UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION V
1450 MARIA LANE, SUITE 210
WALNUT CREEK, CALIFORNIA 94596

JUL 28 1987

Docket Nos. 50-275/50-323

Report Nos. 87-29/29

MEMORANDUM FOR: A. Chaffee, RV
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P. Narbut, RV
C. Trammell, NRR
G. Knighton, NRR
S. Richards, RV
J. Elin, RV
J. Burdoin, RV
M. Padovan, RV
K. Johnston, RV
C. Hooker, RV
D. Schaefer, RV
K. Prendergast, RV

FROM: D. F. Kirsch, Deputy Director
Division of Reactor Safety and Projects, RV

SUBJECT: SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE (SALP) FOR DIABLO CANYON NUCLEAR POWER PLANT UNITS 1 AND 2 (AUGUST 1, 1986 THROUGH JULY 31, 1987)

References: (1) NRC Manual Chapter 0516, SALP Program, dated July 25, 1986

(2) Region V Instruction 0701

Pursuant to references (1) and (2) above, a Diablo Canyon SALP Review Board is established. Based on current assignments, the Board consists of the addressees listed above and myself who will serve as the chairperson. John Burdoin will serve as the Board Secretary. The Board will convene at 8:30 a.m. on September 9, 1987, at the Region V office. The projected date for a SALP meeting with the licensee (if deemed appropriate) is tentatively scheduled for October 14, 1987 (this has not been discussed with the licensee).

Members of the Diablo Canyon SALP Board are herewith provided a SALP guidance package to be used in preparing performance analyses of the various functional areas. This package consists of the following:

- Description of the functional areas (Attachment 1)
- Evaluation criteria (Attachment 2)
- Attributes for the evaluation criteria (Attachment 3)

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- Performance categories (Attachment 4)
- SALP evaluation matrix (Attachment 5)
- Sample functional area performance analysis (Attachment 6)

Data on inspection effort, enforcement history, and licensee event reports will be distributed to the Board members by John Burdoin in the near future.

Consistent with reference (1), the anticipated outline of the SALP Report is shown below, along with the individual(s) assigned lead responsibility for preparing each section.

I.	Introduction	Burdoin
II.	Criteria	Burdoin
III.	Summary of Results	Burdoin
IV.	Performance Analyses	
	A. Plant Operations	Narbut
	B. Radiological Controls	Hooker
	C. Maintenance	Narbut
	D. Surveillance	Narbut
	E. Fire Protection	Richards
	F. Emergency Preparedness	Prendergast
	G. Security	Schaefer
	H. Outages	Narbut
	I. Quality Programs and Administrative Controls Affecting Safety	All*
	J. Licensing Activities	Trammell**
	K. Training and Qualification Effectiveness	Narbut/Elin*
V.	Supporting Data and Summaries	Burdoin

* Provide written input addressing observations during the SALP period. The Board secretary will consolidate these into one section.

** Provide NRR inputs on other functional areas directly to the responsible individual as soon as possible.

Each person assigned lead responsibility for a functional area shall prepare a performance analysis and submit it to John Burdoin by August 25, 1987. Each performance analysis shall be prepared as follows:

1. Assess the licensee's performance in the functional area based upon inspections performed, available data, and observations of licensee performance during the SALP period. Obtain inputs from others who had inspection responsibilities in the functional area. In assessing the licensee's performance, use the guidance in Attachments 1 through 4.

2. Prepare the licensee's performance analysis for the functional area following the format of Attachment 6. If appropriate, discuss the trend of the licensee's performance since the previous SALP period (refer to Attachment 4). The analysis should reference pertinent data, enforcement items, or events when appropriate, but should be principally a qualitative analysis of the licensee's performance in the area (depending upon level of activity, approximately one-half page to a page and a half in length when single-space typed).

3. Include recommendations for licensee actions related to the functional area.

4. Provide a copy of the SALP evaluation matrix (Attachment 5), assigning a performance category for each evaluation criterion.

5. Separately, identify appropriate recommendations for NRC actions (e.g., increase or reduce inspection resources). These recommendations will not be included in the SALP report, but will be a part of the Board Chairman's memorandum which transmits the report to the Regional Administrator.

For RITS reporting purposes, time expended for this Diablo Canyon SALP effort should be charged to Report Nos. 50-275/87-29 and 50-323/87-29.

By copy of this memorandum, the Director, Office of Investigations, San Francisco Field Office is requested to provide (by August 25, 1987) a summary of major investigative activities involving Diablo Canyon and their results.

In addition, by copy of this memorandum, the offices of NMSS and AEOD are requested to provide performance analysis information by August 25, 1987.

Original signed by
D. F. Kirsch
D. F. Kirsch, Director
Division of Reactor Safety and
Projects, RV

cc:
J. Partlow, NRR
H. Thompson, NMSS
E. Jordan, AEOD
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REGION V			
JBurdoin/dot	MMendonca	RZimmerman	DKirsch
7/27/87	7/27/87	7/22/87	7/28/87
REQUEST COPY YES / NO	REQUEST COPY YES / NO	REQUEST COPY YES / NO	REQUEST COPY YES / NO
			SEND TO PDR YES / NO

ATTACHMENT 1

042 Functional Areas. A grouping of similar activities.

a. Operating Phase Reactors

1. Plant Operations

Consists chiefly of the activities of the licensee's operational staff (e.g., licensed operators, shift technical advisors, and auxiliary operators). It is intended to be limited to operating activities such as: plant startup, power operation, plant shutdown, and system lineups. Thus, it includes activities such as reading and logging plant conditions; responding to off-normal conditions; manipulating the reactor and auxiliary controls; plant-wide housekeeping; and control room professionalism.

2. Radiological Controls

Includes the following areas of activity which may be evaluated as separate subareas to arrive at a consensus rating for this functional area.

(a) Occupational Radiation Safety - includes controls by licensees and contractors for occupational radiation protection, radioactive materials and contamination controls, radiological surveys and monitoring, and ALARA programs.

(b) Radioactive Waste Management - includes processing and on-site storage of gaseous, liquid and solid wastes.

(c) Radiological Effluent Control and Monitoring - includes gaseous and liquid effluent controls and monitoring, offsite dose calculations and dose limits, radiological environmental monitoring, and the results of NRC's confirmatory measurements program.

(d) Transportation of Radioactive Materials - includes procurement and selection of packages, preparation for shipment, selection and control of shippers delivery to carriers, receipt/acceptance of shipments by receiving facility, periodic maintenance of packagings and, for shipment of spent fuel, point of origin safeguards activities.

(e) Water Chemistry Controls - includes primary and secondary systems affecting plant water chemistry water chemistry control program and program implementation, chemistry facilities, equipment and procedures, and chemical analysis quality assurance.

3. Maintenance

Includes all licensee and contractor activities associated with preventive or corrective maintenance of instrumentation and control equipment and mechanical and electrical systems.

4. Surveillance

Includes all surveillance testing activities as well as all inservice inspection and testing activities. Examples of activities included are: instrument calibrations, equipment operability tests, containment leak rate tests, special tests, inservice inspection and performance tests of pumps and valves, and all other inservice inspection activities.

5. Fire Protection

Includes routine housekeeping (combustibles, etc.) and fire protection/prevention program activities. Thus, it includes the storage of combustible material; fire brigade staffing and training; fire suppression system maintenance and operation; and those fire protection features provided for structures, systems, and components important to safe shutdown.

6. Emergency Preparedness

Includes activities relating to the implementation of the emergency plan and implementing procedures. Thus, it includes such activities as licensee's performance during exercises which test the licensee, state, and local emergency plans; plan administration and implementation; notification; communications; facilities and equipment; staffing; training; assessment; emergency classification; medical treatment; radiological exposure control; recovery; protective actions; and interfaces with onsite and offsite emergency response organizations.

7. Security

Includes all activities whose purpose is to ensure the security of the plant. Specifically it includes all aspects of the licensee's security program (e.g., access control, security checks, safeguards).

8. Outages

Includes all licensee and contractor activities associated with major outages. Thus, it includes refueling, outage management, major plant modifications, repairs or restoration to major components (e.g., steam generator tube repairs or primary loop piping replacement), and all post-outage startup testing of systems prior to return to service.

9. Quality Programs and Administrative Controls Affecting Quality

Includes all management control, verification and oversight activities which affect or assure the quality of plant activities, structures, systems, and components. This area may be viewed as a comprehensive management system for controlling the quality of work performed as well as the quality of verification activities that confirm that the work was performed correctly. The evaluation of the effectiveness of the quality assurance system should be based on the results of management actions to ensure that necessary people, procedures, facilities, and materials are provided and used during the operation of the nuclear power plant. Principal emphasis should be given to evaluating the effectiveness and involvement of management in establishing and assuring the effective implementation of the quality assurance program along with evaluating the history of

licensee performance in the key areas of: committee activities, design and procurement control, control of design change processes, inspections, audits, corrective action systems, and records.

10. Licensing Activities

Includes all activities supporting the NRC review of amendment requests, exemption requests, relief reports, response to generic letters and bulletins, and TMI items classified as: Multi-Plant Actions, Plant Specific Actions, and TMI (NUREG-0737) Actions. In addition, it includes an assessment of licensee activities related to design and safety issues. It also includes NRC meetings that dealt with significant licensing issues.

11. Training and Qualification Effectiveness

Although this functional area is limited to the following categories of facility training/retraining so as to parallel those training programs covered by the Commission Policy Statement on Training and Qualification, this functional area includes all activities relating to the effectiveness of the training/retraining and qualifications program conducted by the licensee's staff and contractors for these categories of facility training.

Other categories of facility training/retraining should be treated as evaluation criteria for the other functional areas.

(a) Non-licensed operators

(b) Control room operators

(c) Senior control room operators/shift supervisors

(d) Shift technical advisors

(e) Instrument and control technicians

(f) Electrical maintenance personnel

(g) Mechanical maintenance personnel

(h) Radiological protection technicians

(i) Chemistry technicians

(j) Onsite technical staff and managers

ATTACHMENT 2

045 Evaluation Criteria. Elements which must be considered when assessing a licensee's performance in a functional area.

a. The evaluation criteria are as follows:

1. Management involvement in assuring quality

2. Approach to the resolution of technical issues from a safety standpoint

3. Responsiveness to NRC initiatives

4. Enforcement history

5. Operational and Construction events (including response to, analysis of, and corrective actions for)

6. Staffing (including management)

b. Guidance for using these criteria to arrive at a category assignment is found in the appendix to this chapter.

ATTACHMENT 2

ATTACHMENT 3

TABLE 1 EVALUATION CRITERIA WITH ATTRIBUTES FOR ASSESSMENT OF LICENSEE PERFORMANCE

Category 1	Category 2	Category 3
1. Management Involvement In Assuring Quality		
consistent evidence of prior planning and assignment of priorities; well stated, controlled and explicit procedures for control of activities	evidence of prior planning and assignment of priorities; stated, defined procedures for control of activities	little evidence of prior planning and assignment of priorities; poorly stated or ill understood procedures for control of activities
well stated, disseminated, and understandable policies	adequately stated and understood policies	poorly stated, poorly understood or nonexistent policies
decisionmaking consistently at a level that ensures adequate management review	decisionmaking usually at a level that ensures adequate management review	decisionmaking seldom at a level that ensures adequate management review
corporate management frequently involved in site activities	corporate management usually involved in site activities	corporate management seldom involved in site activities
reviews timely, thorough and technically sound	reviews generally timely, thorough, and technically sound	reviews not timely, thorough or technically sound
records complete, well maintained, and available	records generally complete, well maintained, and available	records not complete, not wel maintained, or unavailable
procedures and policies strictly adhered to	procedures and policies rarely violated	procedures and policies occasionally violated
corrective action is effective, as indicated by lack of repetition	corrective action is usually taken but may not be effective at correcting the root cause of of the problem, as indicated by occasional repetition	corrective action is not time or effective and generally addresses symptoms rather than root causes, events are repetitive
2. Approach to the Resolution of Technical Issues from a Safety Standpoint		
clear understanding of issues demonstrated	understanding of issues generally apparent	understanding of issues frequently lacking
conservatism routinely exhibited when potential for safety significance exists	conservatism generally exhibited	meets minimum requirements
technically sound and thorough approaches in almost all cases	viable and generally sound and thorough approaches	often viable approaches; but lacking in thoroughness or depth
timely resolutions in almost all cases	generally timely resolutions	resolutions often delayed
3. Responsiveness to NRC Initiatives		
meets deadlines	generally timely responses	frequently requires extensions of time
timely resolution of issues	few longstanding regulatory issues attributable to licensee	longstanding regulatory issues attributable to licensee
technically sound and thorough responses in almost all cases	viable and generally sound and thorough responses	often viable responses, but lacking in thoroughness or depth
acceptable resolutions proposed initially in most cases	acceptable resolutions generally proposed	considerable NRC effort or repeated submittals needed to obtain acceptable resolutions

TABLE 1 (continued)

Category 1	Category 2	Category 3
4. Enforcement History		
major violations are rare and are not indicative of programmatic breakdown	major violations are rare and may indicate minor programmatic breakdown	multiple major violations or programmatic breakdown indicated
minor violations are not repetitive and not indicative of programmatic breakdown	multiple minor violations or minor programmatic breakdown indicated	minor violations are repetitive and indicative of programmatic breakdown
corrective action is prompt and effective	corrective action is timely and effective in most cases	corrective action is delayed or not effective
5. Operational and Construction Events		
few significant operational or construction events, attributable to causes under the licensee's control, have occurred that are relevant to this functional area	occasional significant operational or construction events, attributable to causes under the licensee's control, have occurred that are relevant to this functional area	frequent significant operational or construction events, attributable to causes under the licensee's control, have occurred that are relevant to this functional area
events are promptly and completely reported	events are reported in a timely manner, some information may be lacking	event reporting is frequently late or incomplete
events are properly identified and analyzed	events are accurately identified, some analyses are marginal	events are poorly identified or analyses are marginal, events are associated with programmatic weaknesses
6. Staffing (Including Management)		
positions are identified, authorities and responsibilities are well defined	key positions are identified, and responsibilities are defined	positions are poorly identified, or authorities and responsibilities are ill defined
vacant key positions are filled on a priority basis	key positions usually filled in a reasonable time	key positions are left vacant for extended periods of time
expertise is available within the staff; rarely needs outside consultants; staffing is ample as indicated by control over backlog and overtime	expertise is usually available within the staff; makes appropriate use of consultants; staffing is adequate, occasional difficulties with backlog or overtime	very little expertise within th staff; excessive reliance on consultants; staffing is weak o minimal as indicated by excessi backlog or overtime
experience levels for management and operations personnel exceed commitments made by licensee at time of licensing	experience levels for management and operations personnel meet commitments made by licensee at time of licensing	experience levels for managemen and operations personnel are below commitments made by licensee at time of licensing

ATTACHMENT 4

043 Performance Categories. A rating of licensee performance ~~in~~ a given functional area.

a. Category 1

Reduced NRC attention may be appropriate. Licensee management attention and involvement are aggressive and oriented toward nuclear safety; licensee resources are ample and effectively used so that a high level of performance with respect to operational safety and construction quality is being achieved.

b. Category 2

NRC attention should be maintained at normal levels. Licensee management attention and involvement are evident and are concerned with nuclear safety. Licensee resources are adequate and reasonably effective so that satisfactory performance with respect to operational safety and construction quality is being achieved.

c. Category 3

Both NRC and licensee attention should be increased. Licensee management attention or involvement is acceptable and considers nuclear safety, but weaknesses are evident; licensee resources appear to be strained or not effectively used so that minimally satisfactory performance with respect to operational safety and construction quality is being achieved.

044 Trend. The SALP Board may determine to include an appraisal of the performance trend of a functional area. Normally, this performance trend should only be used where both a definite trend of performance is discernible to the Board and the Board believes that continuation of the trend may result in a change of performance level. The Board's appraisal of the performance trend, if used, should appear as a Board Comment. It should be used selectively and should be reserved for those instances where the Board believes that it is necessary to focus NRC and licensee attention on an area because of a declining performance trend, or to credit licensee performance because of an improving trend.

The trend, if used, is defined as:

a. Improving

Licensee performance was determined to be improving near the close of the assessment period.

b. Declining

Licensee performance was determined to be declining near the close of the assessment period.

ATTACHMENT 4

ATTACHMENT 5

EVALUATION MATRIX FOR OPERATING

PHASE FUNCTIONAL AREAS

	Management Involvement In Assuring Quality	Approach to the Resolution of Technical Issues from a Safety Standpoint	Responsiveness to NRC Initiatives	Enforcement History	Operational and Construction Events	Staffing (Including Management)
Plant Operations						
Radiological Controls						
Maintenance						
Surveillance						
Fire Protection						
Emergency Preparedness						
Security						
Outages						
Quality Programs and Administrative Controls Affecting Quality						
Licensing Activities						
Training and Qualification Effectiveness						

ATTACHMENT 5

ATTACHMENT 6

IV. PERFORMANCE ANALYSIS

A. [Functional Area being discussed]

1. Analysis

[The analysis of the licensee's performance in an area should include pertinent facts and observations to highlight the specific strong and weak aspects of the licensee's performance. These facts and observations shall be presented in a manner to place matters in perspective and to allow the reader to understand the rationale for stated conclusions. This analysis should concentrate on the adequacy of the licensee's management control systems, adequacy of resources, training of personnel, etc., and the effectiveness of these efforts. Upon presentation of the analyses, the attributes associated with the specified criteria are to be referred to for purposes of both completeness and to compare the conclusions reached with the attributes of each category. The attributes listed in Part II are specifically oriented toward this and should be utilized. In no event, however, are the examples of licensee performance for specific attributes to be used as stand-alone assessments; they represent a sampling of possible conclusions which must be supported by appropriate facts, observations or analysis. Each analysis should be written to avoid either 10 CFR 2.790 or safeguards information.

The analysis section is composed of three major subsections:

- A brief account of the inspection activity which occurred in this area.
- A brief summary of the previous evaluation if there has been a significant change or if there should have been significant improvement but there was not.
- A summary of the strengths, weaknesses, and other significant observations made by the NRC staff during the evaluation period.

2. Conclusion

[Provide the performance assessment (Category 1, 2, or 3) for each functional area considered.]

3. Board Recommendations

[Include any general or specific Board recommendations pertaining to either licensee management attention or NRC inspection activities in a functional area. If appropriate, include a trend assessment (improving or declining), characterizing licensee performance near the close of the assessment period. Note that even in the absence of a recommendation to vary inspection levels, the Regional Office may do so based on the assessment as discussed in appropriate chapters of the IE manual.]

D. Surveillance

The surveillance program was inspected on a monthly basis by the resident inspectors and periodically by the regional staff throughout this SALP period.

During this SALP period the licensee instituted a comprehensive surveillance program which is maturing under constant management and staff attention. During the earlier part of the period the licensee asked NRC for, and received, changes or schedule relief for some Technical Specification required surveillances. These were submitted on short notice, in some cases involving after-hours telephone requests which might have been avoided through stronger management control, internal communications and planning. Such problems were not experienced in the latter part of the period.

One violation in the surveillance area was identified regarding the installation of jumpers and the independent verification thereof. The NRC considers 14 licensee event reports (LERs) to be attributed to personnel errors during the many surveillance activities this SALP period. Management demonstrated no reluctance to properly report and analyze discrepancies. There were five LERs attributed to deficiencies in surveillance procedures; management and staff gave much attention to this area and routinely issued changes to improve the accuracy and clarity of procedures.

The licensee instituted a computer matrix of surveillance requirements corresponding to Technical Specification requirements, which appears to have been comprehensive with a few exceptions reported in licensee event reports. These were corrected promptly, and the matrix is routinely updated. Computer schedules and monitoring have allowed management visibility of trends in overdue dates, contributing to avoidance of technical specification violations. A program of procedure changes was implemented late in the period to fully incorporate independent verification requirements into surveillance procedures, in response to NRC initiatives.

Conclusion

Performance assessment - Category 1. An improving trend in performance was observed during the SALP.

Board Recommendation

Continue efforts to correct procedure deficiencies and provide training to the staff in their proper use.