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NUCLEAR OVERSIGHT COMMITTEE

SIXTH QUARTERLY REPORT

APRIL 26, 1985

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The sixth regular meeting of the Nuclear Oversight Committee was held on March 11 and 12, 1985 at the Salem Plant of Public Service Electric and Gas Company. All members attended the full meeting.

Introduction

Over the last two years, PSE&G has made major commitments and allocations of resources to improve the level of excellence of its nuclear activities. Indeed, few if any other U. S. companies have committed greater effort or resources to the upgrading of their performance. Many PSE&G programs are taking shape and acquiring a focus, and performance is improving.

NOC was pleased to see the implementation of several important organization and personnel changes, including the formation of a Change Control Board and task forces on availability and outage management, and notes with positive expectations the appointment as Vice President - Nuclear of Corbin McNeill, a man with an outstanding record and reputation.

Improved performance is exemplified by the excellent recent operating level achieved by Salem I, the number of hours of operation without a lost time accident, and the reduction of Licensee Event Reports.

Despite these good efforts and results, there are a number of areas that require further attention. These are enumerated here and discussed further (except for items 3 and 6) in the body of the report. NOC requests that each of these topics be addressed in the PSE&G response:

1. The management responses to the NRC and the NOC are, in many cases, inadequate.
2. The changes made so far in improving engineering support for operations represent an improvement but are not sufficient.

The creation of the Change Control Board is a step in the right direction in reducing the backlog of Design Change Requests and in assuring that high priority tasks are promptly dealt with, but this step alone does not seem to have resolved the backlog. There is a similar problem with DCPs.

The proposed processes for dealing with minor changes are too complex and too time consuming.

3. The establishment of an Outage Manager to plan and oversee outage work is a step in the right direction and shows promise of becoming an effective function. One element that is still missing is establishment of a method and authority to determine which tasks will and will not be performed during outages.
4. Too many decisions are being made by committees rather than be designated responsible individuals. As an example, there has been no apparent guidance by management in the establishment of criteria to guide the Change Control Board. Another most critical task in outage planning is the decision on tasks to be included or excluded. A priority system needs to be formulated with a clear designation of authority.
5. While most of the Action Plans have been completed on time, some of the remaining ones seem to be slipping. Two of the plans may have been overambitious, with resource allocations and completion times not commensurate with anticipated benefits. The NOC continues to be interested as to the intent of PSE&G with respect to the implementation of the Action Plans, and whether this implementation can be achieved within anticipated budget levels.
6. The number of reviews and audits continues to grow to a point where they may be interfering with operations. The NOC notes the tentative plans to create a new Nuclear Safety Advisory Board (NSAB) for Salem and another for Hope Creek, and suggests reconsideration of that decision, eliminating at least the Salem NSAB and perhaps creating the Hope Creek NSAB for a limited period.
7. The NOC received its first briefing on the Hope Creek Project and Transition Plans. Overall the work seems to be going along well and on schedule; however, the NOC has some concerns particularly in the area of contingency planning.
8. In the area of safety and reliability, the NOC recommends that management examine the functions of the various organizations performing work in these areas within the Nuclear Department in order to eliminate unnecessary duplication and possible consolidation of functions. Both responsibility and accountability could be improved and clarified by such actions.

It seems to the NOC that organization and staffing for the new Safety Review Management organization are not moving along as rapidly as previously indicated.

## 1. PSE&G's Responses to NRC and NOC

The NOC is not satisfied with the PSE&G response to its last quarterly report. The delay of implementation of Action Plans and of designating cognizant engineers within the Salem Plant, the lack of specific details of the Nuclear Engineering realignments that are to be put in place to give greater engineering support to operations, and precisely how minor DCRs will be evaluated and processed were unclear in the PSE&G written response. These matters are brought up once more for attention later in this report.

The response to the criticisms enumerated in the SALP report provide another example. Responsibility for the overall response is not closely assigned although it was, for example, recognized that the Engineering Department was responsible for some of the elements. The NOC urges the early assignment of overall responsibility for a prompt, careful and full response to such challenges, if the image of PSE&G is to improve.

## 2. Engineering Support for Operations

In order to improve engineering support for operations, two changes are proposed by PSE&G. First, there would be the establishment of a Nuclear Engineering Station Support (NESS) organization reporting administratively to the Assistant General Manager - Salem Operations and to the Assistant General Manager - Nuclear Engineering, for technical guidance. Under this system, station personnel would be assigned responsibility for sub-system or component cognizance. It is not clear to the NOC that such a system will meet the needs. Under the proposed plan the cognizant engineers are not permitted to define or to carry out engineering changes -- no matter how minor the changes. The NOC points out that highly competent engineers are needed to carry out the function of "cognizant engineer" and that it would be difficult to attract and to keep a person with the requisite talents. Moreover, it is not clear that the cognizant engineer's talents would be well utilized. The cognizant engineer should have a greater role to play.

The second change involves the creation of a new kind of Design Change Request, the Minor DCR, in order to permit changes to be made in a more expeditious fashion. However, when the NOC was given a block diagram of the processes that would be involved, the NOC concluded that much more simplification was needed. One question that was unresolved: Do minor DCRs have to receive the blessing of the Change Control Board?

In this connection, it came to the attention of the NOC that there are many items included in the Technical Specifications that really do not belong there. Steps should be taken to remove or modify these items.

While the Nuclear Department is fortunate in having an unusually large and competent engineering staff, that staff will, in support of Salem operations and Hope Creek start-up, need to prioritize its tasks through a living schedule. Furthermore, future engineering needs should be carefully defined and considered before making final decisions about changes in resource allocations.

#### 4. Management Decisions

The NOC repeatedly encounters situations where committee consensus seems to be applied in cases where management decisions should apply. Two such cases came up during the last meeting.

The new Change Control Board (CCB) has been assigned the tasks of reviewing the Design Change Requests (DCR) and the Design Change Packages (DCP) with the objective of reducing the backlog to a reasonable and achievable number. As far as the NOC could ascertain, no criteria was specified by management to the CCB. As a result, less than one-third of the DCRs have been eliminated by the CCB so that the backlog is still unrealistically large. As of the last NOC meeting the DCPs had not yet been reviewed, but the present backlog represents a serious problem. Management must take a stronger and better defined position to resolve the DCR and DCP backlog.

A similar conclusion appertains to the Outage Planning process. No responsibility has been assigned or process defined for deciding which outage DCPs will be implemented during outages. This is an important question which might well go all the way up to the Vice President - Nuclear for final decisions. It should be further noted that decisions on DCPs have a major influence on outage planning so that early decisions are a necessity.

#### 5. Action Plans

While most of the Action Plans (21) are now complete, eight are still open. Two, 2.4.1 and 2.6.3, are delayed and the NRC has been so notified. Several others are in jeopardy. These are reviewed below:

2.4.1, Plant Cleanliness. The original schedule called for completion by December 31, 1984. The present schedule calls for completion by September 30, 1985. The delay is due mainly to a shortage of manpower caused by the back-to-back Salem I, Salem II outages. However, NOC notes that even though the process is not yet complete, striking improvements are apparent.

2.6.3, Reducing the Number of Backlogged Maintenance Items. The original schedule called for completion January 31, 1985. The present schedule is May 31, 1985. The backlog was reduced from a peak of 1584 work orders in January 1984 to 341 in July 1984. However, that number has now slipped above the target 400, and renewed efforts should be and are being applied to bring that number down to acceptable levels.

- In the area of 2.2.2, Commitment Tracking, it has seemed to the NOC from the outset that this program represented an overreaction and that some scaledown is justified. The NOC, at a previous meeting, recommended that PSE&G review its decision to review all documents dating back to the beginnings of Salem I to find out whether any commitments made over the many years had not been met. In the light of actual experience and the magnitude of the task, NOC recommended that this commitment be reviewed. The NOC is not aware of PSE&G's decision on this matter.

Similarly, 2.7.3, Management Information System, representing an attempt to get all interrelated information on to one large computer program, encompasses a task that is indeed massive. The NOC is not aware of any organization that has succeeded in operating such a completed integrated system. It is likely that more modest objectives will represent a more practical approach that can be implemented within a time scale that would produce a more cost-effective solution.

While both of these steps would represent reductions in the level of implementation of Action Plans, it should not be inferred that the NOC favors a general backing-down in the Action Plan implementation efforts. Quite to the contrary, the NOC is concerned that the gains expected, and in some cases already realized, from the whole Action Plan effort be not dissipated either by intent or by neglect. The NOC wishes to continue to monitor these efforts.

## 7. Hope Creek

The reports received by the NOC on the Hope Creek project status were very positive and encouraging. The PSE&G staff involved are highly capable and experienced, and there appears to be in place a strong team organization that will move smoothly into the operations phase of the project. The PRIDE, SAFETEAM, and DART programs that have been put in place to deal with various aspects of the turn-over of the plant to PSE&G from the contractor are all commendable.

The NOC called attention to the types of problems that other utilities have had in the final months before nuclear fuel loading, particularly stressing the Independent Design Verification Program, Construction Assessment activities, and the advisability of maintaining close contacts between PSE&G and the NRC during the last months prior to licensing. The NOC stressed the importance of contingency planning in the final stages of the project.