

NUCLEAR DEPARTMENT RESPONSE

TO THE

SIXTH QUARTERLY REPORT

OF THE

NUCLEAR OVERSIGHT COMMITTEE

MAY 20, 1985

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RESPONSE TO THE SIXTH QUARTERLY REPORT
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This response addresses the concerns expressed by the NOC in their Quarterly Report dated April 26, 1985.

Statement of Concern

1. The management responses to the NRC and the NOC are, in many cases, inadequate.

The Nuclear Oversight Committee (NOC) was not satisfied with the Nuclear Department response to its last quarterly report, primarily due to a lack of detail in the response.

The NOC expressed concern that the Nuclear Department response to the criticisms enumerated in the SALP report was inadequate in that responsibility for the overall response had not been assigned.

Analysis of Concern and Actions for Improvement

We have reviewed our response to the last quarterly report with respect to the NOC's concerns and agree that portions of our response were lacking in detail. The concerns expressed by the NOC in its previous quarterly reports were, in many cases, expressed in general terms, making it somewhat difficult to respond with specific details.

In our review of the Sixth Quarterly Report, we found it to contain more specific information with regard to NOC concerns than previous reports. These more specific concerns are addressed in this response in a manner that we believe will satisfy the NOC's concerns.

A specific review of the SALP report was conducted on behalf of the Vice President - Nuclear by the General Manager - Nuclear Safety Review and General Manager - Nuclear Quality Assurance. Deficiencies requiring corrective actions were identified to the appropriate Nuclear Department General Managers with a proposed responsibility assignment. It is the responsibility of the General Managers to assure that the assignments are appropriate and that corrective actions are taken.

This action was taken independently of, and in addition to, the individual reviews of the SALP Report and associated corrective action programs developed by each General Manager for his areas of responsibility.

Most importantly, visibility of the SALP has been increased by setting specific SALP performance goals for 1985 and through discussions of the SALP and historical SALP ratings by the General Managers with the appropriate employees.

These SALP performance goals are as follows:

Improve the Nuclear Department performance in all nine categories, as assessed and reported in the SALP report. These improvements shall be:

- a. Areas previously reported as three (3) will be moved to two (2);
- b. Areas with a downward trend will be held at the previous mark with an improving trend; and
- c. Those areas with an improving trend or with no change will be moved to the next higher mark or remain as one (1) with an improving trend.

We are determined to improve our SALP ratings through the implementation of the above actions and by focusing on management accountability and root cause determination.

Statement of Concern

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 (CCB) does not appear to have resolved the backlog of Design Change Requests (DCRs). The proposed processes for dealing with minor changes are too complex and too time consuming.

Analysis of Concern and Actions for Improvement

In the early part of April 1985, the senior management of the Nuclear Department made an assessment of its organizational strengths and weaknesses in response to observations made by the new Vice President - Nuclear. As a result of that assessment, further development of the

Nuclear Engineering Station Support (NESS) and Cognizant Engineer functions have been abandoned in favor of a System Engineer concept, which combines these two functions into one organization.

The System Engineer will be an operating station function reporting to the Technical Manager, with functions and responsibilities similar to those identified in INPO Good Practice OP-209, Use of System Engineers. It is intended that the System Engineers will have the authority to implement minor DCRs.

During the development of the System Engineer function, an assessment will be made to insure that the minor DCR process is both simple and responsive to the operating station needs.

We agree with the NOC observation that attention should be paid to the prioritization of work, and have recently strengthened the prioritization system associated with the DCR process. A living schedule is being developed to aid in levelizing resource requirements and to allocate resources between Salem and Hope Creek. The living schedule will be in place by October 1, 1985.

The CCB has completed reviewing the backlog of new and old DCRs. A total of 715 DCRs were reviewed; 424 were approved and 253 rejected, with 38 undergoing further review.

The CCB is presently reviewing approximately 125 Design Change Packages (DCPs). DCPs are completed design packages awaiting installation. The review either approves the continuance of the installation or stops all work and cancels the DCP. This review will be completed by June 1, 1985.

The approved DCRs have been ranked, utilizing the newly created Design Change Rating System. All but the 200 highest ranked DCRs will be either cancelled or deferred, thus leaving a manageable work load for the Nuclear Engineering Department.

Statement of Concern

3. A method and authority to determine which tasks will and will not be performed during outages has not been established.

Analysis of Concern and Actions for Improvement

Although the Outage Services Organization had been developed and implemented for the primary purpose of improving outage performance and insuring that outages are completed within schedule, there had been some question as to the ultimate authority to determine which tasks will or will not be performed during an outage. Recent discussions with the Vice President - Nuclear and proposed organizational changes indicate that by July 1, a mechanism to insure positive and clear direction will be promulgated to the Salem and Hope Creek Stations and the Nuclear Engineering Department.

As an example of our effort to further control outage tasks, the station has identified to Nuclear Engineering those tasks to be accomplished during the No. 1 Unit refueling outage scheduled for February 1986. Meetings between Nuclear Engineering and Salem Operations have been held to resolve any differences, and a final list of tasks has been approved by the Vice President - Nuclear.

With organizational changes to be implemented by July 1, it is expected that clear and definitive authority will be established. A monthly project meeting devoted alternately to Salem, Hope Creek, and the Nuclear Department, at which outage work scope and schedules are discussed will further enhance management control of the outage planning process.

Statement of Concern

4. Too many decisions are being made by committees rather than by designated responsible individuals. A priority system needs to be formulated with a clear designation of authority.

Analysis of Concern and Actions for Improvement

With respect to the examples cited in relation to this concern, see the responses to Items 2 and 3. Committees will be established as advisory groups only.

Statement of Concern

5. Some of the remaining Action Plans appear to be slipping. The NOC has expressed concern with the intent with respect to implementation of the Action Plans and whether this implementation can be achieved within anticipated budget levels.

Analysis of Concern and Actions for Improvement

PSE&G management is in the process of conducting an assessment of a number of complex long term Action Plans to prioritize activities with consideration given to budget levels and future implementation requirements.

The status of the identified Action Plans and areas of specific concern are as follows:

Action Plan 2.4.1, Plant Cleanliness, has been completed and will be closed out during the month of May.

Action Plan 2.6.3, Reducing the Number of Backlogged Maintenance Items, has been completed and was closed out during the month of May.

Action Plan 2.2.2, Commitment Tracking. The NOC concern relative to the benefit derived from a historical review of commitments has been addressed. The subject review has been discontinued and will be assessed for future action.

Action Plan 2.7.3, Management Information Systems. This Action Plan and the original intent to integrate a large number of separate information systems is being re-assessed relative to the overall benefits to be derived.

In addition to the above, Action Plans 2.7.1, Records Management, and 2.7.2, Document Control Function, have been completed and are scheduled for close-out during the month of May.

Statement of Concern

6. The number of reviews and audits continues to grow to a point where they may be interfering with operations. The NOC expressed concern over the establishment of a Nuclear Safety Advisory Board (NSAB) for Salem and another for Hope Creek, suggested elimination of the Salem NSAB and creation of a Hope Creek NSAB for a limited period.

Analysis of Concern and Actions for Improvement

The NOC concern is shared by the Nuclear Department. A decision to establish two separate NSABs has not yet been made. Discussions concerning the NSAB are ongoing with respect to the number of internal and external members, membership criteria, co-owner interaction, and charter. Research into regulatory commitments to Salem and Hope Creek NSABs continues.

The Vice President - Nuclear will address the subject of the NSAB with the NOC at the June 1985 meeting. There are no plans to establish an NSAB prior to that time.

Statement of Concern

7. With regard to Hope Creek, the NOC had some concerns in the area of contingency planning.

Analysis of Concerns and Actions for Improvement

Hope Creek project management continues to pay close attention to problems reported by others in the industry and evaluate the potential for similar problems at Hope Creek. With regard to contingency planning, the Project is focusing on the last three months of the schedule to be sure as many work activities as possible are completed earlier in the schedule. In fact, 21 preoperational tests have been redistributed for better work load leveling over the last 9 months of the schedule. Additionally, Project Review meetings have been rescheduled from monthly to weekly to assure early identification of problem areas.

To assure our chemistry focus is properly directed, the Chemistry Engineer participated in an INPO evaluation of a BWR plant and an INPO assist visit in the chemistry area has been scheduled for the near future.

Management attention to the project is also increasing. As noted earlier, the Project Review meetings are now weekly and in addition, the Vice President - Nuclear and the Senior Vice President - Nuclear and Engineering, are holding weekly meetings with the management groups at Artificial Island of which two per month are Hope Creek related.

Statement of Concern

8. The NOC recommended that management examine the safety and reliability functions of the various organizations within the Nuclear Department for duplication and consolidation.

The NOC also expressed a concern that organization and staffing for the Nuclear Safety Review organization are not moving along as rapidly as previously indicated.

Analysis of Concern and Actions for Improvement

The safety and reliability functions are being examined as part of the development of the preferred Nuclear Department organization. The functions of the revised Nuclear Safety Review organization were recently examined in detail. All assigned functions were determined to be required by regulatory documents or commitments.

Implementation of the new Safety Review organization and staffing is progressing. Sufficient staff to meet Technical Specification requirements for Salem will report by the end of May. Several review and comment cycles have been completed for guidance documents and procedures. Training modules will be available for management review in early June. The NRC has issued the license amendment to permit implementation of the organization. The target implementation date is now July 1985.