



50-237

UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

January 27, 1997

Mr. James J. O'Connor
Chairman and Chief Executive Officer
Commonwealth Edison Company
P.O. Box 767
Chicago, IL 60690

Dear Mr. O'Connor:

On January 14, 15, and 17, 1997, NRC senior managers met to evaluate the nuclear safety performance of operating reactors, fuel facilities, and other materials licensees. The NRC conducts this meeting semiannually to determine if the safety performance of various licensees exhibits sufficient weaknesses to warrant increased NRC attention or if it is trending adversely and requires steps be taken to communicate concerns to the utility's president or board of directors. At the January 1997 Senior Management Meeting (SMM), the Dresden Nuclear Power Station, the Zion Generating Station, and the LaSalle County Station were discussed.

The Dresden Nuclear Power Station was placed on the NRC Watch List for the second time in January 1992 and remains a Category 2 plant. Plants in this category have been identified as having weaknesses that warrant increased NRC attention until the licensee demonstrates a period of improved performance. A summary of NRC discussions related to Dresden follows.

Dresden has continued to demonstrate sustained good performance in the area of plant operations. Maintenance and surveillance activities have been conducted at an adequate level; however, problems and weaknesses in work control continue. The Independent Safety Inspection (ISI) conducted last fall identified significant weaknesses in design basis retrievability and engineering calculation control. Both short-term and long-term corrective actions for the engineering weaknesses are being implemented as outlined in the November 21, 1996, Confirmatory Action Letter (CAL). On January 13, 1997, Dresden provided the NRC an interim response to the ISI report findings. A detailed response to each of the ISI findings is planned by February 26, 1997. Plant support activities continued to provide good support to operations and maintenance, but routine radiation worker performance problems still occurred.

The NRC recognizes that significant management changes and improvement efforts were initiated to improve operational performance and the material condition of the facility. However, continued management attention is needed to assure those improvement efforts are sustained and effective at Dresden. The NRC will continue to closely monitor station performance to

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determine if lasting change is being made. This includes continued evaluation and independent assessment of Dresden's corrective actions outlined in the Dresden CAL, and observing performance as Units 2 and 3 are operated together for a period of time and the Unit 3 outage conducted in the spring of this year.

The Zion Generating Station was placed on the NRC Watch List as a Category 2 plant. A summary of NRC discussions related to Zion follows.

Zion Station was placed on the NRC Watch List following the January 1991 SMM and remained on the Watch List until January 1993. Between 1993 and 1996, further improvement in facility performance was limited. Because of concerns with operational performance and material condition, Zion Station was discussed again at both the January and June 1996 SMMs. During the last six months, examples of personnel errors and configuration control problems continued to occur. In addition, various plant equipment problems continued to challenge operators and efforts to improve material condition were hindered by the limited effectiveness of work planning and control processes, quality of routine work activities, and operator acceptance of equipment work-arounds. Weaknesses were also identified in the performance of specific engineering activities, such as evaluation of some facility design modifications and evaluation and resolution of certain equipment deficiencies. Radiation protection procedure and radiation work permit adherence deficiencies contributed to a decline in performance.

The NRC recognizes that significant management changes have been made at Zion, and that a number of performance improvement efforts have been initiated, including work stand-downs, augmented management review of operational activities and engineering work, radiation protection planning improvements, enhanced communication of management expectations for staff performance, and commitment of significant resources to identify the root causes for current performance weaknesses. The effectiveness of these recent management changes and improvement initiatives has yet to be fully demonstrated. The NRC will focus attention on assessing the effectiveness of Zion Station improvement initiatives and action plans, with emphasis on problem identification and corrective action programs, to assure that sustained improvement is achieved.

The LaSalle County Station was placed on the NRC Watch List as a Category 2 plant. A summary of NRC discussions related to LaSalle follows.

LaSalle has been discussed at each SMM from January 1994 through June 1996 due to varying performance issues. Following the June 1996 SMM, a safety-significant service water event occurred which

indicated that significant performance weaknesses continued to exist in a number of areas. In addition, substantial NRC involvement was required to ensure that the station took conservative and comprehensive corrective actions in evaluating the full extent of this event. Since the service water event, operations performance has been characterized by a number of personnel errors resulting in inoperable safety-related equipment and the loss of configuration control for important plant systems. Problems with plant equipment continued and were indicative of weaknesses in maintenance performance. Performance problems in the engineering area were demonstrated by a number of weak or inaccurate root cause evaluations and non-conservative operability determinations; a tolerance of material condition deficiencies; and at times, a failure to use the design control process properly.

In September, both LaSalle units were shutdown; Unit 1 to repair a turbine control valve and Unit 2 for a refueling outage. In December, a decision was made to extend the outages for both units to address performance issues revealed by the service water event, NRC findings, and station self-assessment initiatives. The NRC recognizes the initiatives to address hardware issues and human performance deficiencies through implementation of a restart action plan and longer-term improvement plans. The commitment by corporate management to keep both units shutdown until identified performance issues have been appropriately addressed, indicates a recognition and understanding of the significance of the problems that exist at LaSalle. In addition, the NRC recognizes that some significant management and organizational changes have been made at LaSalle station. However, the effectiveness of these changes and improvement initiatives have not yet become evident. The NRC will focus attention on assessing the effectiveness of LaSalle Station improvement initiatives and action plans to assure that sustained improvement is achieved.

Mr. A. Bill Beach, the NRC Region III Administrator, has discussed the bases for our conclusions with regard to the Dresden Nuclear Power Station, the Zion Generating Station, and the LaSalle County Station with members of your staff.

An NRC Commission meeting, open to the public, has been scheduled to be held in the Commissioners' Conference Room in Rockville, Maryland, on January 29, 1997, at 10:00 a.m. to review the results of the latest meeting of NRC senior managers.

In relation to the preceding discussion regarding the performance of the Dresden, Zion, and LaSalle plants, we are requesting, under separate cover, information that will allow the NRC to determine what actions, if any, should be taken to assure Commonwealth Edison Company can safely operate its six nuclear stations while sustaining performance improvement at each site.

Mr. James J. O'Connor

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If you have any questions regarding this matter, please do not hesitate to call me.

Sincerely,

Original signed by:

Hugh L. Thompson, Jr.
Acting Executive Director
for Operations

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