



**PSE&G**

Public Service Electric and Gas Company P.O. Box 236, Hancocks Bridge, NJ 08038 609 935-6010

Richard A. Uderitz Vice President — Nuclear

April 11, 1983

Mr. Darrell G. Eisenhut, Director  
Division of Licensing  
Director of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Mr. Eisenhut:

The purpose of this letter is to provide additional supporting details associated with the independent management diagnostic currently in process by Management Analysis Company, of PSE&G Nuclear Department structure, management systems and staffing. The objectives of this diagnostic are:

An independent review and appraisal of the activities associated with PSE&G's Nuclear Department. Rather than attempting to examine every aspect of the entire department, the effort will focus on processes and interaction among operations, engineering, quality assurance and support organizations. Particular attention will be given to safety and regulatory compliance activities.

Determination of the key factors that may be adversely affecting operations and associated management systems.

Development of an action plan with key PSE&G personnel, that will assist in improving operations at the earliest possible time consistent with resource availability and prudent management.

Provide recommendation for improvements to PSE&G's safety and regulatory compliance action plans.

Management Analysis Company has found that the most effective approach to providing a high quality assessment and a set of workable recommendations is by applying a team of highly qualified personnel to perform a series of interviews, observations, and document reviews. The purpose of these investigations is to develop an independent and accurate view of existing department status, problems and opportunities and to develop workable plans for improvement, taking full consideration of the existing organization, people, procedures and management systems.

3021

8304180317 830411  
PDR ADDCK 05000272  
P PDR

4/11/83

Management Analysis Company will interview key personnel in all parts of the Nuclear Department and Senior Corporate Management. Document reviews will focus on important documents such as procedure manuals, Department manuals, organization diagrams including position descriptions, authorities and interfaces, and administrative control procedures.

Management Analysis Company commenced this evaluation on April 5, 1983. They plan to provide PSE&G with a final report with appropriate recommendations and a formal action plan during the week of June 13, 1983. PSE&G will review these recommendations and proposed action plan, and will respond to the NRC with an integrated action plan by July 1, 1983.

In addition, an interim report will be provided to PSE&G by Management Analysis Company during the week of May 9, 1983. These dates represent an extension of the schedules identified in our letter of April 4, 1983, as the scope of the Management Analysis Company investigation has broadened and become more finite.

Copies of both the interim and final reports will be provided to the Nuclear Regulatory Commission. We intend to meet with NRC staff at the time of issuance of both reports to discuss with you our appraisal of the Management Analysis Company findings and recommendations, and our plans for the implementation of improvements as appropriate.

We would expect that Management Analysis Company would also be in attendance in the discussion of the final report and recommended action plan. Deviations between findings identified in interim and final reports will be addressed at this time.

During the implementation phase of the resultant improvement program, we intend to meet with NRC staff on a bi-monthly basis to review progress accomplished towards complete program implementation.

Sincerely,



CC Mr. Richard W. Starostecki, Director  
Division of Project and Resident Programs  
Region I