



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION
RELATED TO AMENDMENT NO. 25 TO FACILITY OPERATING LICENSE NO. NPF-41,
AMENDMENT NO. 14 TO FACILITY OPERATING LICENSE NO. NPF-51
AND AMENDMENT NO. 3 TO FACILITY OPERATING LICENSE NO. NPF-65
ARIZONA PUBLIC SERVICE COMPANY, ET AL.
PALO VERDE NUCLEAR GENERATING STATION, UNIT NOS. 1, 2 AND 3
DOCKET NOS. STN 50-528, STN 50-529 AND STN 50-530

1.0 INTRODUCTION

By letter dated August 10, 1987, as supplemented by letters dated September 22 and October 15, 1987, the Arizona Public Service Company (APS) on behalf of itself, the Salt River Project Agricultural Improvement and Power District, Southern California Edison Company, El Paso Electric Company, Public Service Company of New Mexico, Los Angeles Department of Water and Power, and Southern California Public Power Authority (licensees), requested a change to the Technical Specifications for the Palo Verde Nuclear Generating Station, Units 1, 2 and 3 (Appendix A to Facility Operating License Nos. NPF-41, NPF-51 and NPF-65, respectively). The application requests changes to Section 6, "Administrative Controls," of the Technical Specifications to reflect a proposed change to the licensees' nuclear organizational structure.

2.0 DISCUSSION

The licensees state that the overall purpose of the proposed organizational structure for Palo Verde, Units 1, 2 and 3 is to reduce layers of management and to provide direct control of each unit's activities under individual plant managers. The proposed changes are summarized as follows:

- Revise the duties of the Vice President-Nuclear Production by eliminating daily responsibilities over offsite activities in order to focus attention on operating activities. He will be responsible for operations, maintenance and support of operations and maintenance for all three units, and for the water reclamation facility.
- Establish a Plant Manager for each of the three Palo Verde units, reporting to the Vice President-Nuclear Production, in lieu of an overall Plant Manager. Each will be responsible for the safe, reliable and efficient operation of his assigned unit, as well as maintenance and other daily activities relating to unit performance. Reporting to each Plant Manager will be an Operations Manager, Main-

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tenance Manager, Work Control Manager, Radiation Protection Manager and Chemistry Manager.

- Revise the duties and title of the onsite Assistant Vice President to oversee the onsite support functions for the units. He will continue to report to the Vice President-Nuclear Production and be responsible for the water reclamation facility, outage management, central maintenance support, radwaste support, and radiation protection support.
- Establish an onsite Director of Standards and Technical Support reporting to the Vice President-Nuclear Production. He will be responsible for onsite engineering and technical work, onsite computer activities, site-wide preparation, coordination of station radiological protection, chemistry and radiochemistry programs, development of operation and maintenance standards including assurance of uniform application, and implementation of compliance monitoring of Palo Verde regulatory commitments.
- Establish a Director of Engineering and Construction reporting to the Executive Vice-President. He will be responsible for engineering, construction, records management, cost and scheduling, nuclear fuels management, and participant owner services.
- Establish a Director of Site Services reporting to the Executive Vice-President. He will be responsible for security, training, emergency planning and material control.
- Establish a Director of Nuclear Safety and Licensing reporting to the Executive Vice-President. He will be responsible for the nuclear safety groups, Independent Safety Engineering Group, onsite Compliance Department, technical data section, and offsite Licensing Department. He will also be responsible for coordinating license document changes, responding to NRC requests and serving as the plant interface with the NRC.
- Establish a Director of Corporate QA/QC to replace the QA Director and Assistant QA Director. His responsibilities will be the same as in the previous QA organization and the QA organization will continue to report to the Executive Vice-President.

3.0 EVALUATION

The staff has evaluated the proposed organizational structure for both offsite and onsite activities. The staff finds that the realignment of functions in the offsite organization supports the operation of the three Palo Verde units and emphasizes the management of operational activities. The staff also finds that the onsite changes will provide a greater level of management attention to each unit and that the restructuring does not delete any of the functions necessary for the safe operation of the facility.



The proposed changes include a number of title changes to reflect the revised organization. For example, the title of the Operations Superintendent will be changed to Operations Manager. These title changes are acceptable.

In response to staff questions during the review of the reorganization, the licensees provided additional information, by letters dated September 22 and October 15, 1987. The following is a discussion of the three areas of review involved.

The licensees state that the Plant Manager for each unit will meet the training requirements of ANSI/ANS-3.1-1978 by either completing the training received by an SRO candidate or by having a designated principal alternate who meets the ANSI/ANS-3.1-1978 requirements. For those Plant Managers who are relying on the designated principal alternate to meet those requirements, the licensees will provide a training program which includes courses on systems, mitigation of core damage, ALARA and refueling operation, and observation of each crew during normal operation and requalification simulator training. The staff finds that the training program will enhance the capabilities of those individuals.

In the proposed organization, the licensees will combine the positions of QA Director and Assistant QA Director into the position of Director of Corporate QA/QC. The licensees justified the elimination of the position of Assistant QA Director, noting that the position was established to provide additional management coverage during the transition from construction to operation only and that adequate management coverage would be provided during the operations phase with this position eliminated. The licensees stated that the new Director of QA/QC would typically divide his time between the site and the corporate office. The licensees also stated that training would be provided to the new Director of QA/QC to compensate for the Director's lack of one year experience within a QA organization. The staff has reviewed the licensees' proposed QA organization and related commitments and finds that they meet the requirements of Appendix B of 10 CFR 50 and are, therefore, acceptable.

The essential programmatic elements for an effective radiation protection organization are given in Regulatory Guide 8.8, Revision 2, "Information Relevant to Ensuring That Occupational Exposure at Nuclear Power Station Will Be As Low As Is Reasonably Achievable". The qualifications and training for the designated Radiation Protection Manager (RPM) and the backup RPM are given in Regulatory Guide 1.8, "Personnel Qualifications and Training". The requested proposed organizational changes satisfy the programmatic and qualification guidance in Regulatory Guides 8.8 and 1.8 but represents a significant shift from a line to a matrix organization. The designated RPM (Radiation Protection and Chemistry Manager) will no longer be directly over a line organization but will still exert overall program direction and leadership. The designated backup RPM (whose title will change to Health Physics Control Supervisor) will continue to report directly to the RPM. Both meet the RPM qualifications in Regulatory Guide 1.8.



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The proposed Central Radiation Protection Manager position (currently the Radiation Protection Support Supervisor) will now report to the Assistant VP Nuclear Production Support. His function is to provide radiation protection activities and conduct radiation protection functions that lend themselves to centralization (e.g., dosimetry, ALARA reviews, radiation protection instrumentation and repair and operational support). These functions can be provided effectively with RPM oversight and guidance provided on a routine basis.

One aspect of the proposed organization merited special staff attention. Because of the proposed matrix organization, the designated RPM will no longer have supervisory responsibility over the individual first-line supervisors (Unit Radiation Protection Managers (URPMs)) who will be directly responsible for the day-to-day implementation of each unit's radiation protection program. These URPMs do not meet the RPM qualifications in Regulatory Guide 1.8; they will report directly to their respective Unit Plant Managers.

By letter dated October 15, 1987, the licensees submitted additional information requested by the staff concerning the onsite organizational changes relating to radiation protection. The licensees have made a commitment that the URPMs and the onsite RPM have an effective communication link for programmatic guidance and problem resolution interaction. The designated RPM does continuously monitor the site program implementation activities and will provide prompt, direct feedback to the URPMs to correct any identified problems. The URPMs can raise unresolved programmatic concerns directly to the onsite RPM, who, in turn, will have direct access to the Unit Plant Managers and the Director of Standards and Technical Support. This established interaction/communications network should compensate for the absence of the typical line organization authority normally vested with a single unit site RPM which Regulatory Guide 8.8, Section c.1.b.3.(i), stipulates has the responsibility for "... supervising ... the radiation protection staff." The staff believes this mechanism will provide the URPMs the needed direction and support from the onsite RPM. The staff finds the licensees' commitment acceptable.

The staff finds that the onsite organizational changes meet the radiation protection requirements of NUREG-0800, Section 12.5, Regulatory Guide 8.8 and Regulatory Guide 1.8 and, therefore, are acceptable.

On the basis of the above evaluation, the staff finds that the proposed offsite and onsite organizational structures are acceptable since they meet the acceptance criteria of Sections 13.1.1, 13.1.2 and 13.1.3 of the Standard Review Plan.

4.0 CONTACT WITH STATE OFFICIAL

The Arizona Radiation Regulatory Agency has been advised of the proposed determination of no significant hazards consideration with regard to these changes. No comments were received.



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5.0 ENVIRONMENTAL CONSIDERATIONS

The amendments involve administrative changes. Accordingly, the amendments meet the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(10). Pursuant to 10 CFR 51.22(b) no environmental impact statement or environmental assessment need to be prepared in connection with the issuance of these amendments.

6.0 CONCLUSION

The staff has concluded, based on the considerations discussed above, that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of these amendments will not be inimical to the common defense and security or to the health and safety of the public. We, therefore, conclude that the proposed changes are acceptable.

Principal Contributors: F. Allenspach, J. Minns and J. Spraul

Dated: October 30, 1987

