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U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555-0001

SUSQUEHANNA STEAM ELECTRIC STATION
RESPONSE TO APPARENT VIOLATIONS IN
INSPECTION REPORT NOS. 05000387, -388/2013008
EA-12-216 **Docket Nos. 50-387**
PLA-7043 **and 50-388**

Reference: *Letter from NRC (C. G. Miller) to PPL (T. S. Rausch), "Susquehanna Steam Electric Station – NRC IP Followup Inspection Report 05000387/2013008 and 05000388/2013008," dated June 17, 2013.*

By letter dated June 17, 2013 (Reference), the Nuclear Regulatory Commission (NRC) cited PPL Susquehanna, LLC (PPL) for two Traditional Enforcement Apparent Violations of NRC requirements related to licensed operator medical examinations and incorporating appropriate restrictions into individual operator licenses.

The first Apparent Violation was against 10 CFR 50.9, "Completeness and Accuracy of Information," related to PPL's failure to provide information to the NRC regarding medical examinations of licensed operators that were complete and accurate in all material respects. PPL accepts the apparent violation and has taken prompt action to return to compliance.

The second Apparent Violation was against 10 CFR 55.25 "Incapacitation Because of Disability or Illness," for failing to notify the NRC of a known permanent change in medical status that causes the licensed operator to fail to meet the requirement of 10 CFR 55.21, and for failure to report the condition within 30 days in accordance with 10 CR 50.74, "Notification of change in operator or senior operator status." This violation also contains a related Green Reactor Oversight Process (ROP) finding for failure to implement effective corrective actions to prevent recurrence. PPL accepts the apparent violation and the Green ROP finding, but does not agree with the cross-cutting aspect of Problem Identification and Resolution – Evaluation P.1(c), that was associated with the ROP finding.

Enclosure 1 to this letter documents PPL's response to the Green ROP finding cross-cut aspect and suggested alternative cross-cut in the area of Human Performance – Decision Making H.1(b). Enclosure 2 to this letter provides a timeline of events.

PPL has entered the two Apparent Violations and the one Green ROP finding into the Susquehanna Steam Electric Station's corrective action program. PPL intends to conduct cause and gap analyses for these violations.

No regulatory commitments are contained in this letter.

Should you have any questions regarding this submittal, please contact Mr. John Tripoli, Manager – Nuclear Regulatory Affairs at (570) 542-3100.

Sincerely,

J. A. Franke
Site Vice President

Enclosure 1: Response to ROP Green Finding Associated with Apparent Violation No. 2
Enclosure 2: Timeline of Events

Copy: NRC Regional Administrator, Region I
Mr. P. W. Finney, NRC Sr. Resident Inspector
Mr. L. Winker, PA DEP/BRP
Mr. J. Whited, NRC Project Manager

Enclosure 1 to PLA-7043

PPL Susquehanna, LLC - Response to ROP Green Finding Associated with Apparent Violation No. 2

PPL SUSQUEHANNA, LLC, RESPONSE TO ROP GREEN FINDING ASSOCIATED WITH APPARENT VIOLATION NO. 2

Restatement of the Violation:

From NRC Inspection Report (IR) 05000387/2013-008 and 05000388/2013-008, dated June 17, 2013:

> ROP Green Finding Basis:
>
> "Since 2008, PPL has been issued three SL IV violations and one SL III violation related to medical qualifications of its licensed operators. PPL procedure NDAP-QA-0702, "Action Request and Condition Report Process," Revision 39, defines a Significant Condition Adverse to Quality (SCAQ) as a condition determine to be significant enough to warrant a root cause analysis and actions to prevent recurrence. For significant conditions adverse to quality, the cause of the deficiency shall be determined and corrective actions shall be taken to preclude recurrence. NDAP-QA-0702, Attachment M, lists "a SL III or greater NRC Notice of Violation (NOV), as an example of a SCAQ. Following the 2009 SL III NOV, PPL failed to identify the cause of the condition that lead to the SCAQ, and the extent of cause and condition reviews were ineffective to identify additional issues. The inspectors determined that PPL's failure to implement adequate corrective actions to prevent this recurrence was an associated performance deficiency that was within PPL's ability to foresee and correct and should have been prevented."
>
> This issue is indicative of current performance and is determine to have a cross-cutting issue in the area of Problem Identification and Resolution – Evaluation P.1(c), "The licensee thoroughly evaluates problems such that the resolutions address causes and extent of conditions, as necessary. This includes properly classifying, prioritizing, and evaluating for operability and reportability conditions adverse to quality. This also includes, for significant problems, conducting effectiveness reviews of corrective actions to ensure that the problems are resolved. Specifically, PPL's reviews following the issuance of similar violations in 2009 and 2011, did not identify the additional similar cases discovered in 2012, and PPL's root cause evaluation completed in 2012, did not identify a root and several contributing causes, which were subsequently identified by the NRC inspectors."

PPL Response:

PPL agrees with the basis for the ROP Green Finding. PPL received the three (3) SL IV and one (1) SL III violations in 2008 and 2009. However, as stated in NRC IR 2013-008, Revision 39 to procedure NDAP-QA-0702 was not the current version at that time. From

2008 to August 5, 2010, the procedure did not specify that a SL III violation was an example of an SCAQ. Instead, the procedure allowed some latitude as to how deeply to investigate the issue. The procedure was revised in December 2011 to use a risk-based process to determine the depth of evaluation to be performed. PPL agrees that the evaluations performed for these previous violations failed to identify the causes of the condition that led to the SCAQ in 2011. However, PPL does not agree that the issue is indicative of current licensee performance because previous revisions to NDAP-QA-0702 did not specify that a SL III violation was an example of an SCAQ. PPL also disagrees with the assignment of a cross-cutting issue in the area of Problem Identification and Resolution – Evaluation P.1(c). Specifically, PPL's concern is with the phrase, "PPL's root cause evaluation completed in 2012, did not identify a root and several contributing causes, which were subsequently identified by the NRC inspectors."

PPL does not agree that the root cause analysis (RCA) performed under Condition Report (CR) 1516764 failed to identify a root and several contributing causes because the RCA's focus was to evaluate the 2011 SL IV Green violation against 10 CFR 55.50(a) for failure to notify the NRC when a license RO was removed from requalification and subsequently returned to shift duties without submitting the individual's training evidence to the NRC for review.

The Problem Statement for RCA 1516764 states:

> "Susquehanna did not comply with the licensed operator requirements for NRC notifications when an operator was removed from the licensed requalification program. The actual consequence of this event was an NRC Licensee-Identified Severity Level IV, Green NCV against 10 CFR 55.59(a) for a failure to notify the NRC when Susquehanna did not submit training evidence for NRC review prior to the Reactor Operator (RO) being on shift after being removed from the requalification program."

Based on the above problem statement, the analysis would not have led to the identification of root or contributing causes associated with failure to report licensed operator medical conditions because the 2011 SL IV violation was not related to medical issues. The RCA team did recognize a potential gap in reporting of medical conditions and subsequently initiated Corrective Action (CRA) 1567782 on May 3, 2012, to perform an Extent of Condition (EOC) to determine the status of all current licensed operators to ensure compliance with external requirement. The EOC was performed by an independent contractor (CORE Comprehensive Occupational Resources) to assess the status of all licensed operator licenses.

The RCA team also recognized a potential gap in the Medical Review Officer (MRO) and Site Nurse's knowledge of ANSI medical standards and industry operating experience related to reporting licensed operator medical conditions to the NRC. The team initiated CRA 1567795 on 5/3/2012 to proceduralize how the MRO and Site Nurse would maintain current on medical requirements related to licensed operators. This

CRA was identified as an "ENHANCEMENT" action and not a correct condition because it was not directly tied to a root or contributing cause.

During interviews conducted as part of the Extent of Condition review, PPL confirmed that there was a knowledge gap, and CR 1597808 was written on July 12, 2012 to document that the MRO and Site Nurse were not adequately familiar with regulatory requirements contained in 10 CFR 55.23, ANSI 3.4 and NUREG-1021 Frequently Asked Questions. NRC IR 2013-008 incorrectly states that CR 1597808 was initiated on October 5, 2012 in response to the inspectors' concern.

PPL believes that a more appropriate cross-cut would be in the area of Human Performance – Decision Making H.1(b). From NRC IMC 310, decision making is defined as "Licensee decisions demonstrate that nuclear safety is an overriding priority." Specifically:

> "The licensee uses conservative assumptions in decision making and adopts a requirement to demonstrate that the proposed action is safe in order to proceed rather than a requirement to demonstrate that it is unsafe in order to disapprove the action. The licensee conducts effectiveness reviews of safety-significant decisions to verify the validity of the underlying assumptions, identify possible unintended consequences, and determine how to improve future decisions."

PPL recognizes that the interim compensatory actions that were taken were not conservative. The EOC review identified eight (8) licensed operators that had potentially disqualifying medical conditions. Although PPL entered the potentially disqualifying conditions into the corrective action program, PPL did not take prompt actions to restrict the operators from licensed duties. By not doing so, the operators were standing watch without potentially being medically qualified in accordance with ANSI standards. Current practice at PPL is be put the operator on "administrative hold" until they are evaluated by a medical doctor to determine if a permanent disqualifying condition exists.

PPL also recognizes that the decision to submit the NRC 396 Forms for the eight (8) operators as "Information Only" was not conservative. In consultation with CORE and considering the variety of other factors involved, PPL decided to communicate what we knew at the time and determined inappropriately that an "Information Only" submittal was the right path. PPL submitted the Forms to the NRC prior to determining whether any of the eight (8) operators had disqualifying medical conditions that required their licenses to be restricted.

In summary, PPL accepts the ROP Green finding but believes that H.1(b) cross-cut more accurately characterizes the ROP finding.

Enclosure 2 to PLA-7043

Timeline of Events

TIMELINE OF EVENTS

- NDAP-QA-0702, Rev. 34 issued in Dec 2011. Adds requirement to perform a L1 RCA for an SCAQ (i.e., SL-IV or higher violation)
- CR 1516764 written on 1/10/12 based on verbal discussion with NRC on 1/9/12 regarding apparent SL-IV Violation
- SL-IV Violation received in IR 2011-005-00, dated 2/14/12
- CR 1532634 written on 2/16/12 to document violation in IR 2011-005-00. This CR was subsequently closed out to L1 RCA 1516764.
- L1 RCA 1516764 team started in early Feb. 2012
- RCA team recognizes a potential gap in reporting of medical conditions and subsequently initiated CRA 1567782 on 5/3/12, to perform an Extent of Condition (EOC) to determine the status of all current licensed operators to ensure compliance with external requirement.
- RCA team also recognized a potential gap in the Medical Review Officer (MRO) and Site Nurse's knowledge of ANSI medical standards and industry operating experience related to reporting licensed operator medical conditions to the NRC. The team initiated CRA 1567795 on 5/3/12
- L1 RCA approved by CARB on 5/4/12
- NRC Inspector Ms. Ibarrola reviewed the L1 RCA during the week of 6/25/12 as part of the 92723 Inspection. The following results were documented in IR 2012-004:

  > "PPL received a licensee-identified SL-IV violation in the 4th quarter 2011 Resident Inspection Report (ML12045A383) when an RO was removed from the requalification program for a period of six months and returned to licensed duties after three months of makeup training without obtaining NRC review. PPL recognized that previous corrective actions, extent of condition, and extent of cause evaluations of operator medical records were not broad enough to identify that the issues extended beyond medical requirements and subsequently performed an RCA. The inspectors determined that the corrective actions, extent of cause and extent of condition evaluations were reasonable as augmented by the expanded scope of the RCA."

- During interviews conducted as part of the Extent of Condition review, PPL confirmed that there was a knowledge gap, and CR 1597808 was written on 7/12/12 to document that the MRO and Site Nurse were not adequately familiar with regulatory requirements contained in 10 CFR 55.23, ANSI 3.4 and NUREG-1021 Frequently Asked Questions.
- NRC Inspector Mr. Caruso at SSES the week of 8/27/12 for PI&R inspection activities associated with Operator License Issues.