

October 16, 1980

Docket No. 50-289

Metropolitan Edison Company  
100 Interpace Parkway  
Parsippany, New Jersey 07054

Gentlemen:

Subject: Management Inspection 50-289/80-21 (PAB)

This refers to the management inspection conducted by Messrs. A. T. Gody, D. R. Hunter, F. Jape, A. Oxfurth, and J. D. Woessner of the Performance Appraisal Branch on July 7-11, 14-18, 27-31, and August 1, 1980, of activities authorized by NRC Operating License No. DPR-50, for the Three Mile Island Nuclear Power Station, Unit 1, Middletown, Pennsylvania, and at the General Public Utilities Service Corporation offices at Parsippany, New Jersey; and to the potential enforcement findings and significant observations discussed with you and others of your staff on July 11, July 18, and August 1, 1980, at the Three Mile Island Unit 1 Nuclear Power Station.

The enclosed Appraisal Report No. 50-289/80-21 (PAB) identifies the areas examined during the inspection. Within these areas, the inspection consisted of a comprehensive examination of your management controls over licensed activities which included examination of procedures and records and interviews with management and other personnel.

This inspection is one of a series of management appraisal inspections being conducted by the Performance Appraisal Branch of the Office of Inspection and Enforcement. The results of this inspection will be used to evaluate the performance of your management control systems on a national perspective. The enclosed appraisal report includes observations which may be potential enforcement findings. These items will be followed by the IE Regional Office. The enclosed appraisal report also addresses other observations and the conclusions made by the team for this inspection. Section 2 of the report provides further information regarding the findings and how they will be utilized.

The inspection was performed as a part of the TMI-1 restart management review effort being conducted by the NRC. The inspection included a review of the present management control systems as well as the planned management control systems provided by applicable written policies and procedures. Even though a number of the management control systems were in a transition phase, the available written programs for the areas inspected were reviewed. Some programs and personnel are shared with the TMI-2 facility; however, this inspection was for the purpose of evaluating TMI-1.

Of the eleven areas inspected, the Quality Assurance Program received a highest rating of good. All other areas were judged to be average on a national perspective with a portion of the training area, that dealing with non-licensed

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personnel, evaluated as poor. This generally favorable evaluation is considered a reflection of the efforts and resources applied by General Public Utilities in its program to obtain restart authorization for TMI-1. As an example of such resources, the team noted that more than 90 people are assigned to the Quality Assurance Program for TMI-1/TMI-2. Region I will carefully evaluate whether the licensee's special efforts continue to be effective whenever TMI-1 restart authorization is received and operations recommence.

As a result of the conclusion regarding non-licensed training, you are requested to inform this office within 30 days of receipt of this report of the actions you have taken or plan to take to improve the management controls in the area identified as poor.

There are additional weaknesses identified and classified as significant by the inspection team, separate from the areas identified as potential enforcement findings, in Sections 3 through 13 of the Appraisal Report. You are requested to inform this office within sixty (60) days of receipt of this report of the results of actions you have taken or plan to take to improve the management controls in the areas of weakness listed on Attachment 1 to this letter.

Other weaknesses were identified which were not considered by the inspection team to be of sufficient importance to warrant a written response; however, the other weaknesses should be treated as described in Section 2 of the Appraisal Report. It is worth noting that several weaknesses were identified in the area of Physical Protection. Three items are potential enforcement findings, and one additional item is a significant weakness requiring your response. These identified weaknesses in your program indicate a need for management attention to ensure adequate controls in this area.

Your response to this office concerning the one area identified as poor and the significant weaknesses will subsequently be followed by the IE Regional Office.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2 Title 10, Code of Federal Regulations, your facility security procedures are exempt from disclosure; therefore, the pertinent section of the Appraisal Report, Attachment 'A', will not be placed in the Public Document Room and will receive limited distribution.

In accordance with Section 2.790 of the NRC's "Rules of Practice", Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed appraisal report will be placed in the NRC's Public Document Room. If this report contains any information that you or your contractor believe to be

proprietary, it is necessary that you make a written application within five (5) days to this office to withhold such information from public disclosure. Any such application must include a full statement of the reasons for which it is claimed that the information is proprietary, and should be prepared so that proprietary information identified in the application is contained in a separate part of the document. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

If you have any questions concerning this inspection, we will be glad to discuss them with you.

Sincerely,

Original Signed by  
V. Stello

Victor Stello, Jr.  
Director  
Office of Inspection  
and Enforcement

Enclosures:

1. IE Appraisal Report  
No. 50-289/80-21 (PAB)
2. Attachment A\*

cc w/o Attachment A\*:

H. D. Hukill, Director, TMI-1  
R. J. Toole, Manager, TMI-1  
W. E. Potts, Radiological Controls Manager, TMI-1  
J. J. Colitz, Manager, Plant Engineering, TMI-1  
L. W. Harding, Supervisor of Licensing  
E. G. Wallace, Licensing Manager  
I. R. Finfrock, Jr.  
R. W. Conrad  
J. B. Lieberman, Esquire  
G. F. Trowbridge, Esquire  
Ms. Mary V. Southard, Chairperson, Citizens for a Safe Environment

\*Contains 10 CFR 2.790 Information

SEE PREVIOUS YELLOW FOR CONCURRENCES

A/C:PAB:RCI	A/D:RCI	D:RCI	DD:IE	D:IE
WDShafer:srm	JMTaylor	HDThornburg	RCDeYoung	VStello
10/ /80	10/ /80	10/ /80	10/ /80	10/ /80

(JOB A)

TMIRPT

Other weaknesses were identified which were not considered by the inspection team to be of sufficient importance to warrant a written response; however, the other weaknesses should be treated as described in Section 2 of the Appraisal Report.

Your response to this office concerning the one area identified as poor and the significant weaknesses will subsequently be followed by the IE Regional Office.

Significant weaknesses were identified in the area of Physical Protection. Three items are potential enforcement findings, and one additional item is a significant weakness requiring your response. These identified weaknesses in your program indicate a need for management attention to ensure adequate controls in this area.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2 Title 10, Code of Federal Regulations, your facility security procedures are exempt from disclosure; therefore, the pertinent section of the Appraisal Report, Attachment 'A', will not be placed in the Public Document Room and will receive limited distribution.

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If you have any questions concerning this inspection, we will be glad to discuss them with you.

Sincerely,

Victor Stello, Jr.  
Director  
Office of Inspection  
and Enforcement

Enclosures:

(See next page)

SEE PREVIOUS YELLOW FOR CONCURRENCES

A/C:PAB:RCI	A/D:RCI	D:RCI	D:ROI	DD: [Signature]	D:IE
WDSafer:srm	JMTaylor	HDThornburg	NCMaseley	RC [Signature]	VStello
10/ /80	10/ /80	10/ /80	10/ /80	10/ /80	10/ /80

(JOB A)

TMIRPT

Other weaknesses were identified which were not considered by the inspection team to be of sufficient importance to warrant a written response; however, the other weaknesses should be treated as described in Section 2 of the Appraisal Report.

Your response to this office concerning the one area identified as poor and the significant weaknesses will subsequently be followed by the IE Regional Office.

Significant weaknesses were identified in the area of Physical Protection. Three items are potential enforcement findings, and one additional item is a significant weakness requiring your response. These identified weaknesses in your program indicate a need for management attention to ensure adequate controls in this area.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2 Title 10, Code of Federal Regulations, your facility security procedures are exempt from disclosure; therefore, the pertinent section of the Appraisal Report, Attachment 'A', will not be placed in the Public Document Room and will receive limited distribution.

In accordance with Section 2.790 of the NRC's "Rules of Practice", Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed appraisal report will be placed in the NRC's Public Document Room. If this report contains any information that you or your contractor believe to be proprietary, it is necessary that you make a written application within five (5) days to this office to withhold such information from public disclosure. Any such application must include a full statement of the reasons for which it is claimed that the information is proprietary, and should be prepared so that proprietary information identified in the application is contained in a separate part of the document. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

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Sincerely,

Victor Stello, Jr.  
Director  
Office of Inspection  
and Enforcement

Enclosures:  
(See next page)

A/En PAB:RCI  
WDSnafer:srm  
10/6/80  
(JOB A)  
TMIRPT

A/En PAB:RCI  
JMTaylor  
10/6/80

D:RCI  
HDDornburg  
10/7/80

D:RCI  
NCMoseley  
10/7/80

DD:IE  
RCDeYoung  
10/ /80

D:IE  
VStello  
10/ /80

Other weaknesses were identified which were not considered by the inspection team to be of significant importance to warrant a written response; however, the other weaknesses should be treated as described in Section 2 of the Appraisal Report.

Your response to this office concerning the one area identified as poor and the significant weaknesses will be followed up by the IE Regional Office.

In the area of Physical Protection, significant weaknesses were identified; three items as potential enforcement findings and one additional item as a significant weakness requiring your response. These identified weaknesses in your program indicate a need for additional management attention to ensure adequate corrective actions regarding the overall management controls in this area.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2 Title 10, Code of Federal Regulations, your facility security procedures are exempt from disclosure; therefore, the pertinent section of the Appraisal Report, Attachment 'A', will not be placed in the Public Document Room and will receive limited distribution.

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Sincerely,

Victor Stello, Jr.  
Director  
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Enclosures:  
(See next page)

A/C: PAB: RCI	A/D: RCI	D: RCI	D: ROI	DD: IE	D: IE
WShaver, srm	JMTaylor	HDThornburg	NCMoseley	RCDeYoung	VStello
10/1/80	10/ /80	10/ /80	10/ /80	10/ /80	10/ /80
(JOB A)					
TMIRPT					

Distribution: (w/Attachment A\*)

W. D. Shafer, A/C, Region III  
L. W. Gage, Region I  
A. T. Gody, Region I  
W. L. Kushner, Region I  
W. P. Ang, Region II  
P. T. Burnett, Region II  
L. E. Foster, Region II  
D. G. Hinckley, Region II  
J. L. Belanger, Region III  
D. R. Hunter, Region III  
T. N. Tambling, Region III  
B. Murray, Region IV  
C. R. Oberg, Region IV  
P. H. Johnson, Region V  
J. D. Woessner, Region V  
John T. Collins, Deputy Program Director, TMI Program Office  
D. Haverkamp, Region I  
IE Mail & Files (For Appropriate Distribution)  
Central File

w/o Attachment A\*:

Public Document Room (PDR)  
Local Public Document Room (LPDR)  
Nuclear Safety Information Center (NSIC)  
Technical Information Center (TIC)  
RI Reading Room  
Commonwealth of Pennsylvania

\*Contains 10 CFR 2.790 Information

Attachment 1

<u>Item</u>	<u>Subject</u>
3b(1)(d)	General Office Review Board review responsibilities not completely included in the charter and administrative procedure
3b(2)(z)	No written means to ensure Generation Review Group review of required material
5b(37)	Personnel training following a change/modification activity not adequately addressed
7b(20)	AP 1028, Operator at the Controls, part of procedure out-of-date
8b(4)	Comprehensive corrective action system not in use by all employees
8b(11)	Inadequate logging of events in the Control Room and Shift Foreman logs
8b(12)	Failure to provide internal event reports for further management evaluation
11b(11)	Location and importance of vital equipment in areas not included in procedures
13b(29)	Diesel generator providing backup power for vital security systems not classed as vital equipment