995. We are providing one report for all of the inspections conducted during this period in order to better integrate our inspection findings into a consistent regulatory message and more clearly communicate how these findings may reflect a change in your performance.

This inspection was directed toward areas important to public health and safety. Areas examined are identified in the enclosed report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations of activities in progress. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements.

During this inspection period, a performance based team inspection was conducted to assess the New York Power Authority's ability to identify and correct problems at Indian Point 3 (IP3). Overall, the NRC concluded that well defined programs are in place at IP3 that allow for the identification, tracking, and closure of problems. The Quality Assurance organization's ability to identify problems and adverse trends, and propose appropriate corrective actions, was a noted strength. Other safety review groups as well as the operating experience program were also performing their assigned functions well.

However, the NRC did identify several program weaknesses and concerns. Negative trends in the timeliness and backlogs of several corrective action programs indicate they are not being managed effectively. The NRC also concluded that the quality of deficiency resolutions was mixed; some analyses were too narrowly focused while others did not identify or fully evaluate repetitive events. Lastly, the NRC noted numerous instances where problems or questions about plant equipment or programs identified during monthly management observations were not entered into the formal corrective action system for review and resolution.

The NRC concluded that NYPA management has not yet effectively implemented several programs such as the Continuous Improvement Program (CIP), management

9601110263 960102  
PDR ADDCK 05000286  
G PDR

**110034**

IE01

Leslie Hill, Jr.

2

observations, and department self assessments. Several other weaknesses in the corrective action program, such as the quality of deficiency evaluations, continue to exist. Ineffective management oversight of other programs and processes such as the prioritization of the engineering work load, setpoint control, and post modification testing have also been noted during recent NRC inspections. Your attention in these areas is warranted to ensure continued plant performance improvement.

Sincerely,

ORIGINAL SIGNED BY:

Richard S. Barkley for  
Curtis J. Cowgill III, Chief  
Reactor Projects Branch 2  
Division of Reactor Projects

Docket No. 50-286

Enclosure: NRC Region I Inspection Report No. 50-286/95-16

cc w/encl:

C. Rappleyea, Chairman and Chief Executive Officer  
R. Schoenberger, President and Chief Operating Officer  
W. J. Cahill, Jr., Chief Nuclear Officer  
W. Josiger, Vice President - Engineering and Project Management  
T. Dougherty, Director - Nuclear Engineering  
R. Deasy, Vice President Appraisal and Compliance Services  
R. Patch, Director - Quality Assurance  
G. Wilverding, Director - Independent Oversight  
G. Goldstein, Assistant General Counsel  
C. Faison, Director, Nuclear Licensing  
A. Donahue, Mayor, Village of Buchanan  
C. Jackson, Nuclear Safety and Licensing Manager (Con Ed)  
C. Donaldson, Esquire, Assistant Attorney General, New York Department of Law  
Chairman, Standing Committee on Energy, NYS Assembly  
Chairman, Standing Committee on Environmental Conservation, NYS Assembly  
E. Nullet, Executive Chair, Four County Nuclear Safety Committee  
Chairman, Committee on Corporations, Authorities, and Commissions  
Robert D. Pollard, Union of Concerned Scientists  
The Honorable Sandra Galef, NYS Assembly  
Director, Energy & Water Division, Department of Public Service, State of  
New York  
A. Song, Assistant Secretary to the Governor  
F. Valentino, President, New York State Energy Research  
and Development Authority

Leslie Hill, Jr.

3

Distribution w/encls:  
D. Screnci, PAO (2)  
Nuclear Safety Information Center (NSIC)  
PUBLIC  
NRC Resident Inspector  
Region I Docket Room (w/concurrences)

Distribution w/encls: (VIA E-MAIL)  
W. Dean, OEDO (WMD)  
J. Harold, NRR  
T. Marsh, NRR  
M. Campion, RI  
Inspection Program Branch, NRR (IPAS)

DOCUMENT NAME: A:\IR95-16.IP3

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	RI/DRP	RI/DRP	C	RI/DRP
NAME	DLew	RBarkley		CCowgill
DATE	01/27/96	01/27/96		01/27/96

for 12 95 12 95 for OFFICIAL RECORD COPY