



February 17, 1998

U.S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, D.C. 20555

Subject: Braidwood Units 1 and 2 (NRC Docket Nos. 50-456/457)
Byron Units 1 and 2 (NRC Docket Nos. 50-454/455)
Dresden Units 2 and 3 (NRC Docket Nos. 50-237/249)
LaSalle Units 1 and 2 (NRC Docket Nos. 50-373/374)
Quad Cities Units 1 and 2 (NRC Docket Nos. 50-254/265)
Zion Units 1 and 2 (NRC Docket Nos. 50-295/304)

Re: Integration of Section 50.54(f) Commitments Into the
Nuclear Generation Group Strategic Reform Initiatives

References: (1) O.D. Kingsley, Jr. (ComEd) letter to L.J. Callan (NRC), dated
January 5, 1998

(2) J.J. O'Connor (ComEd) letter to L.J. Callan (NRC), dated March
28, 1997, "Commonwealth Edison Company's (ComEd's) Response to
the U.S. Nuclear Regulatory Commission (NRC) Request for
Information Under 10 CFR 50.54(f) Regarding Safety Performance at
ComEd"

Dear Mr. Callan:

On January 5, 1998, Commonwealth Edison Company (ComEd) provided the Nuclear
Regulatory Commission (NRC) with the Nuclear Generation Group (NGG) Strategic
Reform Initiatives (SRIs). (Ref. 1) The initiatives provide the overarching strategic
priorities that will guide the NGG's efforts to improve ComEd's nuclear program.
With the transmittal of the SRIs on January 5, ComEd noted that an evaluation of the
Section 50.54(f) commitments (Ref. 2) would be conducted to determine the need for
any changes, including modifications, enhancements, or deletions.

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The purpose of this letter and its attachment is fourfold.

- It provides the results of our evaluation of the 341 Section 50.54(f) commitments and supplementary information regarding the SRIs.
- It explains the reasons for the ComEd nuclear program's cyclic performance.
- It expands upon the effectiveness review process the NGG will employ to evaluate progress in implementing the thirteen SRIs and closing out the accompanying Work Plans.
- Finally, it explains what ComEd will be doing to enhance the safe day-to-day operation of its nuclear plants.

Thus, this submittal, along with the January 5, 1998, letter and attachments, form the bases for the NGG integrated plan going forward.

Section 50.54(f) Commitment Review

Some of the discrete actions taken to close the Section 50.54(f) commitments have yielded successes. For example, an important result of the Section 50.54(f) process was the development and implementation of NGG performance indicators. Other key results include the establishment of Management Review Meetings, Peer Groups, Engineering Assurance Groups, and Work Management scheduling processes at the sites.

Based on our review, however, we have determined that the effectiveness of these initiatives has been somewhat limited and they have not halted cyclic performance. The Section 50.54(f) approach focused on discrete work activities rather than the broad, fundamental processes, effectiveness measures, and results which are necessary to drive improvement. The thirteen SRIs address the fundamental issues which have resulted in the NGG's cyclic performance. They improve accountability, ensure effective follow-up, and focus on basic processes. Thus, no additional SRIs are necessary to end NGG cyclic performance.

The 341 Section 50.54(f) commitments vary from specific action items to broad programmatic initiatives. As part of the review effort, ComEd has confirmed that the SRIs envelope each of the Section 50.54(f) commitments. Therefore, the Section 50.54(f) commitments have been replaced by the SRI Work Plan action items, with the exception of those regarding the restart of LaSalle and Zion Stations. The commitments detailing specific actions to address restart planning issues at LaSalle (as discussed in NGG-1) are included in the Station's Restart Plan. Zion Station will only be implementing those Section 50.54(f) commitments necessary to place it in a SAFESTOR condition.

The Attachment to this letter contains: (1) an overview of each SRI, including an assessment of results to date, summary of necessary enhancements, and identification by commitment number and classification by subject area of the Section 50.54(f) commitments that have been integrated into each SRI; and (2) revised SRI Work Plans for each SRI. Members of the NGG Senior Management team have been assigned specific responsibility for timely completion and effective follow-up of the SRIs. Individuals will be held accountable for their SRI responsibilities, including routine review, revalidation, and assessment of SRI implementation status.

Cyclic Performance

We have identified the root causes of the NGG's continued cyclic performance to be:

- a primary focus on specific actions, such as the 341 Section 50.54(f) commitments, rather than performance and results;
- improvement efforts that did not always focus on basic processes, including the fundamentals of Operations, Maintenance, Engineering, and Support;
- roles and responsibilities of the corporate organization that were not always clearly defined, including accountability for and rigor in implementation of programs; and
- the corporate organization and the sites were not sufficiently integrated, including oversight by corporate and lessons learned across the sites.

The NGG Senior Management team and I understand these root causes and remain convinced that the elemental issue continues to be the need for improvement in these four areas:

- Operational and Technical Excellence;
- Material Condition;
- Organizational Alignment and Workforce Engagement; and
- Effective Leadership and Management.

The SRIs are designed to address each of these areas and, when effectively implemented, will result in substantial improvement in ComEd's ability to execute basic nuclear operational and management tasks. The NGG Senior Management team and I are convinced that continued emphasis and focus on the thirteen SRIs will drive the NGG to the high levels of sustained performance that are our standard. A culture that focuses relentlessly on key leadership behaviors and processes that promote and sustain improved performance on a long-term basis is our predominant objective.

Effectiveness Reviews and the SRI Work Plan Closeout Process

The SRIs will guide the NGG's performance on an ongoing basis. The underlying SRI Work Plans, however, will be closed out upon the completion of each line item. Before the closeout of any SRI Work Plan, a complete effectiveness review process will be implemented which consists of three steps.

Step 1 -- Line management will review and sign-off the SRI Work Plan action items.

Step 2 -- The Quality and Safety Assessment (Q&SA) organization will review the actions closing out the SRI Work Plan, confirming or rejecting line management's conclusion reached in Step 1.

Step 3 -- Industry peers and experts from outside the company, as appropriate, will team with ComEd peers to conduct an additional evaluation of the effectiveness of each SRI.

Upon completion of Step 3, the reviewers will present their determination to the Senior Executive Team, consisting of the Senior Vice President of Nuclear Generation Support, the Chief of Staff, and the BWR and PWR Vice Presidents. When I am satisfied, appropriate NGG representatives will advise the NRC concerning the closeout of the SRI Work Plan action items and results achieved.

I must re-emphasize that the strategic priorities embodied by the thirteen SRIs will continue to govern NGG performance, even after the closeout of SRI Work Plan action items. Administrative plans have been established, in the form of SRI Work Plans, that upon completion will result in the basic improvements and processes required to support continuous improvement and sustained performance. Attention on the underlying strategic priorities will in no way be reduced after implementation of the SRI Work Plans.

Emphasis on Safe Day-to-Day Operations

My executive team and I are also focusing on strengthening day-to-day operations at each of our nuclear facilities. As described in the January 5 letter, the right management and processes will remain in place. In addition to reviewing the NGG organizational structure, clearly defining roles and responsibilities, and establishing consistency between the sites, it is essential to ensure the proper degree of management involvement in operational activities. In this regard, key areas of executive attention at the corporate level include:

- reinforcing the critical importance of human performance in the execution of plant evolutions across all levels of the organization (*e.g.*, through consistent emphasis on surveillance programs and critical evolution control);
- ensuring that generic implications of events or problems are identified and effectively corrected throughout the organization;
- redirecting the corporate organization's focus to include both oversight and support roles to ensure effective standard setting and assessment of fundamental processes at our sites, including prompt and comprehensive intervention when these standards are not met and/or necessary processes are not in place;
- strengthening all aspects of the oversight program within the NGG to ensure effective problem identification and corrective action; and
- providing centralized corporate control of the assessment process to provide systematic assessments of performance.

These actions will assist in implementing the SRIs, ensuring the effectiveness of fundamental programs, and implementing effective oversight and assessment processes to identify and correct problems.

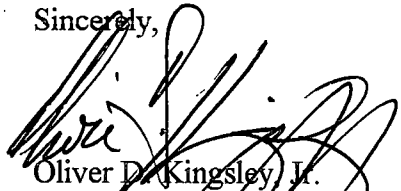
Future Follow-Up

ComEd will continue to keep the Commission and Staff apprised of our progress in implementing the SRIs. Dialogue will continue at the semi-annual Commission briefings on safety performance of our stations. In addition, the discussions during our meetings with the Commonwealth Performance Oversight Panel (CPOP) will be re-focused to include a review of problems at individual or multiple sites and a discussion of what is being done to correct such problems.

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I look forward to reviewing progress with the NRC as we move forward and implement our integrated improvement initiatives. My management team and I are implementing these initiatives with rigor, holding both ourselves and all other NGG personnel accountable for their success. Undoubtedly, challenges will be encountered as we proceed; however, the NGG is confident that, collectively, the Strategic Reform Initiatives will end cyclic performance.

Sincerely,



Oliver D. Kingsley, Jr.
President and Chief Nuclear Officer
ComEd Nuclear Generation Group

Attachment 1 -- "Integration of Section 50.54(f) Commitments Into NGG Strategic Reform Initiatives"

cc: H. Thompson, Deputy Director - NRR
A. Beach, Regional Administrator - RIII
R. Zimmerman, Associate Director - NRR
E. Adensam, Acting Director - NRR
R. Capra, Project Directorate - NRR
Braidwood Project Manager - NRR
Byron Project Manager - NRR
LaSalle Project Manager - NRR
Zion Project Manager - NRR
Dresden Project Manager - NRR
Quad Cities Project Manager - NRR
Senior Resident Inspector - Braidwood
Senior Resident Inspector - Byron
Senior Resident Inspector - Dresden
Senior Resident Inspector - LaSalle
Senior Resident Inspector - Quad Cities
Senior Resident Inspector - Zion
Office of Nuclear Facility Safety - IDNS