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NuclearJuly 12, 1991  
NMP1L 0595U. S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington, D. C. 20555Nine Mile Point Unit 1  
Docket No. 50-220  
DPR-63Nine Mile Point Unit 2  
Docket No. 50-410  
NPF-69

SUBJECT: SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE RESPONSE

Gentlemen:

This letter transmits Niagara Mohawk Power Corporation's response to the NRC's Initial Systematic Assessment of Licensee Performance (SALP) Report dated June 14, 1991. These written comments incorporate the discussions with the NRC in the meeting of June 28, 1991 at the Nine Mile Point Training Center.

As indicated in the meeting, Niagara Mohawk agrees with the NRC's assessment. We appreciate the NRC's recognition of substantial overall improvement in our performance resulting from the efforts of a dedicated staff and management oversight. Increased management involvement and effective self assessment at all levels have been key elements of our commitment to improve. It is clear that adherence to these principles has yielded significant results.

While Niagara Mohawk is pleased with the improvements to date, we believe superior performance is achievable in all areas, and therefore are committed to continuing the positive trends recognized in the SALP Report in an effort to reach our goal. To maintain this course, we will focus on proven methods and principles. The Standards of Performance define expectations for all personnel, and as such are the guiding principles for personnel performance. The Business Plan defines the goals we have set for the Division, and provides the strategies for achieving those objectives and a means of measuring our progress. Focusing on results in these areas will assure that our performance will improve.



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In summary, Niagara Mohawk is committed to its vision of becoming one of the best run nuclear facilities in the industry and will continue its efforts to achieve excellence.

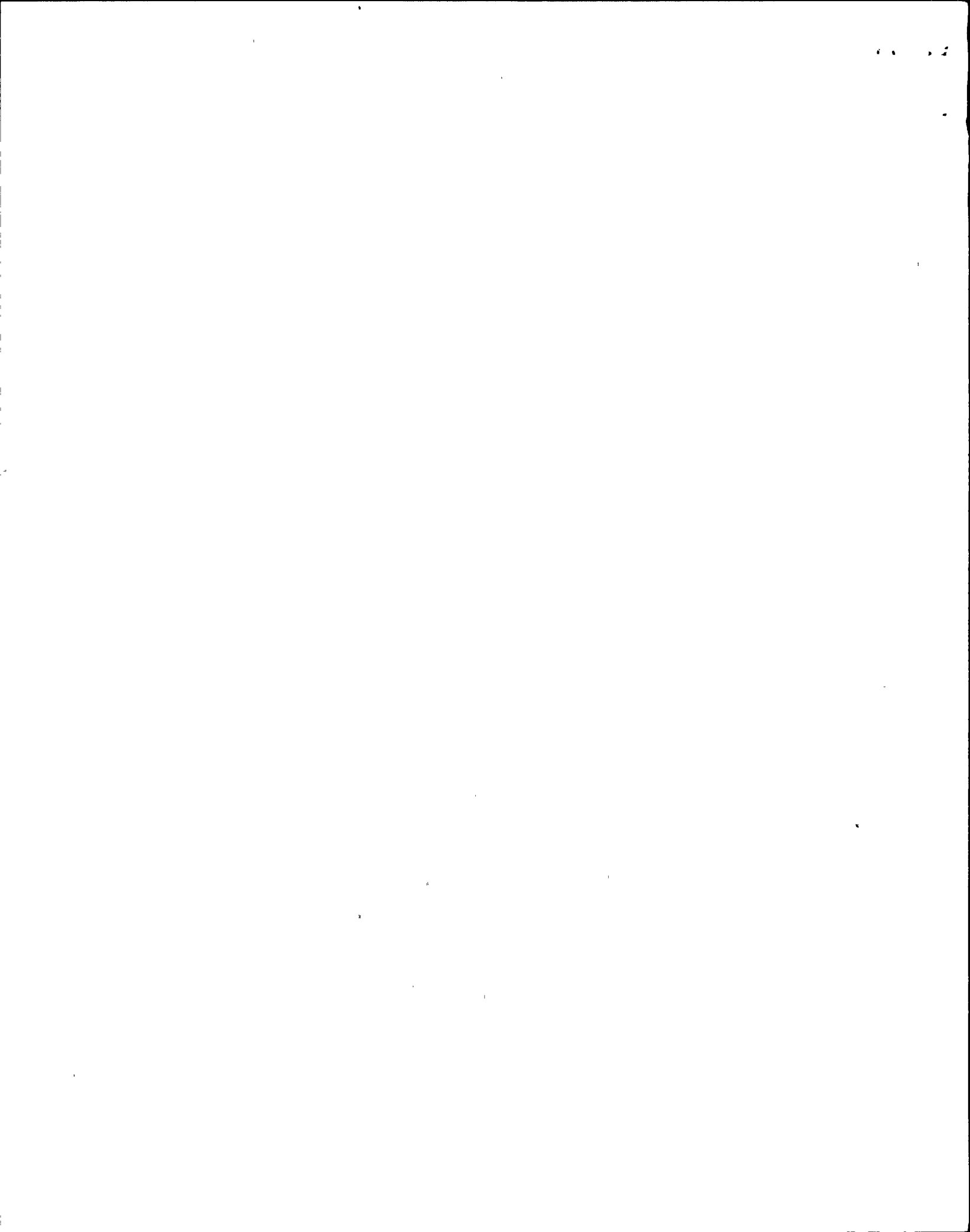
Very truly yours,



B. Ralph Sylvia  
Exec. Vice President-Nuclear

WDB/sek  
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Mr. R. A. Capra, Project Director, NRR  
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NIAGARA MOHAWK POWER CORPORATION

Comments on Initial Systematic Assessment  
of Licensee Performance (SALP) Report  
50-220/90-99 and 50-410/90-99

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## PLANT OPERATIONS

### Unit 1

Niagara Mohawk concurs with the NRC's assessment of Unit 1 Plant Operations. We are pleased with the recognition of overall significant improvement in performance to date in this area. However, we also acknowledge that continued improvement is needed to achieve our goal of excellence. To that end, we will continue to employ those methods and programs that have worked, and build on the solid foundation of progress.

Station management will continue to emphasize compliance with the Standards of Performance as the primary means of realizing the goals we have established for ourselves. Strong management oversight and direction of operations activities helps to reinforce supervision's expectations. Applying the same principles to the training area has and will continue to improve the operator training program.

Management's expectation of error-free operation will also continue to receive frequent emphasis through personnel accountability and self-assessment observations. Application of lessons learned and appropriate corrective actions as necessary will help to preclude recurrence of personnel errors.

Many events cited in the report involving poor performance and inattention to detail were evaluated in accountability meetings, with appropriate actions taken, including disciplinary action when called for. While these events were certainly not consistent with our standards, they were used as a basis for improving management oversight capabilities and self-assessment skills.

The lessons learned and corrective actions identified as a result of accountability meetings have been major contributors to general improvement in test control as well. The difficulties encountered in the turbine torsional test were thoroughly evaluated and resulted in lessons that were applied to subsequent activities at both units.

In summary, with the continued use of self-assessment techniques and applying the lessons learned to subsequent activities, combined with strong management involvement in operations activities, Niagara Mohawk is confident that continued improvement will be realized to achieve our commitment to excellence.

### Unit 2

Niagara Mohawk concurs with the SALP assessment for Unit 2 Operations. Recognition of the substantially improved performance is viewed as one indication that the initiatives undertaken to correct the inconsistent performance noted in the 1990 SALP report are working.

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Unit 2 Operations is determined to continue the positive performance trend through constant vigilance and reinforcement of our commitment to the Standards of Performance. Management oversight of and direct involvement in day-to-day operations activities, including training and simulator observation, help to ensure consistent management and individual performance. On an individual level, attention to detail, procedure compliance and personal accountability for actions are expectations for the entire staff. Working together, these principles will help us achieve our goal of error free operation. Recognizing and rewarding excellence, as well as applying discipline when warranted, serves to emphasize the importance of this mission.

We will continue efforts to upgrade and strengthen the effectiveness of certain on-going programs. For example, the Operations Training Program Advisory Committee and the Training Advisory Board have been very effective to date. Refinements will provide for even more long range benefits for the Operations staff. Procedure upgrades to incorporate the guidance in the new Nuclear Division Directives is also a major goal. Improvements in evaluating plant impact before performing field work, and assuring post maintenance testing meets operability requirements will be incorporated in procedures as well.

Adequate staffing and career development are recognized as essential to the success of the Operations Improvement Program. The improvements achieved in these areas will be continued and reflected in decisions pertaining to right-sizing the Nuclear Division.

The NRC's assessment of the 'Unit 2 Emergency Operating Procedures (EOP's) is accurate. The EOP's are technically correct, well understood by the Operations staff and capable of being implemented. The noted deficiencies are being addressed in accordance with an action plan. We are committed to correct all the support procedures prior to startup following the second refuel outage.

Lit annunciators continue to require and receive high level attention. Progress is being made, as evidenced by a reduction in the daily average of lit annunciators to approximately 30. This number is still unsatisfactory and inconsistent with our goal of a black board. Engineering and Maintenance resources are being directed toward reducing the numbers further. Annunciator work is a prime topic at the daily planning meeting and the Plant Manager's morning meeting.

In summary, Unit 2 Operations can and will continue to improve. Increased experience, coupled with pride in its abilities and accomplishments at all levels, has resulted in a strong and effective organization. The Operations Staff, supported by Station management, clearly recognizes its role and responsibility for setting the priorities and overall standards of performance for the Unit 2 work force. Safe, conservative, and team oriented operations in accordance with procedures is the standard adopted by the station work force.

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## RADIOLOGICAL CONTROLS

Niagara Mohawk's assessment of the Radiological Controls functional area is consistent with that of the NRC staff. We appreciate your recognition of program strengths and the constructive comments offered. We believe that the radiation protection program is fundamentally strong, with additional attention required to continue performance improvement. Focusing increased attention on program weaknesses identified through self-assessment activities by the Radiation Protection (RP) staff and the Quality Assurance staff is a primary goal for RP, Station and Division management.

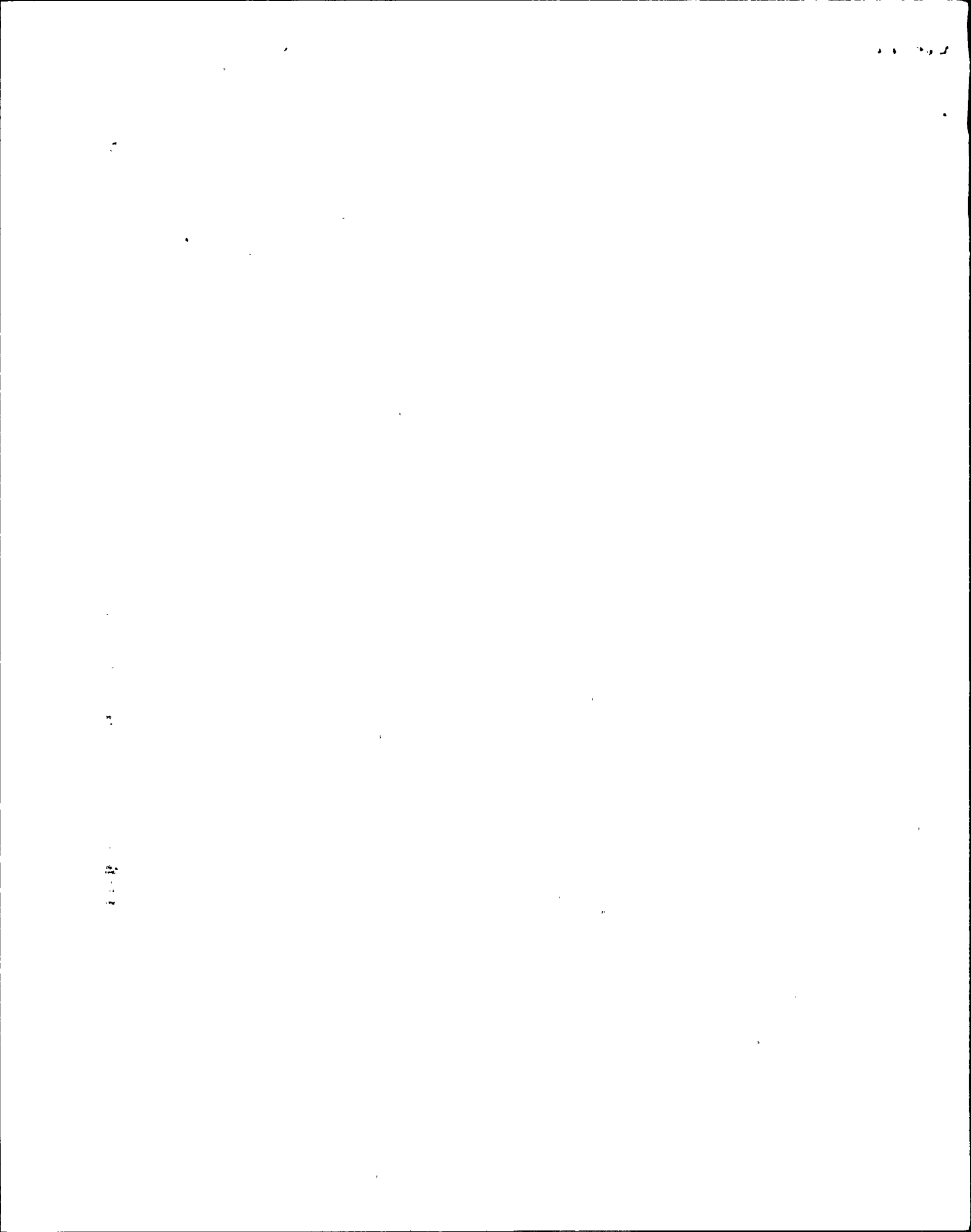
The Nuclear Division senior management team has taken an aggressive stand on ALARA at both units. An ALARA Action Plan was developed and is being implemented. In addition, a recently issued Nuclear Division Directive stresses senior management's expectations regarding the importance of maintaining a strong commitment to ALARA. Division management encourages support for ALARA programs as part of complying with the Industrial Safety Standard of Performance. Further, this commitment will be incorporated into General Employee Training in the near future.

The Unit 2 ALARA and Outage Management groups are working closely to correct problems encountered during the first refueling outage. Outage planning now includes an early date for freezing work scope so that work package preparation and ALARA planning can be optimized. Contingency plans are being developed for unanticipated scope changes and emergent work. The recent Unit 2 forced outage to repair a sample line was a good example of support for ALARA and the benefits of effective planning. Exposure and outage duration were both minimized.

A number of positive steps have been taken to correct lapses of control. The RP staff is using plant work inspection tours to review survey postings and to take on-the-spot corrective actions for observed compliance problems. Policy changes regarding protective clothing have also been issued. The combined effect is improved performance as evidenced in part by a decrease in the number of contamination occurrences. Internal exposure control procedures have been rewritten to facilitate implementation with less emphasis on supporting information. We continue to monitor the effectiveness of these actions and will adjust the controls as necessary.

Post outage decontamination plans have been established for both units to address the removal of trash and laundry in contaminated areas. Goals established for both units have already been met, and the emphasis is now on continued progress as part of normal housekeeping efforts. In addition, administrative procedure changes are in development to strengthen responsibilities and authorities for resolving housekeeping concerns.

As noted in the SALP report, effluent monitor operability continues to be a significant issue. Previous corrective actions were ineffective, and new approaches to resolving the design issues are under development. Inclusion on the Plant Manager's "Top 10" list increased the visibility of this complex technical issue. A task force was established with Engineering taking lead



responsibility for project management. In addition, a sizeable reduction in maintenance work requests has also been achieved through aggressive action by the maintenance staff. Combined, these efforts have led to a higher degree of reliability and operability for the monitors. We expect continued emphasis to result in resolution of this issue.

In summary, Radiation Protection programs for Units 1 and 2 are strong, effective and fully capable of protecting the health and safety of the general public and plant staff. Continued progress is necessary to eliminate the longstanding technical issues and build a program of consistent, excellent performance.

#### MAINTENANCE/SURVEILLANCE

Niagara Mohawk acknowledges and appreciates the improvement in maintenance and surveillance performance recognized by the NRC. Improvement in this area is directly attributed to frequent and consistent reinforcement of management's expectations as reflected in the Standards of Performance. Specifically, critical issues that have been aggressively pursued include:

- Work control improvements
- Supervisor involvement in field activities
- Accountability
- Improvements in maintenance training programs
- Procedure upgrades for human factors considerations
- Enforcement of procedural compliance and attention to detail
- Self-assessment
- Improved outage management and outage planning

We see the weaknesses which still exist as opportunities and challenges to continue the improvement trend. The Company recognizes the need to continue performance improvement in procedural compliance and attention to detail. Increased supervisory monitoring and use of accountability meetings to evaluate shortcomings when they occur have been valuable activities.

Reducing the Corrective Maintenance backlogs has been an important goal for both plants. Significant reduction at Unit 1 was achieved prior to plant restart last summer. For Unit 2, backlog reduction targets were included in the Nuclear Division and Branch Business Plans. Appropriate resources were allocated to support the effort and a significant reduction was realized. New targets are being established that will help to assure continued management attention.

Changes to the scaffold control programs at each unit were initiated earlier this year. We are monitoring the effectiveness of these corrective actions and will make adjustments as necessary.



The Maintenance High Performance Team has been formed to address improvements in maintenance, including the identification of support required from the entire Nuclear Division. Management and staff from Maintenance, Work Control, Materials Management, Engineering, Quality Assurance and the Executive staff meet periodically to evaluate the programs and to recommend corrective actions. The focus of their efforts is in five areas:

- Conduct of Maintenance
- Maintenance Procedures
- Preventive Maintenance
- Work Control
- Materials

This self-assessment effort will help to enhance performance in the maintenance area.

Niagara Mohawk also acknowledges the improved performance in surveillance and is equally committed to continuing that trend. The Maintenance Branch Business Plans contain goals for timely and satisfactory completion of tests. Missed surveillances, should they occur, will continue to be evaluated through accountability meetings. As with all instances of inattention to detail or procedural non-compliance, aggressive investigation and frequent monitoring of trends from the Deviation/Event Reporting system will be used to help correct performance deficiencies.

Niagara Mohawk is committed to continued improvement in the maintenance and surveillance programs. Focusing on the Standards of Performance and using the tools that have proven their worth will enable us to demonstrate with results that superior performance is an attainable goal.

#### EMERGENCY PREPAREDNESS

Niagara Mohawk agrees with the SALP report evaluation of our emergency preparedness program as category 1, indicating a superior level of performance. As stated in the SALP report, we have in the past, and will continue to provide strong management support to the emergency preparedness program. This commitment is most visible by way of inclusion of emergency preparedness activities in the Nuclear Division Business Plan.

The Nuclear Division Business Plan and Branch Business Plans clearly identify those areas the Company believes are essential for maintaining the performance noted in the SALP Report. Actions include highlighting areas needing attention for the Senior Managers, superior drill performance and subsequent presentations to Senior Managers, timely and effective drill corrective actions, maintaining an effective emergency preparedness training program and maintaining effective working relationships both internally and with state and local agencies. We do, however, acknowledge shortcomings relative to our

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initial response to the Emergency Response Facility Appraisal items. Although the extended Nine Mile Point Unit 1 outage and other factors had an impact on the schedule to complete these items, we have now established new, more realistic goals. These new goals, in addition to the establishment of a single point of accountability for the completion of these commitments, will assure appropriate responses take place.

Several statements made in the SALP report require clarification. First, completion of Emergency Response Facility Appraisal items is scheduled to occur in late 1992, coincident with completion of the Nine Mile Point Unit 1 refuel outage. Secondly, licensed operators receive both classroom and simulator event classification and protective action recommendation development training annually, versus each training cycle as stated in the report. The cyclic training consists of emergency preparedness implementation on the simulator.

#### SECURITY AND SAFEGUARDS

Niagara Mohawk concurs with the NRC's SALP evaluation of the Nine Mile Point Security program.

The Nuclear Security Department's mission is to provide a secure and safe environment for the operation of the units at Nine Mile Point. This mission is accomplished on a continuous basis through teamwork, and self-assessment by highly professional dedicated safeguards personnel.

The Security Department remains committed to being a leader in the nuclear security field and appreciates the NRC's recognition of this commitment.

#### ENGINEERING AND TECHNICAL SUPPORT

Niagara Mohawk agrees with the assessment and appreciates the observation that "Niagara Mohawk management demonstrated a determination to improve its performance", and that "overall engineering and technical support performance was good and generally improved."

Progress is continuing in implementation of an enhanced Engineering Training Program. Engineering and Training Department personnel have developed a prioritized Training Needs Matrix based upon improving performance. A schedule is being finalized to deliver courses from existing programs such as technical staff training or develop new programs if needed. Training is committed to continue to support this program. Development of the program involved senior managers from the Engineering and Training Departments.

For the longstanding Unit 1 motor generator (MG) set issues, actions have been taken to resolve the problems. The battery chargers have been installed and are awaiting testing. The Reactor Protection System MG sets are planned to be replaced at the next refueling outage.

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Several initiatives are expected to further improve performance in the area of Technical Support. These initiatives include recognition of the importance of coordination between Engineering and Generation technical support personnel including System Engineers. The Plant Managers (through the System Engineers) have developed a "Top 10" list and action plans are being implemented for each issue to focus the technical groups on the most important problems. Moreover, as part of Branch Business Plans, Generation and Engineering managers have clarified roles among Maintenance, Technical Support and Engineering personnel. This effort helped to improve communications between the technical groups and build a stronger, team oriented relationship. By mutual agreement, the team has initiated a joint effort to reduce the backlog of modifications for each unit. In this way, a clearly defined and prioritized list of modifications will allow Engineering to focus its resources on those issues that address the plant's needs.

As part of the reorganization, Engineering managers were assigned for each unit. These managers are directly involved in reviews of "Top 10" issue progress and reduction of modification backlog.

Monitoring the quality of Engineering work products is receiving increased attention. Engineering has implemented a performance measurement system to track and improve performance in the areas of schedule, cost and quality for products produced by the department for its customers. Monthly progress reviews are conducted by the Vice President Nuclear Engineering and his direct reports.

We continue to review problems toward constant improvement. Accountability meetings were held for several issues cited in the SALP report. Lessons Learned from the accountability process identified a number of procedural improvements that could be made to avoid repetition of inadequate or incomplete reviews. The procedure changes have been initiated, and training occurs once the changes are issued.

We are committed to and recognize the need for continuous improvement. It is felt that the described initiatives will better prioritize work, focus the technical groups on the most important issues needing resolution, reduce backlogs and track performance so that high quality, timely, and effective work is the only way we do business.

#### SAFETY ASSESSMENT/QUALITY VERIFICATION

Niagara Mohawk agrees with the NRC's assessment of our performance in this key evaluation area. Results in this area are a good indicator of the overall success of management efforts to improve performance and achieve Corporate and Division goals. Niagara Mohawk is committed to continuing the positive trends recognized in the SALP Report, and will take appropriate actions to enhance performance by focusing on the proven methods and concepts that yield results.

The reorganization initiated in the middle of the SALP period was a key step in our efforts to more clearly define roles and responsibilities at all levels. It has allowed the organization to be more efficient and responsive to the needs of each plant: For example, each plant manager now has a full team of support staff in his chain of command responsible for day-to-day operation. In addition, the plant managers play a pivotal role in developing



and implementing division goals through their elevated positions as members of the senior management team. Greater visibility and involvement of the Quality Assurance organization has also been achieved as a result of the reorganization, and continues to be strengthened through daily interaction throughout the organization beginning at the Vice Presidential level on site. We plan to fine tune the organizational structure over the next several months as we move forward with Business Plan actions to benchmark all branches against the best in the industry. This will help to ensure that we ultimately achieve a structure capable of providing the highest level of performance.

Business Planning is the cornerstone of efforts to focus attention on the Nuclear Division vision and mission. We are beginning the second cycle of the Business Plan and are identifying critical issues and developing strategies which will enhance our performance over the period 1992-1995. Strategies for each of the four performance objectives will focus on results to address critical issues facing the Division and each plant. The SALP report which identifies opportunities for improvement is one source of critical issues to be considered in this process. We will establish challenging targets for each of the Branches that are realistic and measurable. We began this cycle earlier in the year to ensure that direction from the Division level plan is provided to the Branch Managers in support of their efforts to develop complimentary branch plans. This process puts Niagara Mohawk clearly on the path to achieve a level of performance consistent with our vision of being one of the best nuclear facilities in the nation.

The Business Plan also reinforces the Standards of Performance by establishing ownership and clear responsibility for performance and achievement of results. Employees are empowered to do those things necessary to implement the plan, and are held accountable for the results. Accountability Meetings have proven to be an effective means of reinforcing this concept and will be continued when performance does not meet or exceeds expectations. The lapses in compliance with the Standards of Performance noted in the report were reviewed in accountability meetings and lessons learned have been shared with the appropriate personnel.

Niagara Mohawk's self-assessment activities, as noted in the SALP report, continue to provide valuable insight into management effectiveness and implementation of the Standards of Performance. Assessment starts at the individual level with day-to-day evaluations of personal performance, and problem identification on Deviation/Event Reports (DER's). The process builds on this foundation by evaluating work group performance through accountability meetings, monthly monitoring of Branch Business Plans, post job critiques, and special assessments such as the Maintenance High Performance Team evaluations. Day-to-day and periodic assessments are integrated on a semi-annual basis during the Internal SALP-Type Assessment (ISTA), which provides a broad overview of Division strengths and opportunities for improvement. This multi-phase assessment process helps focus the attention of all levels of management on critical issues deemed to be high priority. Results from all levels of self-assessment are considered as input for the Business Planning process.



As a result of the effective use of self-assessment techniques and proper application of lessons learned, difficulties encountered in the Unit 1 turbine torsional test were not repeated when the same test was developed and conducted on Unit 2. In similar fashion, we have corrected problems with licensing submittals noted in the report. For example, a second Temporary Waiver of Compliance (submitted and approved after the SALP period) was deemed to be more complete and handled more effectively. We will continue to use these techniques to improve submittals.

An additional self-assessment technique used by management to evaluate its effectiveness is close monitoring of the DER corrective action program. Monitoring identification and resolution of individual problems, as well as trends developed from DER program statistics provides management with an indication of how well problems are being managed. With that information, managers can make informed decisions about the need to make changes to correct performance deficiencies.

Niagara Mohawk will continue to improve its management effectiveness through additional management development training programs for all levels of the organization. In particular, the Tiered Leadership Training program which has recently graduated its first class, will continue to be an integral part of management training. Identifying key employees for technical training such as SRO license/certification will also continue to enhance the staff backup capability as well as support the Division and Corporate Succession Planning programs. We are continuing to work with the Corporate training organization to couple programs for mutual benefit.

Development and implementation of the Nuclear Division Directives is a significant step in clearly establishing the Senior management team's direction and expectations for division performance. This will be followed by development and implementation of implementing procedures at the Branch level. This effort will be closely monitored to ensure that management direction is effectively carried out.





ENCLOSURE 4

INITIAL SALP REPORT REVISION SHEET

Page   Paragraph   Line

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Initial Text

...completion of the remaining items in late 1991 or early 1992.

Revised Text

...completion of the remaining items in late 1992.

Reason for Change:

To accurately reflect Niagara Mohawk's schedule for completion of these items.

Page   Paragraph   Line

15      3                      1, 2

Initial Text

...training in both classification and protective action recommendation development during each training cycle.

Revised Text

...training in both classification and protective action recommendation development annually.

Reason for Change:

To accurately reflect the frequency of training provided to licensed operators in this area.

