



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
631 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

MAY 21 1987

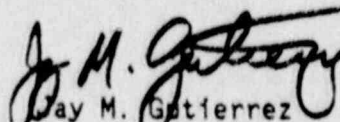
MEMORANDUM FOR: William T. Russell, Regional Administrator
FROM: Jay M. Gutierrez, Regional Counsel
SUBJECT: ALLEGATION OF NRC INSPECTOR SLEEPING IN PEACH BOTTOM CONTROL ROOM

The purpose of this memo is to document a telephone call I received today from Gene Bradley, Assistant General Counsel for Philadelphia Electric Co. (PECo), wherein, in the course of advising me on the status of PECo's investigation into operator sleeping, he stated he was in receipt of two allegations of NRC inspector impropriety.

First, he stated that he was told last night by a claims-security investigator that a Shift Technical Advisor (STA) told the investigator that the STA had been told by a reactor operator that the operator had to wake a sleeping NRC inspector twice in the control room during a back shift. Although Bradley had the name of the claims-security investigator, the STA and the operator, he did not have the name of the NRC inspector who allegedly was sleeping. Moreover, Bradley had advised the PECo investigators not to develop this information further, since he would advise NRC. Upon receipt of this information I advised Bradley that I would make NRC management aware of this allegation, that at this time I did not need for him to provide me the names, and that within the near future I would expect someone from the NRC to contact him to follow-up on this matter.

A second matter had to do with a control room janitor alleging that he observed two NRC inspectors in the control room drinking coffee, socializing with operators and congregating around the middle control panel. It is my impression that the thrust of the alleger's concern is that the operators, while socializing with the two NRC inspectors, were away from their assigned panels and that the observer viewed this as being condoned by the inspectors. Bradley has the name of this alleger as well.

Should you need further specifics relative to this conversation please advise.


Jay M. Gutierrez
Regional Counsel

BRIEFING OF MARYLAND CONGRESSIONAL DELEGATION
REGARDING THE PEACH BOTTOM ATOMIC POWER STATION

DR. THOMAS E. MURLEY, DIRECTOR
OFFICE OF NUCLEAR REACTOR REGULATION
U. S. NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C.
FEBRUARY 4, 1988

DLB

Thank you, Mr. Chairman. In response to the request of Senator Sarbanes, I am here to discuss the status of the issues concerning the restart of the Peach Bottom Atomic Power Station. With me today is Mr. William Kane, who is the Director, Division of Reactor Projects of Region I.

In March, 1987, NRC Region I confirmed allegations that control room operators at Peach Bottom had been observed sleeping while on duty in the control room or were otherwise inattentive to their obligations of their license. The information also indicated that this conduct on the part of operators was pervasive, had been occurring for some time, and that shift supervision and operations department management had knowledge of this situation.

Prior NRC inspections had identified other instances of failure to adhere to procedures on the part of licensed operators and one instance of operator inattention to duty in the control room at Peach Bottom. In June, 1985, during the nightshift, an NRC inspector was present in the control room and observed an on-duty Unit 3 reactor operator sitting in a chair at the Unit 3 reactor control panel with his eyes closed and his head tilted back, apparently asleep or otherwise inattentive to his duties. In response to this charge the licensed operator denied being asleep and indicated he was enticing the NRC inspector to believe he was asleep, demonstrating poor judgment and a negative attitude toward safety. An enforcement conference was held with the licensee and the operator involved concerning this matter, and appropriate personnel action was taken in response.

In June 1986, the NRC also issued a Notice of Violation and a \$200,000 Civil Penalty for several violations that resulted from numerous personnel errors by licensed operators. These personnel errors by four licensed individuals and associated violations indicated a pattern of inattention to detail, failure to adhere to procedural requirements, and a generally complacent attitude by the operations staff toward performance of their duties at Peach Bottom. This above NRC assessment was emphasized to Philadelphia Electric Company in a letter from the Executive Director for Operations to the PECO Chairman of the Board and Chief Executive Officer.

In addition, three previous civil penalties were issued in 1983 and 1984 for violations of technical specifications that resulted from personnel errors. In general, the enforcement history at Peach Bottom regarding adherence to procedures and attention to duty was poor.

The June 1986 Systematic Assessment of Licensee Performance report for the period April 1, 1985 through January 31, 1986 concluded that management involvement and effectiveness toward improving operating activities was not evident. Indications of the lack of adequate management involvement included: poor dissemination of management goals and policies; poor communications between different departments and divisions; and a focus on compliance rather than acknowledgement and correction of the root causes of problems. Further, the report concluded there was a complacent attitude toward procedural compliance in plant operations.

The NRC expects licensees to maintain high standards of control room professionalism. NRC licensed operators in the control rooms at nuclear power plants are responsible for assuring that the facilities are operated safely and within the requirements of the license, technical specifications, regulations and orders of the NRC. To be able to carry out these highly important responsibilities, reactor operators must give their full attention to the condition of the plant. Operators must be alert to ensure that the plant is operating safely and must be capable of taking timely action in response to changing plant conditions. All control room business must be conducted in such a way that neither control room operator attentiveness nor the professional atmosphere will be compromised. Sleeping while on duty in the control room demonstrates a total disregard for performing licensed duties and a lack of appreciation for what those duties entail.

NRC requirements prohibit sleeping or otherwise inattentive operators in the control room. The licensee must have and implement procedures to ensure that activities affecting quality, including operation of the facility, are satisfactorily accomplished. The Peach Bottom line organization and the independent quality assurance program failed to identify and resolve these conditions adverse to safety. These conditions constituted a hazard to the safe operation of the facility.

It was apparent that the licensee, through its enforcement history and from the information developed by the NRC investigation, knew or should have known of the unwillingness or inability of its operations staff to comply with

Commission requirements, and was unable to implement effective corrective action. Pending the development of other relevant information, the NRC was unable to determine that there was reasonable assurance that the facility would be operated in a manner to assure that the health and safety of the public could be protected. Accordingly, the NRC determined that continued operation of the facility was an immediate threat to the public health and safety. Therefore, the NRC determined that the public health, safety and interest required that the Licensee be ordered to place and maintain its units in a cold condition on March 31, 1987 pending further order.

Before the licensee proposes to operate either Unit 2 or Unit 3 the licensee must provide to the Administrator of NRC Region I, for his approval, a detailed and comprehensive plan and the schedule to accomplish the plan to assure that the facility will safely operate and comply with all requirements including station procedures.

Over the past few years the NRC has devoted considerable resources to monitor the licensee's efforts to address identified weaknesses. For example, the NRC has three full-time resident inspectors at Peach Bottom, whereas most dual-unit facilities have two residents. Furthermore, we have supplemented these resident inspectors with an extensive region-based inspection effort and have committed

additional headquarters resources to review and evaluate Peach Bottom issues. This effort includes a dedicated assessment panel composed of NRC managers to overview and consolidate the NRC approach to Peach Bottom activities.

Let me summarize the current status of the major activities regarding the Peach Bottom facility. The facilities two units remains shut down. The NRC has met frequently with Philadelphia Electric Company, members of the public, and with representatives of the State of Maryland and Commonwealth of Pennsylvania, as well as with local officials to discuss issues regarding Peach Bottom. These meetings included a meeting with the governor's staff in April 1987 and two meetings with the Harford County Council. In August 1987, Philadelphia Electric Company submitted a restart plan that described the programs, plans, and actions considered necessary by the company to restart and safely operate Peach Bottom. NRC review of the initial plan indicated that there was not a clear connection between the problems identified in the NRC order, the licensee's assessment of the root causes and the licensee's proposed corrective actions. The plan also did not acknowledge the failure of corporate management to recognize the problems at Peach Bottom or the need for improved corporate oversight capabilities to assure identification and correction of such problems in the future.

In response to these NRC concerns Philadelphia Electric Company submitted a revised corporate action plan in November 1987 and implemented a reorganization in January 1988. We currently expect the licensee to submit a revised site action plan in mid February 1988.

Although Philadelphia Electric Company has not reached a position where it would request that NRC consider a restart decision, the utility has completed a number of changes discussed as follows.

Regarding the management area, Philadelphia Electric Company has made a number of changes that we believe are potential improvements. In May 1987 Mr. Dickinson Smith was hired as the Peach Bottom Plant Manager and was recently promoted to Vice President, Peach Bottom. He has extensive nuclear navy management experience. Changes have been made in the onsite and corporate organizations, additional personnel have been hired and programs for improvement are being implemented. These changes have included replacement of the entire operations management chain at Peach Bottom including the change of the shift superintendent position to a shift manager who is a degreed licensed engineer. Extensive attitude and performance training has been completed for the licensed operators who will remain on shift. In addition Philadelphia Electric Company has taken disciplinary action against the licensed operators, and NRC enforcement conferences are planned with them in the near future. The NRC staff is assessing the effectiveness of these programs and management changes.

The NRC has a special programmatic approach for assessing the Philadelphia Electric Company's programs at Peach Bottom. Our activities are being coordinated by an assessment panel that is chaired by myself and includes representatives from the region and headquarters. Once the Peach Bottom restart plan has been reviewed by NRC and the State of Maryland, and after Philadelphia Electric Company has stated it is ready to restart Peach Bottom, this Panel will assess restart readiness. The assessment will be a

comprehensive evaluation that considers the general readiness of the plant and personnel to resume safe operation and will include a comprehensive onsite team inspection.

In addition, as we indicated to the Maryland Congressional Delegation in Chairman Zech's letter of December 27, 1987, we have conducted a public meeting to ensure opportunity for public participation and input to the Assessment Panel regarding the initial Philadelphia Electric restart plan. This meeting was a formal, transcribed session at which the public's testimony was heard by NRC senior staff. We also solicited and received written comments from the governor on the initial Philadelphia Electric Company Plan. We will request additional comments and hold another public meeting after the site portion of the revised plan is received in mid February. After the NRC staff has completed the restart readiness assessment, there will be a Commission meeting at which the staff will brief the NRC Commissioners on our findings and recommendations so that the Commission itself can review the ultimate restart decision.

If restart is authorized, NRC would increase its inspection coverage for the startup program to provide around-the-clock coverage of startup and site activities. A number of "hold-points" would be instituted beyond which Philadelphia Electric Company would not be permitted to proceed without NRC authorization. These decisions would be based on the on-site inspection team's evaluation of the Peach Bottom operation.

In conclusion, there has been and will continue to be a high level of NRC management attention to Peach Bottom. The NRC staff has adopted a unique approach for monitoring the performance of the utility as it implements needed improvements. This approach includes opportunities for public input to the process. I want to assure the Maryland Congressional Delegation that Peach Bottom will not be permitted to restart until the NRC staff has reviewed carefully the management improvements, and has concluded that the plant can and will be operated safely.

This concludes my testimony. Mr. Kane and I would be glad to answer any questions you may have.

PERIODIC BRIEFING ON STATUS OF
OPERATING REACTORS

COMMISSION BRIEFING
JULY 13, 1988

THOMAS E. MURLEY, DIRECTOR
OFFICE OF NUCLEAR REACTOR
REGULATION

D/4

3. SHUTDOWN PLANTS REQUIRING NRC
AUTHORIZATION TO OPERATE AND WHICH
THE NRC WILL MONITOR CLOSELY.

PLANTS IN THIS CATEGORY HAVE BEEN IDENTIFIED AS HAVING SIGNIFICANT WEAKNESSES THAT WARRANT MAINTAINING THE PLANT IN A SHUTDOWN CONDITION UNTIL THE LICENSEE CAN DEMONSTRATE TO THE NRC THAT ADEQUATE PROGRAMS HAVE BOTH BEEN ESTABLISHED AND IMPLEMENTED TO ENSURE SUBSTANTIAL IMPROVEMENT.

PEACH BOTTOM 2/3
PILGRIM
BROWNS FERRY 1/2/3
SEQUOYAH 1

PERIODIC BRIEFING ON STATUS OF
OPERATING REACTORS

COMMISSION BRIEFING
DECEMBER 21, 1988

CATEGORY 3

SHUTDOWN PLANTS REQUIRING NRC
AUTHORIZATION TO OPERATE AND WHICH
THE NRC WILL MONITOR CLOSELY

PLANTS IN THIS CATEGORY ARE HAVING OR HAVE HAD
SIGNIFICANT WEAKNESSES THAT WARRANT MAINTAINING
THE PLANT IN A SHUTDOWN CONDITION UNTIL THE
LICENSEE CAN DEMONSTRATE TO THE NRC THAT ADEQUATE
PROGRAMS HAVE BOTH BEEN ESTABLISHED AND
IMPLEMENTED TO ENSURE SUBSTANTIAL IMPROVEMENT.

PILGRIM
PEACH BOTTOM 2/3
BROWNS FERRY 1/2/3

PERIODIC BRIEFING ON STATUS OF
OPERATING REACTORS

COMMISSION BRIEFING
JUNE 1, 1989

D/6

CATEGORY 2

PLANTS AUTHORIZED TO OPERATE
THAT THE NRC WILL MONITOR CLOSELY.

PLANTS IN THIS CATEGORY ARE HAVING OR HAVE HAD WEAKNESSES THAT WARRANT INCREASED NRC ATTENTION FROM BOTH HEADQUARTERS AND THE REGIONAL OFFICE. A PLANT WILL REMAIN IN THIS CATEGORY UNTIL THE LICENSEE DEMONSTRATES A PERIOD OF IMPROVED PERFORMANCE.

CALVERT CLIFFS 1/2
NINE MILE POINT 1/2
PEACH BOTTOM 2/3
PILGRIM
SURRY 1/2
TURKEY POINT 3/4

NRC UTILITY MANAGEMENT FAILURES

CORPORATE MANAGEMENT - 1.

PE 'TTED AN EMPLOYEE ORGANIZATION, AND PERSONNEL
PO AND PRACTICES WHICH:

- A. DISCOURAGED MANAGEMENT FROM TRYING TO HOLD INDIVIDUALS ACCOUNTABLE FOR THEIR BEHAVIOR
 - B. FAILED TO ASSURE THAT PLANT MANAGEMENT PROVIDED PERFORMANCE FEEDBACK TO OPERATORS
 - C. DISCOURAGED OPEN COMMUNICATIONS BETWEEN MANAGEMENT AND OPERATORS
 - D. PROVIDED A DEAD ENDED SHIFTWORK CAREER PATH WHICH RELIED ON INADEQUATE STAFFING AND EXCESSIVE OVERTIME
2. A FRAGMENTED INEFFECTIVE INDEPENDENT QUALITY ASSURANCE OVERSIGHT ORGANIZATION WHICH WAS DISCOURAGED FROM IDENTIFYING PROBLEMS WITH MANAGEMENT, AND MANAGEMENT PROGRAMS AND PRACTICES.
3. A MANAGEMENT THAT WAS MORE INTERESTED IN NEW TECHNOLOGY AND NEW PROJECTS THAN ATTENDING TO DAY-TO-DAY PROBLEMS OF OPERATING AND MAINTAINING EXISTING PLANTS.

PLANT MANAGEMENT &
OPERATIONS MANAGEMENT
(SRO)

- 1. DISCOURAGED UPWARD COMMUNICATIONS OF PROBLEMS
- 2. FAILED TO PROVIDE PERFORMANCE FEEDBACK TO OPERATORS
- 3. FAILED TO ASSURE PROCEDURES WERE PROPERLY MAINTAINED AND ADHERED TO
- 4. FAILED TO CONTROL OVERTIME
- 5. FAILED TO IDENTIFY INATTENTIVE ACTIONS
- 6. DID NOT TAKE AGGRESSIVE ACTION TO CORRECT INATTENTIVENESS WHEN AWARE
- 7. DID NOT REPORT INATTENTIVENESS TO SENIOR MANAGEMENT OR NRC
- 8. FAILED TO TAKE DISCIPLINARY ACTION AGAINST INATTENTIVE OPERATORS

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NRC INDIVIDUAL LICENSED OPERATOR FAILURES

SHIFT SUPERINTENDENTS -
(SROs WHO ARE NO LONGER
LICENSED)

1. SET POOR EXAMPLE BY PARTICIPATING IN IMPROPER ACTIVITIES KNOWING IT WAS CONTRARY TO PROCEDURES
2. CONDONED AND FAILED TO CORRECT INATTENTIVE ACTIVITY OF OTHER LICENSED OPERATORS ON THEIR SHIFT
3. FAILED TO REPORT TO THEIR MANAGEMENT OR NRC THAT SUCH ACTIVITY WAS GOING ON
4. FAILED TO RECOGNIZE IMPROPER ACTIVITIES WERE UNSAFE

SHIFT SUPERVISORS
(SROs)

1. SET POOR EXAMPLE BY PARTICIPATING IN IMPROPER ACTIVITIES KNOWING IT WAS CONTRARY TO PROCEDURES
2. CONDONED AND FAILED TO CORRECT IMPROPER ACTIVITIES OF OTHER LICENSED OPERATORS ON THEIR SHIFT
3. FAILED TO RECOGNIZE IMPROPER ACTIVITIES WERE UNSAFE

REACTOR OPERATORS

1. PARTICIPATED IN IMPROPER ACTIVITIES KNOWING IT WAS CONTRARY TO PROCEDURES
2. TOLERATED IMPROPER ACTIVITIES OF OTHER LICENSED OPERATORS ON THEIR SHIFTS
3. FAILED TO RECOGNIZE IMPROPER ACTIVITIES WERE UNSAFE

FACTORS CONSIDERED FOR ENFORCEMENT ACTION AGAINST OPERATORS

1. SAFETY SIGNIFICANCE OF VIOLATIONS
2. LONGSTANDING PRACTICE WITH MULTIPLE EXAMPLES
3. KNOWINGLY VIOLATED PROCEDURES
4. ENVIRONMENT ESTABLISHED BY UTILITY FOSTERED THE VIOLATION
5. NORMALLY ACTION TAKEN AGAINST UTILITY UNDER ENFORCEMENT POLICY
6. COMPARISON TO OTHER ACTIONS TAKEN AGAINST INDIVIDUALS