UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

Title: PERIODIC BRIEFING ON OPERATING REACTORS AND FUEL FACILITIES - PUBLIC MEETING

Location: Rockville, Maryland

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2 NUCLEAR REGULATORY COMMISSION

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4 PERIODIC BRIEFING ON OPERATING REACTORS

5 AND FUEL FACILITIES

6 ***

7 PUBLIC MEETING

8

9 U.S. Nuclear Regulatory Commission

10 One White Flint North

11 Rockville, Maryland

12

13 Friday, February 3, 1995

14

15 The Commission met in open session, pursuant to

16 notice, at 10:00 a.m., Ivan Selin, Chairman, presiding.

17

18 COMMISSIONERS PRESENT:

19 IVAN SELIN, Chairman of the Commission

20 KENNETH C. ROGERS, Commissioner

21 E. GAIL de PLANQUE, Commissioner

22

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1 STAFF AND PRESENTERS:

2 KAREN D. CYR, ESQ.

3 JOHN HOYLE, ACTING SECRETARY

4

5 PARTICIPANTS WHO MADE PRESENTATIONS:

6 JAMES M. TAYLOR, Executive Director of Operations,

7 EDO

8 ROBERT BERNERO, NRC

9 WILLIAM RUSSELL, NRC, Director of NRR

10 JOHN MARTIN, NRC

11 TOM MARTIN, NRC

12 STEWART EBNETER, NRC

13 JOSEPH CALLAN, NRC

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1 P R O C E E D I N G S

2 [10:00 a.m.]

3 CHAIRMAN SELIN: Good morning, ladies and

4 gentlemen.

5 The Commission is pleased to have the Headquarters

6 Staff and the regional administrators here to brief us on

7 the results of their recent senior management review of

8 performance at operating reactors and materials of courses.

9 The meeting conducted in January remains an important part

10 of the agency's continuing effort to determine where

11 resources are most needed based on licensee performance and

12 in order to ensure the health and safety of the public.

13 Since the last Commission briefing on this

14 subject, the process for identifying plants that are

15 performing in a superior manner has changed and I thought I

16 would just take a couple of minutes to outline the changes.

17 The Commission continues to believe that it is important

18 that superior performers receive the benefits that were

19 earned by their efforts in terms of degree of inspection

20 which is commensurate with this high level of performance.

21 On the other hand, it has been a general reaction

22 that the formal process of recognizing and reviewing these

23 same plants every six months is really not consistent with

24 the concept of superior performance and so we have

25 incorporated the recognition of superior performance more

1 directly into the SALP program. So the SALP program will be
2 changed to incorporate a clear and replicable process,
3 including criteria for superior performance and once a plant
4 is so identified, the SALP cycle will extend to 24 months
5 and the plant would not be reconsidered to see whether it
6 still deserves this beneficial treatment until either the 24
7 months are up or until some occasion has incurred from
8 outside.
9 In other words, we won't routinely review the
10 superior performers every six months during this time
11 period. We end up with a funny situation that we pay more
12 attention to the folks who supposedly deserve less attention
13 than we do to the vast number of plants in the middle.
14 Therefore, discussions at the senior manager
15 meetings will only include those plants that first received
16 the superior scores since the last senior management meeting
17 and are therefore eligible to be considered to get this
18 favorable review performance, or the plants who have
19 gotten -- were already on the list but had gone 24 months
20 since the last time and had a new SALP since the last senior
21 management meeting.
22 Commissioners? Mr. Taylor, would you proceed,
23 please?
24 MR. TAYLOR: Good morning. With me is Dave Lohr,
25 Bill Russell and Barb Bernero, regional administrators. Bob

1 Miller is here from the deputy RA in Region III substituting
2 for Jack Martin who is on overseas travel.
3 CHAIRMAN SELIN: I should just note, Jack is in
4 Berlin. He met as part of a group with the DPRK delegation
5 to discuss safety of the reactors in -- if the light water
6 reactors are eventually delivered to North Korea.
7 MR. TAYLOR: Today, we are reporting on the
8 seventeenth semi-annual NRC Senior Manager's Meeting
9 dedicated to discussion of facilities with potentially
10 significant safety performance problems. The first such
11 meeting was held in April of 1986, based on a very serious
12 operational event at the Davis Besse station.
13 Before providing results of this latest meeting, I
14 would take a minute to reflect on the impetus this process
15 has had in helping to change plants with significant
16 performance problems into stations with relatively few
17 performance issues. From our history of these meetings,
18 such turnaround performance has been evident at stations
19 such as these: Turkey Point, Pilgrim, Peach Bottom, Browns
20 Ferry 2, Nine Mile Point, Fort Calhoun, Calvert Cliffs,
21 Surrey, Zion, Palisades, Fitzpatrick and Brunswick. I may
22 have missed somebody but it is quite a list of stations that
23 at one time were the subject of discussion here and have
24 made turnarounds.
25 These have been successes for the industry and I

1 believe that the data would show that these plants are
2 producing more power per year now than in the years where
3 they had significant safety performance issues. You will
4 hear today of one more station that has made a turnaround in
5 the view of NRC senior managers.
6 With regards to other plants discussed here today
7 with some continuing problems, I believe that in a number of
8 the cases, the performance turnaround has begun and you will
9 hear more about that.
10 Bill Russell will continue.
11 MR. RUSSELL: As discussed by Jim, the senior
12 management meeting process started in 1986. Since then, we
13 have refined the process and the analysis used in support of
14 that meeting.
15 Last year, the staff issued SECY 94-113 to
16 describe the process and the criteria for evaluating
17 operating reactor performance. We also discussed the senior
18 management meeting process at the Regulatory Information
19 Conference last May. This was done to better inform the
20 industry and the public of the procedures, the information
21 reviewed and criteria for the senior management review of
22 operating reactor safety performance. The process described
23 in SECY 94-113 was used for the January 1995 senior
24 management meeting.
25 The process has two principle objectives. First,

1 identify potential problem performance and adverse trends
2 before becoming actual safety concerns. And, two,
3 effectively utilize agency resources in overseeing operating
4 reactor safety.
5 An integrated review of plant safety performance
6 is conducted using objective information such as plant-
7 specific inspection results, operating experience, PRA
8 insights, SALP, performance indicators and enforcement
9 history. Special attention is given to the effectiveness of
10 licensee self-assessment and corrective actions. We
11 identify those facilities that have negative performance
12 trends or are poor performers. We also discussed planned
13 inspection, NRC management oversight and allocation of
14 resources for each of the plants discussed.
15 I will summarize the overall results of the
16 January meeting, after which the regional administrators
17 will discuss performance in each of their regions.
18 Slide 2, please?
19 [Slide.]
20 MR. RUSSELL: Category 1 is for plants that are
21 removed from the list of problem plants. The criteria for
22 removal from the problem plant status was provided in a
23 memorandum from the EDO to the Commission on May 8, 1990.
24 Broadly, we consider four areas. First, has the licensee
25 identified and corrected the root causes which led to being

1 identified as a problem plant. Second, is improved licensee
2 self-assessment and problem resolution evident? Third, is
3 licensee management of problem resolution and oversight
4 plant operations effective? And, fourth, is the NRC
5 assessment of plant performance complete and does it support
6 a normal level of oversight? For dual unit sites, we expect
7 to see a period of satisfactory operation of both units.
8 During this senior management meeting, we
9 concluded that the South Texas station had met the criteria
10 for being removed from the problem plant list. South Texas
11 will be discussed in more detail by Joe Callan, Region IV
12 administrator.
13 Slide 3, please.
14 [Slide.]
15 MR. RUSSELL: Category 2 facilities are those
16 plants whose operation is closely monitored by the NRC.
17 These facilities are Indian Point 3 and Dresden 2 and 3.
18 Tim Martin of Region I will discuss the Indian Point 3
19 station and Hub Miller, deputy regional administrator for
20 Region III, will discuss Dresden 2 and 3.
21 Slide 4, please.
22 [Slide.]
23 MR. RUSSELL: Category 3 plants are plants that
24 are shut down and require the Commission's authorization to
25 operate and which the staff would monitor closely after that

1 authorization is granted. Browns Ferry 1 and 3 remain as
2 Category 3 plants. Stu Ebneter will discuss briefly their
3 status.
4 Slide 5.
5 [Slide.]
6 MR. RUSSELL: Three plants will receive trending
7 followup letters as a result of the January senior
8 management meeting. They are Quad Cities 1 and 2 and
9 Cooper. These plants received trending letters after the
10 January and June 1994 senior management meeting. The staff
11 needs to observe plant operation to evaluate the
12 effectiveness of their corrective actions to conclude that
13 adverse trends have been arrested.
14 Hub Miller and Joe Callan will address the
15 performance at Quad Cities and Cooper respectively.
16 Slide 6.
17 [Slide.]
18 MR. RUSSELL: As a result of our discussions, the
19 staff concluded that LaSalle station's performance was no
20 longer trending adversely. LaSalle had also received
21 trending letters in January and June of '94. Hub Miller
22 will discuss the performance at LaSalle in his discussion.
23 We are not identifying good performers at this
24 briefing as discussed by the Chairman in his opening
25 remarks. Since the conclusion of the senior management

1 meeting, we received Commission direction on the pilot
2 program for NRC recognition of good performance by nuclear
3 power plants, which was discussed in SECY 94-291. We are
4 making the necessary adjustments to the SALP program and our
5 senior management review process to the response of the
6 Commission's SRM. The senior managers did review the
7 current performance of those plants that had SALP reports
8 issued after the June 1994 meeting and had SALP ratings of
9 one in operations, maintenance and engineering and a rating
10 of 1 or 2 in plant support.
11 Letters will be sent next week to inform those
12 licensees who are designated superior performers as a result
13 of the senior managers' review. The staff will review the
14 two-year inspection program planned for these facilities to
15 reduce inspection effort consistent with their superior
16 safety performance.
17 In summary, there were no new plants added to the
18 watch list and two were removed. Three plants, again,
19 received a trending letter and two plants were removed from
20 the trending status. The regional administrators will
21 discuss each of these plants.
22 With regard to Commission concerns about plants
23 that have remained on the watch list for an extended period
24 of time and the continuation of the use of trending letters,
25 the staff is preparing a paper to respond to the Commission

1 shortly.

2 That completes my opening remarks.

3 Bob Bernero.

4 MR. BERNERO: There are no material facilities for
5 discussion today so let's turn to the regional
6 administrators for the plant discussions.

7 MR. T. MARTIN: The New York Power Authority's
8 Indian Point 3 nuclear power plant was first discussed
9 during the June 1992 senior management meeting. In response
10 to a mounting list of problems, NYPA, the New York Power
11 Authority, developed a performance improvement plan. In
12 February of 1993, NYPA shut the plant down in response to
13 concerns for the operability of their anticipated transient
14 without SCRAM system. Subsequently, NYPA identified
15 additional performance problems, took the plant to cold
16 shutdown and committed to not restart the plant until they
17 were ready and we agreed.

18 Indian Point 3 was placed on the NRC's watch list
19 in June of 1993 as a Category 2 facility requiring close NRC
20 monitoring. Prior to our last senior management meeting,
21 NYPA expended significant efforts and resources in equipment
22 maintenance and modifications, process improvements and
23 management changes. A new system for reporting and tracking
24 deficiencies was established and the licensee was successful
25 in reducing the threshold of identification and

1 documentation of problems. Additional interfaces with the
2 industry were established to learn from their experiences
3 and outside assistance was sought to review deficiencies and
4 help determine root causes of problems.
5 Further, the Board of Trustees established a
6 nuclear advisory committee to provide expert assessments and
7 advice on the operations of NYPA's nuclear facilities.
8 Since the last senior management meeting, the
9 remaining significant vacancies in the site in corporate
10 management team have been filled. The material condition of
11 the facility has improved, the backlog of work has been
12 substantially reduced and there have been several noteworthy
13 successes in troubleshooting newly identified problems.
14 These include a generic problem with preventative
15 maintenance of their 480-Volt safety-related breakers, an
16 original construction deficiency in their service water pump
17 power supply concrete duct bank, a design and maintenance
18 deficiency with their control room air conditioning and
19 ventilation system and an unusual failure frequency of one
20 of their emergency diesel generator control system rectifier
21 banks. Each of these problems was effectively resolved.
22 Efforts continued to relocate engineering and
23 licensing support staff to the site, improved procedural
24 quality and adherence, reduced workarounds, eliminate work
25 control inhibitors and enhance self-assessments. Further,

1 although additional effort is needed in the area of work
2 planning and equipment tagging, we have noted improvements
3 in control and cognizance of work activities and in
4 communications among maintenance and operations personnel.
5 Finally, the new management team has made significant effort
6 to instill attention and detail and a questioning attitude
7 toward conducting activities.
8 However, despite these efforts, the licensee and
9 the NRC continue to identify performance problems. Examples
10 include failure to appropriately identify deficiencies in
11 revised operationally critical procedures, failure to
12 recognize a carbon dioxide puff test would impair the
13 reliability of the emergency diesel generators, failure to
14 question the dual position indication of a power-operated
15 relief valve, the latter providing low temperature
16 overpressure protection, the third instance of improper
17 installation of solenoid-operated valves and initiating
18 maintenance on the wrong emergency diesel generator system.
19 While the majority of these errors occurred early
20 in the period since the last senior management meeting and
21 most of these problems were self-identified, we remain
22 concerned with the lingering performance problems in the
23 area of operations and maintenance.
24 In October 1994, NYPA performed an independent
25 assessment of the activities and determined that there had

1 been significant improvements in areas such as plant
2 operations, problem identification and resolution, work
3 control and physical plant readiness. The assessment team
4 also noted that a number of areas still needed improvement
5 especially procedural adherence including performance.
6 In December 1994, HYPA conducted a startup
7 readiness assessment. We understand they determined that
8 the plant was not ready for startup but would be ready in
9 the near future, pending the completion of several restart
10 action plans and other planned activities. Some of the
11 major areas that were not yet complete were physical
12 readiness, plant status control, operations, procedures and
13 documents and the work control process. NYPA will present
14 the results of their assessment to the NRC in a public
15 meeting in the near future.
16 In summary, the overall performance and physical
17 condition of the facility have improved since the last
18 senior management meeting. Once the NRC receives the
19 licensee's startup readiness assessment report and a letter
20 outlining their plans and schedules for plant heatup and
21 system certification, we will schedule our restart
22 assessment team inspection. We understand that the plant
23 could be ready for heatup and our inspection in March.
24 Following completion of our inspection, we will present our
25 findings in an exit meeting open for public observation

1 prior to any decision on plant criticality.

2 At this time, Indian Point 3 remains shut down as

3 a Category 2 facility subject to close NRC monitoring and

4 the New York Power Authority remains committed not to

5 restart the unit until they are ready and we agree.

6 Are there any questions.

7 CHAIRMAN SELIN: That was quite a thorough

8 discussion, Mr. Martin. Thank you.

9 Stu?

10 MR. EBNETER: Browns Ferry.

11 Browns Ferry, a three-unit boiling water reactor

12 site owned by the Tennessee Valley Authority. Units 3 and 1

13 have been listed as Category 3 plant on the problem plant

14 list since 1986. Unit 2 was removed from the list in June

15 of 1992.

16 Browns Ferry Unit 3 is shut down and refueled.

17 The unit is being recovered by modification and upgrade of

18 the structure systems and components and associated

19 procedures. Browns Ferry has made good progress in

20 recovering the hardware of the plant and is essentially

21 following the program that led to successful recovery of

22 Unit 2.

23 The Unit 3 recovery is well managed with the

24 recovery meeting program goals and quality commitments. The

25 management structure has been stable with no apparent impact

1 from management changes made on Unit 2 and at the corporate
2 level. The organizational interfaces internal to the
3 project are functioning well and there is good
4 communications among the contractor and TVA staff.
5 The engineering related to recovery is essentially
6 complete with only minor effort required to support
7 construction efforts. Construction overall appears to be
8 approximately 85 percent complete with major emphasis on the
9 completion of the electrical systems, with major emphasis on
10 the cable pulling terminations and cable splices. There is
11 also a significant effort ongoing with regard to completion
12 of small and large bore piping supports.
13 Quality of the workmanship is very evident on the
14 completed work and the material condition of the recovered
15 areas of the plant looks very good. Significant progress
16 has been made in major component recovery. The de-con of
17 the Unit 3 dry well, rebuild of control rod drives,
18 implementation of a cobalt reduction program and the
19 installation of the hard wet well vent are good examples of
20 this progress.
21 TVA is transitioning to the pre-op tests and
22 startup phase of the recovery and has started system
23 lockdowns and turnovers. This is being done in accordance
24 with the proven procedures and processes of Unit 2. There
25 does not appear to be any major obstacles to the recovery of

1 Unit 3 and all licensing requirements such at tech specs are
2 complete or on schedule.
3 The present schedule for Unit 3 is fuel load in
4 October of '95, criticality in December of 1995 and power
5 ascension should be complete in February of 1996. The
6 restart of Unit 3 will require authorization of the
7 Commission.
8 Unit 1 is essentially in a quiescent state with
9 almost no activity on recovery of the unit. It is being
10 considered in the integrated resource plan, which is
11 scheduled for completion in January of 1996.
12 Browns Ferry Units 1 and 3 remain on the problem
13 plant list as Category 3 units.
14 Are there any questions?
15 CHAIRMAN SELIN: What was the last thing you said
16 about Unit 1, January '96?
17 MR. EBNETER: TVA is doing the integrated resource
18 plan and they have included Browns Ferry 1, Watts Bar 2 and
19 the Bellefonte units in the integrated resource plan.
20 CHAIRMAN SELIN: And Browns Ferry 1 would come up
21 in January '96, according -- is that what you said?
22 MR. EBNETER: No, Unit 3.
23 CHAIRMAN SELIN: Unit 3; I'm sorry.
24 MR. EBNETER: Unit 3 will be at power ascension in
25 January '96.

1 CHAIRMAN SELIN: Has Browns Ferry management been
2 able to isolate new work on Unit 3 from having a negative
3 impact on the operations of Unit 2?
4 MR. EBNETER: Yes. They took good, aggressive
5 action and we were -- we agreed with the actions they took
6 prior to starting work on Unit 3. They have isolated all of
7 the interfaces. There is a cross-connection between 3, 2
8 and 1. And they identified all of these, they have isolated
9 them physically and administratively. I don't recall of any
10 interactions that we have had between the two units actually
11 affecting operation. We did have about three years ago the
12 opening of some fire protection Appendix R areas that were
13 on Unit 2 but they caught those and corrected it and it
14 hasn't reoccurred.
15 CHAIRMAN SELIN: Do you see any interaction
16 between Unit 3's coming up and Watts Bar 1 coming up in
17 terms of a strain either on TVA or on ourselves, for that
18 matter?
19 MR. EBNETER: We are considering that and Bill
20 Russell and, in particular, myself. We have asked TVA to
21 address the integrated schedule of Watts Bar 1 and Browns
22 Ferry 3. That integrated schedule we'll be discussing with
23 them on February 23.
24 MR. RUSSELL: We have a public meeting scheduled
25 on February 23 to review Watts Bar in detail as a followup

1 of our senior management meetings on Watts Bar. But we have
2 also asked them to incorporate the planning activities for
3 Browns Ferry 3 so we can allocate appropriate resources to
4 keep up with both activities.
5 MR. EBNETER: It will strain our resources, but we
6 believe we can manage it.
7 COMMISSIONER ROGERS: Did you mention a restart
8 schedule yet for Unit 1?
9 MR. EBNETER: There is none. They will have to
10 make that decision in the integrated resource plan.
11 CHAIRMAN SELIN: Thank you very much, Mr. Ebneter.
12 MR. J. MARTIN: Dresden was placed on the problem
13 plant list for the first time in June 1987. NRC diagnostic
14 inspection was performed and commented -- responded with a
15 Dresden improvement plan later in 1987. The plant was
16 removed from the problem plant list in December 1988.
17 Problems with plant performance appeared again in late 1990
18 and the plant was returned to the problem plant list in
19 January 1992.
20 Through the first half of 1994, performance at
21 Dresden improved in most areas but the improvements were
22 uneven and overall progress was slow. In August 1994, Unit
23 3 tripped during restart from an outage. The cause of the
24 trip was operator inattention resulting in low reactor
25 vessel water level.

1 At about the same time, Unit 2 was shut down due
2 to multiple equipment problems with the high pressure safety
3 injection system that rendered it inoperable. ComEd
4 management decided to keep both units shut down for a period
5 of operator retraining, selected material condition repairs
6 and radiological condition improvements.
7 The issues selected for attention during the
8 shutdown were handled well and both units were restarted
9 during the month of November. Operator performance during
10 the restart and since have generally been good.
11 Plant material condition continues to be a
12 significant problem. Although progress has been made with
13 large rotating components, an extensive backlog of equipment
14 problems remains. The large backlog, together with an
15 inefficient work management and control process, is
16 hampering progress in this area.
17 Recently, we have seen some problems with
18 adherence to procedures. This includes a recent failure to
19 follow technical specification procedures in restarting a
20 reactor recirculation pump. Radiological conditions at
21 Dresden also need continuing attention.
22 Specific plans are being drawn up by ComEd
23 managers to guide the next phase of the Dresden improvement
24 program to address the most important near term problems.
25 These plans should be available for NRC review in the near

1 future.

2 On balance, a sense of progress is now evident at

3 Dresden. This stems in great measure from corporate efforts

4 to recruit management talent from outside the company.

5 Newly hired senior managers are playing central -- a central

6 role in directing improvement efforts at Dresden and other

7 ComEd sites experiencing problems and in corporate functions

8 such as engineering support.

9 For example, the vice president of BWR operations

10 was personally involved on site throughout the dual unit

11 shutdown. The practice of hiring outside managers is a

12 significant departure from longstanding past hiring and

13 promotion policies at Commonwealth Edison.

14 In summary with respect to Dresden, while we see

15 some signs of progress, much remains to be done. The NRC

16 senior managers considered that a period of dual unit plant

17 operation is needed to determine if this improving trend can

18 be maintained. Accordingly, Dresden will continue as a

19 Category 2 plant.

20 COMMISSIONER ROGERS: Wasn't there a repeat of

21 some problems with Unit 1? I mean, Unit 1 is laid up but

22 there was a freezing problem a year or so ago and wasn't

23 there another problem there in the past year?

24 MR. J. MARTIN: There were some problems with I

25 believe it was one of the water storage tanks that was not

1 winterized properly but I don't think that problem was
2 anything near the nature of the problems that occurred
3 before. I mean the condition of Unit 1 is far better than
4 it was before. Steps have been taken to guarantee that
5 there won't be a threat to the spent fuel pool.
6 The plant has been cleaned up so I would say, on
7 balance, Unit 1 is in far better shape and is getting better
8 attention.
9 COMMISSIONER ROGERS: But there is continuing
10 attention being maintained there on Unit 1.
11 MR. J. MARTIN: Yes, on balance. I would put that
12 problem with the freezing and the lack of winterization into
13 the category of continued problems with adhering to
14 procedures and following through on things that we still see
15 at the plant. But in the bigger picture on Unit 1, it is
16 far better.
17 MR. RUSSELL: They have provided a management
18 focus. They have a dedicated manager to the Unit 1 issues.
19 The physical condition near the spent fuel pool is
20 substantially improved. The last time I visited, shortly
21 after the events, you had to be in double anticontamination
22 clothing, couldn't get the lights turned on easily, it was
23 quite a mess. The last time I was there, I was in in street
24 clothes into the same area.
25 So it is a rather remarkable change in what they

1 have done to focus on it and they are basically working from
2 the outside in, recovering the truck bay first so they can
3 take equipment out, put in cleanup systems, working on
4 ventilation, so they are in fact making significant progress
5 in addressing the issues associated with Unit 1.
6 COMMISSIONER ROGERS: Thank you.
7 MR. J. MARTIN: The next two plants I will discuss
8 are Quad Cities and LaSalle. These are not problem plants
9 but are plants that have received letters pointing out
10 adverse trends. Adverse trends at the Quad Cities station
11 were discussed at both of the senior management meetings in
12 1994 and at the January 1995 meeting. Major issues in the
13 past involve poor plant material condition resulting from
14 inadequacies in technical support, maintenance and work
15 control. These problems have been aggravated by acceptance
16 of poor plant material conditions by the operators.
17 The overall situation was assessed in an NRC
18 diagnostic inspection in late 1993 by a team independent of
19 regional inspectors. Throughout the first half of 1994,
20 some improvements were made but progress was slow.
21 During the last six months, Quad Cities followed a
22 path similar to that at Dresden. In early October,
23 technical specification differential temperature limits were
24 exceeded during single loop operation due to operator
25 inattention. This required a shutdown of Unit 1. At the

1 same time, several plant material condition problems with --
2 problems with scram pilot valves and an RHR servicewater
3 pump led to a ComEd management decision to shut down Unit 2
4 as well.
5 During this shutdown period, an intensive operator
6 training progress was undertaken, selected operator
7 workarounds and other problems with material condition were
8 addressed. Radiological protection improvements were made.
9 Both units were restarted in December, however the
10 restart was marred somewhat by operator mistakes.
11 Plant material condition remains a major problem
12 and is still complicated by an inefficient work control
13 process and uneven technical support. Plans are being
14 finalized for improvement of the most significant items over
15 the next few months.
16 While recent visits by senior NRC managers have
17 observed positive developments at Quad Cities, the senior
18 managers determined that it is too early to conclude that
19 the actions to date have been effective in arresting the
20 adverse trends.
21 LaSalle. LaSalle was first discussed at the
22 January 1994 senior management meeting. Major issues were
23 declining plant material condition, poor radiological
24 conditions and work practices and poor self-assessment
25 capability. Recent visits by senior managers have concluded

1 that plant material condition is still a major concern at
2 LaSalle.
3 Some progress has been made but plans for further
4 improvements have been somewhat lacking. Plant material
5 condition problems continue to present operational
6 challenges to the operators in the form of unexpected
7 equipment failures and operator workarounds. However, in
8 the past -- in the last few months, performance improvement
9 initiatives have been effective in arresting the adverse
10 trends in most areas. Operator performance has been
11 satisfactory and the operators have dealt well with several
12 plant challenges.
13 Plans have been outlined for reducing the large
14 radiological source term and the adverse trends in personnel
15 contamination and contaminated areas have been reversed.
16 Self-assessment has improved as evidenced by the number and
17 threshold of problems being identified by plant staff.
18 Considering all of the factors, the senior
19 managers concluded that the declining trends at LaSalle have
20 been arrested in most areas. Although the picture is still
21 uncertain in the plant material condition area, senior
22 managers decided that on balance LaSalle should be returned
23 to normal status.
24 CHAIRMAN SELIN: Listening to the discussions,
25 both directly and indirectly of the three Commonwealth

1 Edison sites, I get the impression that there is some
2 progress and more than that, that perhaps for the first time
3 in a long time the overall corporate management has taken
4 steps, major steps which show promise of returning these
5 sites to normal status. Is that a correct conclusion or is
6 that too rosy a conclusion from what you are saying?
7 MR. J. MARTIN: Well, I think, clearly, there is
8 progress and as I have characterized in the case of Dresden,
9 it is just the beginnings of progress. Corporate
10 management, as I mentioned, the involvement of the senior
11 vice president who has responsibility for all three -- it
12 was significant. He was on site and really had direct
13 control of the Dresden improvement efforts during that
14 shutdown. I think the same is true at Quad Cities. There
15 is significant corporate oversight there and brought in a
16 number of outside managers who again are I think playing a
17 central role in the improvement of Quad Cities. So it is
18 the beginning of progress and for those of us who have
19 overseen commonwealth for a number of years, we are always a
20 bit guarded frankly on how lasting it will be and it will
21 be, of course, the actual results sustained long, good
22 performance of these units that will convince us.
23 MR. RUSSELL: I would like to add one thought and
24 I believe that is related to the fiscal situation. When I
25 met with their senior management it was very clear that they

1 have committed to provide the necessary management
2 resources, fiscal resources and technical talent, that they
3 are bringing those to bear on the problems and there are
4 substantial increases in particular for Quad Cities both in
5 the area of capital and O&M. This being done at a time when
6 the corporation as a whole is under fiscal stress.
7 So I think that level of commitment, which is
8 evidenced in the actual plans that are being put together,
9 does show that there is a potential for things to turn.
10 I would agree with Hub, though, the material
11 condition is going to require a long-term effort. This is
12 not going to be a short process. For some of the stations,
13 it may be two years or so because that is what it takes
14 through outages and planned activities. For others I think
15 it is going to be a longer period of time and it will take
16 close attention to assure that the trends are sustained.
17 But I would agree that we are seeing for the first time
18 substantive change and evidence of that change in the
19 stations.
20 MR. J. MARTIN: I think there is better
21 recognition of the scale and a better sense of perspective
22 of how large the problem is. I mean, we go back to material
23 condition and you heard me mention that phrase numerous
24 times throughout this. It got that way over many years of
25 not doing good preventive maintenance and not having an

1 effective engineering support effort and I think the thing
2 that has concerned us for some time is, does the management
3 have a grip on the scale and the size of this and therefore
4 their corrective actions and the steps that they are taking
5 to improve, you know, commensurate with that. And I think
6 we have the sense that the senior management understands
7 that.
8 I think the other thing that is significant, in
9 addition to bringing in outside management talent, they have
10 demonstrated a willingness to -- as performance is not
11 achieved, to make management changes. I think the recent
12 management changes at Quad Cities, for example, were taken,
13 you know, where in the past they may have been slower, they
14 may have been slower to act. Of course, that is their
15 business but it is important to observe that, I think.
16 CHAIRMAN SELIN: I am pleased to hear of some
17 progress at Dresden. They have been on the watch list for a
18 very long time and, as I said last time, that can't continue
19 indefinitely. But if the trend is up and the attention is
20 being paid there, I certainly hope to see those results
21 carried out in the not-too-distant future.
22 COMMISSIONER ROGERS: Are the operators forced
23 into workarounds or is the material condition not as --
24 problems have quite come to that point?
25 MR. J. MARTIN: Well, workarounds are still a

1 problem and, you know, I mentioned recently one of the trips
2 at Dresden was caused by a drain valve that wasn't operating
3 properly and then when they went to do a test they were set
4 up and didn't recognize it and it caused the plant to come
5 down. Now that is the worst of operator workarounds. But I
6 think commonwealth has put a priority on operator
7 workarounds and have heightened the intention and then the
8 sense of ownership on the part of operators to have them be
9 impatient and to have them be kind of a gadfly on the
10 station to improve with respect to operator workarounds. So
11 it is still a problem but I would have to say it is also a
12 high priority right now with management.
13 MR. RUSSELL: It is a difficult issue because in
14 some cases, the operators don't recognize that they are
15 workarounds. They have been working with -- material
16 condition has been degraded for a long period of time. That
17 is the way they have been working day in and day out and so
18 there is a significant education process also to get them to
19 understand.
20 And so it is sort of like starting with a few
21 examples and then you start to identify others. And I know
22 that when I spend time in the control rooms talking to the
23 operators, I ask them to tell me what processes do they have
24 to identify the workarounds, do they have a current list of
25 what are the workarounds and what are the priorities that

1 you as an operator want to have fixed. And often you will
2 hear discussion between operators at a shift relief and
3 turnover where they will describe conditions where they are
4 taking manual action to compensate for degraded equipment
5 condition and often they don't recognize that as a
6 workaround.
7 So that is a continuing process. It is one that I
8 think progress is being made but there are quite a number.
9 Before they started up from the last outage at Dresden, I
10 think there were on the order of 18 workarounds that they
11 spent a significant effort to go through and identify and
12 prioritize and actually demonstrate to the station that they
13 were going to stay shut down until those were corrected.
14 They did that. They, I think, missed feeding that back to
15 some of the operators because when I talked to them in the
16 control room they didn't understand that they had all been
17 completed and that is part of closing loops so that people
18 then are willing to identify other workarounds because they
19 have seen evidence that they are being addressed.
20 But on balance, I think they are attempting to
21 identify them, prioritize them and those that are of most
22 concern to the operators, they are interested in getting
23 that feedback and addressing them. And that is not
24 uncommon. That exists at a number of stations within
25 Commonwealth and some other facilities. But really what we

1 are trying to do is get to the point where the plant is
2 operating as designed so that the operators can monitor it
3 rather than feeling that they have to take some kind of
4 extra effort to compensate for degraded material conditions.
5 So I think the two go pretty much hand in hand and the
6 extensive material condition problems have contributed to a
7 number of workarounds at all three of the boiling water
8 reactor sites at Commonwealth.
9 Joe.
10 MR. CALLAN: Thank you, Bill.
11 This morning I will be discussing two facilities.
12 The first is Houston Lighting and Power Company's South
13 Texas Project. The South Texas Project was placed on the
14 list of problem plants in June 1993. Both units were shut
15 down in February 1993 due to hardware problems with Unit 1
16 restarting in February 1994 and Unit 2 in May 1994.
17 South Texas Project has been in two-unit operation
18 since the last senior management meeting. Both units have
19 operated well. Unit 1 tripped twice, each caused by the
20 loss of a main feedwater pump. Unit 2 tripped once after a
21 main transformer lockout.
22 The licensee's post-trip actions, root cause
23 determinations and restart activities were effective and
24 well managed. Since the last senior management meeting,
25 plant material condition and housekeeping have steadily

1 improved. The condition of the balance of plant in
2 particular has shown marked improvement. The work control
3 and maintenance organizations have been successful in
4 keeping the maintenance backlogs under control during two-
5 unit operation.
6 In August, a major NRC team assessment of South
7 Texas Project was conducted. The team consisted largely of
8 individuals without previous connection to South Texas
9 Project. Overall, the team found that performance at South
10 Texas Project had improved across the range of activities
11 reviewed.
12 The key points of this assessment were, first,
13 that the plant had been effective in identifying and
14 resolving problems. Problem identification was being
15 encouraged by management and the work force was generally
16 supportive of this emphasis. Two, the team noted extensive
17 management involvement, improved communications and
18 teamwork. And, three, quality assurance was effective in
19 identifying performance issues.
20 In October, the most recent SALP report was
21 issued. The SALP focused on the period covered by the
22 restart and operation of both units. The SALP noted
23 improved overall safety performance with all functional
24 areas evaluated as good, category 2.
25 The highlights of the SALP assessment included

1 that significant changes in management and organizational
2 structure had resulted in improved oversight and control of
3 plant activities. That increased management and corporate
4 support contributed to the improved material condition, the
5 successful restart and subsequent operation of both units
6 and the SALP noted that the licensee had several challenges
7 remaining such as the need for a more efficient work control
8 process and the need for improved procedures, especially
9 surveillance and abnormal operating procedures.
10 During the past eight months of two-unit
11 operation, there has been considerable evidence that South
12 Texas Project management has been quite effective in
13 altering the attitudes of the plant's staff and in
14 establishing an open, positive climate for identifying and
15 raising safety issues. I might add that the licensee
16 conducted two self-assessments in this area and both of them
17 also confirmed this positive change.
18 I attribute this success largely to the senior
19 managers at South Texas Project who have been effective in
20 conveying their expectations to the plant staff. A
21 restructured employee concerns program also appears to be
22 working well and to have gained wide acceptance by the
23 plant's staff. The NRC will continue to emphasize this area
24 in its future assessments.
25 The licensee has implemented a business plan that

1 targets performance goals that have been benchmarked to the
2 industry. An important aspect to this plan is a substantial
3 reduction in staffing over the next two years. Staffing
4 levels are expected to be reduced by about 25 percent.
5 Although this change is intended to bring South
6 Texas Project's staffing levels in line with industry norms
7 and to improve organizational effectiveness and efficiency,
8 the change deserves close monitoring by the NRC to ensure
9 that plat performance doesn't decline. However, the key
10 areas of operations and maintenance are not expected to be
11 much affected.
12 In summary, the staff has determined that the
13 demonstrated performance improvements at South Texas Project
14 have been sustained to the point where the facility can be
15 removed from the category of operating reactors warranting
16 increased NRC attention.
17 That concludes my remarks. Any questions?
18 CHAIRMAN SELIN: This is the lowest number of
19 plants that we have --
20 MR. TAYLOR: We still have one. We have Cooper.
21 CHAIRMAN SELIN: Cooper, sorry.
22 MR. CALLAN: If there are no questions about South
23 Texas, I will move on to Cooper Nuclear Station.
24 CHAIRMAN SELIN: Why don't you move on to Cooper
25 Nuclear Station.

1 [Laughter.]

2 MR. CALLAN: Nebraska Public Power District's
3 Cooper Nuclear Station was first identified as a negative
4 trending plant in January 1994. Although some positive
5 changes had occurred by the June 1994 senior management
6 meeting, additional improvements were still needed to ensure
7 that Cooper's declining performance trend was arrested. In
8 addition, hardware and performance problems that were
9 identified just before the June 1994 senior management
10 meeting highlighted the NRC's need for additional insights
11 into the performance of the Cooper Nuclear Station.

12 These same problems led to a plant shutdown on May
13 25 and the issuance of a confirmatory action letter. To
14 obtain the additional performance insights, AEOD established
15 a special evaluation team or an SET, which is sort of a
16 hybrid diagnostic evaluation team, to conduct the
17 assessment.

18 The SET process capitalized on Nebraska Public
19 Power District's intention to conduct an independent self-
20 assessment by industry peers. The independent self-
21 assessment became known as a diagnostic self-assessment and
22 was conducted between July 25 and August 19, 1994. It
23 arrived at some fairly sweeping conclusions or root causes.

24 This industry effort found that first NPPD
25 management had been ineffective in establishing an

1 organization climate that promoted high standards of safe
2 plant operation. Second, that management failed to
3 establish effective monitoring and critical self-assessment
4 activities. And, third, testing and configuration control
5 and corrective action programs were deficient.
6 Then, from August 15 through October 7, with about
7 a week of overlap, AEOD's special evaluation team, evaluated
8 the rigor of the diagnostic self-assessment as well as
9 independently evaluating the licensee's performance. The
10 SET concluded that the diagnostic self-assessment was, in
11 fact, effective. In fact, given Nebraska Public Power
12 District's historical pattern of not accepting NRC
13 assertions that management oversight and programs were
14 ineffective, the coordinated diagnostic self-assessment and
15 SET process was probably more effective than an NRC only
16 effort would have been. Nebraska Public Power District
17 management responded positively to this peer criticism.
18 The SET also expanded concerns raised by the
19 diagnostic self-assessment team regarding plant material
20 condition. Several system operability issues were
21 identified by the SET that had been previously undetected by
22 Cooper Nuclear Station staff.
23 Nebraska Public Power District implemented an
24 action plan to address both the short-term or restart issues
25 and longer term issues. In November, the region and NRR

1 formed a restart oversight panel to coordinate inspection
2 efforts necessary to verify that the identified restart
3 issues were addressed. The restart issues include those
4 raised by the confirmatory action letters and their
5 supplements and by the diagnostic self-assessment, by the
6 special evaluation team and various other inspections. The
7 NRC restart oversight panel has been meeting approximately
8 biweekly typically in public meetings at the Cooper site.
9 The panel noted that the new NPPD management team
10 which has been in place several months now has made a
11 significant difference. NRC inspections and management
12 visits are noting fundamental change in the licensee's
13 approach to operations. The emphasis at all levels is
14 beginning to shift from mere compliance to regulations to
15 doing what is best and what is safest. There is growing
16 evidence that all levels of the organization are developing
17 a questioning and self-critical approach.
18 The plant and corporate safety oversight
19 committees are becoming increasingly effective. Work is
20 being planned and coordinated more effectively. Procedures
21 are being upgraded. The plant material condition has
22 improved.
23 We completed a team inspection last week the
24 performed a comprehensive assessment of Cooper Station's
25 readiness for restart. The team concluded that the

1 operations staff and support for operations were relatively
2 strong, that the corrective action program was working
3 adequately but it still required considerable management
4 involvement to make it work.
5 Configuration management and engineering support,
6 although acceptable, were the weakest areas noted.
7 Surveillance testing was being performed at a more rigorous
8 manner than previously and the QA organization was effective
9 in identifying problems.
10 A public meeting was held yesterday at the Cooper
11 site for final review by the NRC restart oversight panel of
12 Cooper's restart action plan implementation. The panel
13 concluded that the identified restart issues have been
14 satisfactorily resolved and that Cooper Nuclear Station had
15 made sufficient progress to support restart.
16 I will be reviewing the results of this meeting
17 and of our independent verification of Cooper's restart
18 activities with NRR and the EDO for the purpose of assuring
19 that all the conditions of the confirmatory action letters
20 have been met.
21 In summary, even though substantial progress has
22 been made by Cooper, the staff has determined that
23 additional time is needed to establish that the corrective
24 actions taken will be sustained, thereby assuring that the
25 earlier identified negative performance trends have turned

1 around, especially since so many of the corrective actions
2 are ongoing or just completed.
3 Nebraska Public Power District was informed in a
4 letter of this determination and was further told that an
5 area of emphasis for future NRC assessments will be hardware
6 and personnel performance during plant startup and power
7 ascension.
8 That concludes my discussion of Cooper Station.
9 COMMISSIONER ROGERS: Have they had a problem of
10 being isolated from the rest of the nuclear community? I
11 mean, they are somewhat remote and I guess it is a single
12 unit site and when we found disagreements with our
13 judgements with respect to management performance and so on
14 and so forth, it sort of smacks of being out of touch a
15 little bit for what the expectations are for the entire
16 industry and I wonder whether any actions have taken place
17 to try to make sure that they are not just hearing from us
18 but having an opportunity to compare their own performance
19 with somewhat similar plants in other parts of the country?
20 MR. CALLAN: Commissioner, I would agree with your
21 premise and I think they would readily agree also that they
22 allowed themselves to become isolated from the industry in
23 the last decade perhaps.
24 They are doing a number of things. I think the
25 most obvious and the most tangible thing they are doing is

1 bringing in a significant infusion of outside talent, proven
2 managers from sites that have performed relatively well who
3 bring with them, obviously, the standards that they had
4 before. They also are bringing in proven performers on
5 their off-site review committee to review plant operations.
6 And they also have other long-range plans but we
7 are seeing the effect of that outside influence and I think
8 many of the positive items that I briefed on can be directly
9 attributed to the increased standards that were brought in.
10 COMMISSIONER ROGERS: That is important and it is
11 good but if people who aren't being changed out who have
12 been there for a long time don't have an opportunity to see
13 how other people do things, they may not be so convinced
14 that these things really do apply to themselves.
15 I remember visiting a plant in that area some
16 years ago that was having some troubles and it seemed to me
17 that they had a problem with isolation and what I
18 recommended to senior management when I was leaving was that
19 they buy everybody some plane tickets and they thought I was
20 suggesting everybody get fired. But what I was really
21 suggesting was that they get out and look at the rest of the
22 industry, how things are being done and how those procedures
23 might be adapted or adopted in their own plant.
24 Subsequently, they did that. They did try to make
25 a real effort to be more aware and I think it has had a big

1 effect. And I know they have come back many times to tell
2 me they were pleased that I told them what I told them at
3 that time. But it was really a problem of isolation among
4 other things.
5 MR. CALLAN: I fully agree that that sort of
6 exchange is important. To be honest with you, Commissioner,
7 this has not been an area of focus of the Staff to this
8 point and this is something that we will look into.
9 I might add that this is an issue that applies to
10 other facilities as well, not just Cooper. There probably
11 is not enough of that going around.
12 COMMISSIONER de PLANQUE: I the impression that
13 the independent diagnostic evaluation was considered fairly
14 successful both from their point of view and from yours, is
15 that correct?
16 MR. CALLAN: yes, it was, clearly.
17 COMMISSIONER de PLANQUE: Is this something that
18 you think is a new trend in the industry to use this as a
19 tool?
20 MR. CALLAN: That is something that I know that Ed
21 Jordan, the director of AEOD, is looking at and we discussed
22 it in the senior management meeting. It -- I think it has
23 to be used on a case basis, I think it is probably not a
24 universal, one-size-fits-all kind of solution. But in the
25 case of Cooper, it clearly was effective.

1 COMMISSIONER de PLANQUE: I think particularly so
2 for the reasons that Commissioner Rogers just mentioned.
3 MR. TAYLOR: It's really -- it's a licensee call.
4 In this particular case, they made the call and Jordan
5 talked to me and we adjusted our whole process and I went to
6 the exit of the R-team and as part of that the industry team
7 results were presented and it was quite effective. It
8 verified a number of issues from an industry side and we
9 added our viewpoint. But it was quite an effective process
10 and it had a good team.
11 I mean part of it, I think the general sense of
12 the staff, people that went there, not all of them, I
13 personally know but some of them are quite effective in
14 providing that type of industry respect.
15 MR. RUSSELL: We are from a program standpoint,
16 while we discuss this in the context of a diagnostic
17 evaluation team and the potential changes of that process,
18 we are from a program standpoint encouraging self-assessment
19 by licensees, whether they do that with their own staff or
20 they bring in others to do that, because we believe it is
21 much more effective if they identify the problems and agree
22 that they are problems that need to be addressed rather than
23 a third party being the NRC pointing out they have a
24 particular problem. It tends to get to a solution sooner
25 and so we have been emphasizing both through the senior

1 management meeting process, revisions to the inspection
2 program, allowing self-assessment to be performed in lieu of
3 team inspections and other things, to really emphasize self-
4 review and criticism.
5 CHAIRMAN SELIN: There is still plenty of
6 anecdotal stories, well not anecdotes but specific instances
7 of serious problems at various plants. When you take at the
8 overall numbers, it is a very low number of plants on the
9 watch list, the lowest I remember. The performance
10 indicators seem to be slowly but certainly improving.
11 Do you care to step back and try to put some
12 overall context on these individual pieces on the risk
13 trends in the industry?
14 MR. TAYLOR: Mr. Chairman, I think the generally
15 overall improvement in performance is a contributor, as you
16 have mentioned, to the effect the general performance has
17 improved. There are a number of stations that operate well
18 and seldom come into what I call the radar screen,
19 significant operating events, that's changed.
20 The other element that I think has helped is the
21 use -- and we owe the Commission something on this -- the
22 trending order has to me been useful and I think it is an
23 action by senior NRC staff with the support of the
24 Commission to issue those and I think in Cooper's case it
25 was an appropriate step. And I think the changes that are

1 coming at Cooper as outlined by Joe will turn that station
2 around. It seems to be on a reasonable track.
3 So I think there are those elements. I think the
4 trending idea was a good one. That allows us a little
5 sooner, so to speak, to other than say this is a problem
6 plant and here it is with all the many reasons why we regard
7 it to be such, it gives us an opportunity to engage in
8 earlier action with the utility to make change.
9 Do you want to add to that, Bill?
10 MR. RUSSELL: I would comment that if I look back
11 to the 1987 through 1990 time frame when I was regional
12 administrator, I had more problem plants in Region I than we
13 have total today. And generally what we were finding is it
14 was as a result of some type of an event where we went in
15 and then gathered the information about performance to cause
16 us to conclude that they were problem plants. And so we
17 have been shifting our approach to try and anticipate
18 earlier rather than reacting afterwards.
19 So I would agree strongly with Jim in the value of
20 the trending letters. I think if you look at the
21 performance indicators, clearly there has been improvement
22 in performance broadly in the industry. The threshold that
23 we act on to identify concerns regarding trending is I think
24 at a higher threshold than what we had when we were
25 responding to events and discovering conditions. So I think

1 clearly performance overall has improved.

2 We still see room for improvement and we believe a

3 key part of our role is to identify those issues before they

4 become actual problems and reveal themselves in events. So

5 I think there has been improvement and I think the

6 relatively small number of plants that we consider as

7 problem facilities or trending facilities today indicates an

8 overall improvement in performance in the U.S. industry.

9 COMMISSIONER ROGERS: Just along that line, you

10 have commented on the trends. Does anything stand out in

11 any particular actions by any licensee that seem to be

12 really noteworthy with respect to good practice?

13 MR. RUSSELL: I guess the -- some of the

14 approaches that were used by licensees to evaluate their own

15 performance to really focus on an integrated way and to

16 really get involved in self-assessment was started sometime

17 ago, probably in the late 1980s and that that has been built

18 upon and those activities have been looked at by others to

19 see what processes were used. So we have seen those

20 processes repeated.

21 For example, the activities that were used to turn

22 Pilgrim around were similarly successful in turning

23 Brunswick around. We saw the situation at Salem when it was

24 having difficulties and it was transferred to Peach Bottom.

25 So those have been turnarounds.

1 Each started out generally with an approach of
2 finding out what everybody recommended you ought to do so
3 the action plan was an eclectic set of things to do and
4 there really was not any planning and then there really was
5 not a self-assessment process to it. So I would
6 characterize that the emphasis on self-assessment has been
7 very useful in that utilities once they have done it to get
8 off the problem plant list have continued to use that and
9 have in fact improved their overall financial performance.
10 MR. J. MARTIN: Can I add to that a bit along the
11 lines that Bill is discussing. Something we have seen in
12 Region III done by actually performance of our middle-of-
13 the-road to perhaps even better performers is self-
14 assessment by the line organization. We often think of
15 self-assessment as something that the QA organization does,
16 but Dwayne Arnold, for example, the operations organization,
17 took their own people, got some savvy outsiders who came
18 from a plant that they knew had very high standards and did
19 their own self-assessment. And it is our perception that
20 when that is done that way, there is far better buy-in on
21 the part of the operators that, yes, indeed, this is
22 something we ought to do better.
23 It is a little bit like what Bill said earlier
24 about workarounds. They really can't see often what their
25 weaknesses are or can't see areas for improvement simply

1 because they are so familiar with what they are doing day to
2 day. So I think that has been a significant, you know,
3 cause for improvement at plants where that's been done.
4 MR. TAYLOR: I see some pattern of poor material
5 condition that may have built up over a significant period
6 of time. And I am not just talking about safety systems or
7 the immediate NSSS but also balance of plant where -- and
8 ultimately showing up in challenges to operators and being a
9 significant contributor to events as one of the things that
10 is more dominant today. Where that has been improved,
11 events go down. I think it is part of the credo that the
12 best thing management can do is make it easy for the
13 operators to really run the station by getting on top of the
14 material difficulties, how to service equipment that can
15 possibly be returned to service during ops and that type of
16 thing so that the operators' job -- when they get a
17 challenge, a grid challenge or any challenge, the plant is
18 more capable of responding and they are too.
19 MR. RUSSELL: I would agree.
20 MR. EBNETER: The common theme of all of that, at
21 least in Region II, those licensees that have high
22 expectations and high standards are not isolated from best
23 practices; they are the ones who do the best. If the
24 managers don't have high expectations, the rest of it
25 doesn't make any difference.

1 COMMISSIONER de PLANQUE: Can I go back to the
2 trending letters again? Bill, you indicated you are going
3 to send a paper up to the Commission on this?
4 MR. RUSSELL: That's correct.
5 COMMISSIONER de PLANQUE: I certainly recognize
6 the value of an early warning system of some kind. It has
7 been clear that that has been very effective.
8 You may want to address this now but if not I will
9 wait until the paper comes up. I would continue to worry
10 about us setting another category inadvertently. And if we
11 are doing that, we ought to clearly evaluate the situation
12 and be aware of the pros and cons of doing that and I would
13 hope you would address that in the paper.
14 MR. RUSSELL: We agree and while there has been a
15 consensus amongst the senior management that this is a
16 valuable tool, what we want to do is reflect back on how it
17 has helped us and what some of the pros and cons are. We do
18 not wish to create another category through this process and
19 so we will be addressing that in the paper.
20 COMMISSIONER de PLANQUE: One wonders what you do
21 with a zero slope.
22 On another issue, at least a year ago or so, there
23 was a tremendous amount of movement of senior managers from
24 plant to plant, utility to utility. And in particular, has
25 that slowed down to some extent? Is it still going on and

1 do you see it as any kind of a problem one way or the other?
2 MR. RUSSELL: We have not made an effort to
3 systematically determine what is the mobility or movement
4 amongst managers. We instead focus on it as it is revealed
5 in plant performance at individual facilities. The industry
6 does look at that and I know there are efforts under way to
7 develop managers. Some recruiting activities within
8 particular utilities to recruit people to put them into
9 technical training where they already have the demonstrated
10 management skills.
11 So I believe based upon information that we have
12 received, that there is still quite a bit of movement
13 amongst managers and there are actions being taken to
14 address that in the longer term. But we have done no
15 systematic evaluation of that. We don't keep track of where
16 managers move. So turnover rates amongst managers are just
17 not something we are directly monitoring. We are, instead,
18 monitoring the performance at the facilities.
19 We do get concerned when we see a lot of
20 management turnover. Because organizational change, at
21 least in the short run, can have an adverse effect on
22 performance, while the organization is trying to sort out
23 the new signals from the new management team. And so we do
24 tend to watch more closely where there are significant
25 changes, but we have not done any generic studies to address

1 it.

2 We do see, and Jim and I both participate in the

3 activities with INPO when they send people up to talk with

4 us about their development activities for managers. We

5 think that is important to continue to do, but we are really

6 not in the management development succession planning

7 process for the utilities.

8 COMMISSIONER de PLANQUE: I understand that.

9 Rightly so. I was just looking for a sense of how much

10 movement was going on today.

11 MR. RUSSELL: I think it is quite substantial.

12 COMMISSIONER de PLANQUE: Okay, thanks.

13 COMMISSIONER ROGERS: I wanted to pose a question

14 to Mr. Bernero. You are not off yet.

15 [Laughter.]

16 COMMISSIONER ROGERS: I thought he was hiding

17 there.

18 I wonder if you could make any general comments

19 about the materials area involved, whether anything we see

20 there -- nothing came up as, you know, a big serious problem

21 obviously but I wonder if you have any comments on an

22 overview of that broad area over which you have

23 responsibility.

24 MR. BERNERO: Well, you may recall, Commissioner

25 Rogers, that about three or four meetings ago, senior

1 management meetings, we had a number of material of courses,
2 some of them quite small, on the list and we developed a
3 different rationale for the material facilities because we
4 have so many licensees. And our focus shifted to be
5 consistent with reactors and their large size and complex
6 management that we would focus on large material facilities
7 where the idea of operational safety and safeguards, of
8 course, was an issue and there was complex management and a
9 large level of attention appropriate for inspection and
10 surveillance. It is in that context that we now speak of
11 material facilities. We really exclude the class of very
12 small facilities that had at one time been considered.
13 Our perception of it, we do discuss some of the
14 facilities as we go along. They have balanced quite a bit
15 from the last few years where we did have incidents, very
16 similar to what the reactors are, incidents like we had at
17 GE Wilmington where it was reaction to that that exposed the
18 management difficulties an did require the priority
19 attention.
20 I think we are facing -- you know, basically the
21 fuel cycle and large facility population which is running
22 better than it ran before but it still is worthy of general
23 attention and it is not unthinkable that we might have
24 something come up there. But, in general, I think it is
25 notably better than it was, say, three years ago.

1 COMMISSIONER ROGERS: Fine, thank you.

2 CHAIRMAN SELIN: Thank you very much for this

3 presentation. I think as the numbers get smaller in the

4 future you might -- we might take an overview before we get

5 into the specific plants and the presentation and generalize

6 from the trends and subscores and performance indicators to

7 put it in an overall context.

8 If we get down to one plant on the watch list, we

9 spend an hour-and-a-half discussing that poor plant, it

10 might leave a very misleading impression.

11 Thank you.

12 [Whereupon, at 11:12 p.m., the meeting was

13 concluded.]

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CERTIFICATE

This is to certify that the attached description of a meeting of the U.S. Nuclear Regulatory Commission entitled:

TITLE OF MEETING: PERIODIC BRIEFING ON OPERATING REACTORS AND FUEL FACILITIES - PUBLIC MEETING

PLACE OF MEETING: Rockville, Maryland

DATE OF MEETING: Friday, February 3, 1995

was held as herein appears, is a true and accurate record of the meeting, and that this is the original transcript thereof taken stenographically by me, thereafter reduced to typewriting by me or under the direction of the court reporting company

Transcriber: Christopher Cutchall

Reporter: Barbara Whitlock

PERIODIC BRIEFING ON OPERATING REACTORS AND MATERIAL FACILITIES

February 3, 1995

J. Taylor
W. Russell
R. Bernero
Regional Administrators

CATEGORY 1

PLANTS REMOVED FROM THE LIST OF PROBLEM FACILITIES

Plants in this category have taken effective action to correct identified problems and to implement programs for improved performance. No further NRC special attention is necessary beyond the regional office's current level of monitoring to ensure improvement continues.

SOUTH TEXAS 1 & 2

CATEGORY 2

PLANTS AUTHORIZED TO OPERATE THAT THE NRC WILL MONITOR CLOSELY

Plants in this category are having or have had weaknesses that warrant increased NRC attention from both headquarters and the regional office. A plant will remain in this category until the licensee demonstrates a period of improved performance.

DRESDEN 2 & 3
INDIAN POINT 3

CATEGORY 3

SHUTDOWN PLANTS REQUIRING NRC AUTHORIZATION TO OPERATE AND WHICH THE NRC WILL MONITOR CLOSELY

Plants in this category are having or have had significant weaknesses that warrant maintaining the plant in a shutdown condition until the licensee can demonstrate to the NRC that adequate programs have both been established and implemented to ensure substantial improvement.

BROWNS FERRY 1 & 3

TRENDING LETTER PLANTS FOLLOW-UP

COOPER
QUAD CITIES 1 & 2

REMOVED FROM TRENDING STATUS

LASALLE 1 & 2

PRIORITY MATERIAL FACILITIES

NONE