

U. S. NUCLEAR REGULATORY COMMISSION

REGION V

Report Nos. 50-206/88-30, 50-361/88-31, 50-362/88-33

Docket Nos. 50-206, 50-361, 50-362

License Nos. DPR-13, NPF-10, NPF-15

Licensee: Southern California Edison Company
P. O. Box 800, 2244 Walnut Grove Avenue
Rosemead, California 92770

Facility Name: San Onofre Units 1, 2 and 3

Meeting Location: San Onofre, San Clemente, California

Meeting Date: November 2, 1988

Prepared by:

P. H. Johnson
F. R. Huey, Senior Resident Inspector
Units 1, 2 and 3

11/23/88
Date Signed

Approved By:

P. H. Johnson
P. H. Johnson, Chief
Reactor Projects Section 3

11/23/88
Date Signed

Meeting Summary

Management Meeting on November 2, 1988 (Report Nos. 50-206/88-30
50-361/88-31, 50-362/88-33)

Management meeting to discuss issues of current interest relating to the San Onofre Nuclear Generating Station.

DETAILS

1. Meeting Participants

Nuclear Regulatory Commission (NRC)

J. Martin, Regional Administrator
D. Kirsch, Director, Division of Reactor Safety and Projects
P. Johnson, Chief, Reactor Projects, Section 3
F. Huey, Senior Resident Inspector
C. Caldwell, Project Inspector
J. Tatum, Resident Inspector
A. Hon, Resident Inspector
S. Juergens, NRR Project Engineer

Southern California Edison Company

D. Fogarty, Executive Vice President
K. Baskin, Vice President, Nuclear Engineering, Safety & Licensing
C. McCarthy, Vice President, Site Manager
H. Morgan, Station Manager
M. Medford, Manager of Regulatory Affairs
D. Nunn, Manager of Nuclear Engineering & Construction
R. Rosenblum, Manager, Quality Assurance
J. Wambold, Project Manager
M. Merlo, Manager, Nuclear Design Engineering
F. Nandy, Manager, Licensing
D. Heinicke, Deputy Station Manager
D. Herbst, Quality Assurance Manager
D. Stonecipher, Quality Control Manager
R. Krieger, Operations Manager
D. Shull, Maintenance Manager
J. Reilly, Technical Manager
P. Knapp, Health Physics Manager
J. Schramm, Operations Superintendent, Unit 1
V. Fisher, Operations Superintendent, Units 2/3
L. Cash, Maintenance Manager, Unit 1
R. Santosuosso, Maintenance Manager, Units 2/3
M. Wharton, Assistant Technical Manager
C. Couser, Compliance Engineer
S. Stillwagon, O&MS
P. Smith, Licensing Engineer
K. Slagle, Manager, Material & Administration
M. Short, Project Manager, Design Basis Documentation
B. Katz, Manager, Operations & Maintenance Support
R. Lacy, Manager, Nuclear. SDG&E
J. Reeder, Training Manager

2. Management Discussion

Mr. Martin opened the meeting, noting that the operating performance of all three San Onofre units has improved significantly over the last few years. He observed that this accomplishment was largely the result of the self-critical attitude demonstrated by senior SCE management, and encouraged them to continue building on this record. Mr. Martin stated that the primary purpose of this meeting was to discuss the several actions being implemented by SCE to redirect and reorganize the Nuclear Engineering, Safety, and Licensing (NES&L) Department. He noted that the reorganization is the result of serious engineering deficiencies which have been revealed by recent NRC and licensee reviews. In this regard, he observed that many of these problems were examples of missed opportunities for the licensee's quality oversight groups to discover and correct the problems in a more timely manner. Mr. Martin closed his opening remarks by noting that, in addition to careful follow-through on the reorganization of NES&L, a future challenge for SCE management will be to improve the interfaces among the operations, engineering, and quality assurance organizations. In particular, engineers should become better integrated into daily plant operations and quality assurance needs to be more proactive and insightful in their evaluation of plant activities.

Mr. Fogarty acknowledged Mr. Martin's opening remarks, and noted that management meetings such as this one are of significant value in ensuring effective communications between SCE and the NRC.

Mr. Baskin and Mr. Nunn proceeded to describe the specifics and basis for the reorganization of the NES&L department. Selected slides from this and other licensee presentations are included as an attachment to this report. The licensee's presentation noted that key features of the reorganization included: (1) placing all offsite support functions associated with San Onofre under one vice president, and (2) moving the NES&L staff closer to the site (about 30 vs. 75-125 minutes travel time) to facilitate closer involvement in site activities. The following is a brief statement of specific comments noted during the licensee's presentation:

- Mr. Martin and Mr. Kirsch commented on the role of the engineering supervisor in the new organization. Since lack of effective supervision was a problem in the previous organization, they noted that it will be important to clearly define and document how engineering supervision interfaces will be controlled.
- Mr. Kirsch noted that the projected size of the design engineering organization (80-95 engineers) appears low in comparison with other similar sized facilities. Mr. Nunn stated that current projections are very preliminary and will not be firmly established until more experience is gained.
- Mr. Martin and Mr. Kirsch, recognizing that the details of engineering improvement plans were in the formative stages, cautioned the licensee to consider implementing a system of periodic assessments of effectiveness of the licensee's initiatives in order to increase the opportunity for timely mid-course adjustments. Mr. Baskin agreed and indicated that this was an important aspect of the performance improvement initiatives.

- Mr. Martin stated that several other utilities have undergone similar engineering reassessments (some are on their second or third iteration). He strongly encouraged SCE to consult with these organizations in order to take advantage of their experience. Mr. Nunn concurred and stated that SCE had already consulted with four other utilities (two in Region V).

Mr. Short discussed actions being pursued to develop a workable design basis document. The following specific comments were noted during this discussion:

- Mr. Martin questioned whether there were any industry initiatives relating to the definition of a design basis document. He advised SCE to carefully consider any such initiatives, in order to preclude possible conflicts later on. Mr. Nunn agreed and stated that SCE will be involved in industry workshops on this subject beginning in December 1988.
- Mr. Short noted that SCE is holding monthly counterpart meetings with other Region V licensees to review progress on design basis document preparation. Mr. Short stated that the complete design basis documentation update is expected to take 5 to 6 years, with the most important systems covered first.

Mr. Rosenblum provided a brief discussion of the impact of the NES&L reorganization on the Quality Assurance organization. The following specific concerns were noted with regard to the performance of quality oversight at San Onofre:

- Mr. Kirsch stated that he had performed a cursory review of QA audits performed during the last year and noted that they appeared to be excessively programmatic and compliance oriented. He observed that they resulted in relatively few substantive findings, considering the numerous problems which have been recently revealed. Mr. Rosenblum agreed that the SCE QA organization has to perform better in anticipating and diagnosing problems.
- Mr. Martin reemphasized the above comments, noting that the true measure of success of a quality oversight group is its ability to anticipate and correct problems before they become self-revealing or are discovered by outside organizations. He stated that licensee QA management needs to develop a sense of where the problems are and instill this instinct into the working level engineers and inspectors.
- Mr. Martin introduced two examples of recently identified problems that illustrated the need for better interface and involvement among site operations, engineering and quality oversight functions. The two examples involved design and operational problems with Units 2/3 emergency chiller units and shutdown cooling valve inverters.

Mr. Martin stated that the shutdown cooling valve inverter problem, in addition to illustrating an engineering/operations interface concern, illustrated a need for more timely and candid discussion of ongoing plant problems with the NRC. He noted that other recent examples (e.g., Unit 2 calorimetric problems) also indicated this need. Mr. Martin encouraged SCE management to be more sensitive to the need for more open communication in this area.

The meeting was concluded with a brief review of Unit 1 spent fuel transshipment preparations and a discussion of current SCE initiatives in the area of preventive and predictive maintenance.

In closing, Mr. Martin encouraged SCE management to continue the effective actions and self-critical attitudes which have contributed to improved plant performance. He also noted that his major current concern, aside from careful attention to follow-through on engineering improvements, is promoting more effective involvement of engineering and quality oversight groups into daily plant operations. He stated that this appears to be an area warranting more emphasis during the coming year.