ENCLOSURE 2

ERRATA SHEET

Page	Line	Interim Report Reads	Final Report Reads
coversheet	2	Interim SALP Report	Final SALP Report
17	44-50	The licensee's independent security program audit....	Paragraph deleted

In addition to the changes noted above, the summary statement, "INDEPENDENT AUDIT OF SECURITY PROGRAM DEEMED MARGINAL," which was included as a line item in the functional area SALP slides presented on October 30, 1989, is deleted to reflect the change above (Enclosure 3).

21	36-40	However, in the case of....	Lines 36-40 deleted

9001050049 891219
PDR ADOCK 05000348
Q PDC

ENCLOSURE

INTERIM SALP REPORT

U. S. NUCLEAR REGULATORY COMMISSION

REGION II

SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE

INSPECTION REPORT NUMBER

50-348/89-15 AND 50-364/89-15

ALABAMA POWER COMPANY

JOSEPH M. FARLEY UNITS 1 AND 2

April 1, 1988 - July 31, 1989

LICENSEE ERRATA SHEET

ENCLOSURE

FINAL SALP REPORT

U. S. NUCLEAR REGULATORY COMMISSION

REGION II

SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE

INSPECTION REPORT NUMBER

50-348/89-15 AND 50-364/89-15

ALABAMA POWER COMPANY

JOSEPH M. FARLEY UNITS 1 AND 2

April 1, 1988 - July 31, 1989

- A program has been implemented to review and evaluate meterological data. This program includes weekly surveillance and data review in addition to testing.

- The licensee maintains a current listing of all emergency planning items which have corrective action not yet completed. This list is frequently updated and has been very useful in tracking open items.

No violations or deviations were identified.

2. Performance Rating - Category 2

3. Recommendations - None

E. SECURITY AND SAFEGUARDS

1. Analysis

This functional area evaluates the adequacy of the security program to provide protection for plant vital systems and equipment. The scope of this assessment includes all licensee activities associated with the security plan and implementing procedures, management effectiveness, security audit program, records and reports, testing and maintenance, access control, physical barriers, detection and assessment, armed response, alarm stations, power supply, communications, and compensatory measures for degraded security systems and equipment.

Authority and responsibilities associated with the security organization were clearly delineated and effective. In January 1989, a change in the Security Superintendent resulted from retirement of the previous individual. This management change did not affect the continued professional performance of the security force. The site's proprietary security force is adequately staffed and appropriately trained and equipped. The licensee has provided the security force with adequate procedures. Security plan changes have been submitted on a timely basis and licensee records are complete and adequately maintained. An exception was the safeguards amendment problems noted in Section G below. The licensee's safeguards event reports have been prompt and complete.

The licensee's independent security program audit covered various aspects of the site security program. However, the thoroughness and familiarity with the applicable regulations on the part of the auditors was marginal. The audit report made references to nonapplicable parts of 10 CFR (73.40, 73.45 and 73.46). Therefore, we question the qualifications of personnel who performed the audit and the validity of the audit findings.

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letters, bulletins, and information notices; and resolution of TMI items and other regulatory initatives. Also included were reviews of licensee resolution of safety issues, 10 CFR 50.59 reviews, 10 CFR 21 assessments, safety review committee and self assessment activities, industry's operational experience, root cause analysis of plant events, use of feedback from quality assurance, and self assessment programs.

In general, the licensee's responses to bulletins and generic letters (GL) have been timely, sound and thorough. The engineering evaluations were generally adequate; however, they were not as consistently technically adequate or as complete as during the past reviews. As an example, the licensee's response to GL 88-17 "Loss of Decay Heat Removal" was timely, but lacked technical detail and will be subject to further audit. During reviews of GL 82-28, "Instrumentation for Detection of Inadequate Core Cooling," the staff noted that the licensee exhibited a general understanding of issues and performed adequate engineering evaluations.

The licensee's original submittals related to miscellaneous safeguards amendments were lacking several commitments that were required prior to our approval of the revised security plan. Several subsequent revisions were needed before the licensee provided adequate detailed information necessary for the approval of the plan. The resolution of those safeguards issued delayed completion of this review.

Except for the above, the licensee's submittals were usually thorough, accurate, and timely. The licensee exercised good judgement in requesting only those amendments which were necessary. Resolutions of staff concerns were timely, complete, and required little follow-up. The licensee was receptive to staff comments and responded quickly to staff requests for information when needed to complete a licensing action. However, in the case of a final report needed by our staff to assist in generic resolution of Bulletin 88-08, the licensee's late submittal of that report delayed the technical review of this issue. Better commitment tracking or management attention could have prevented this delay.

The licensee has continually exhibited foresight in their approach to significant technical licensing issues. As an example, since 1986 the licensee has performed eddy current tests of the incore detector thimble tubes to detect potential tube leaks caused by the tube thinning. Their program resulted in early detection of problems for which corrective action was initiated. These actions preceded NRC Bulletin 88-09. As a result, the licensee's response to Bulletin 88-09 was technically sound, thorough and consistent with the bulletin request. An example of excellent licensee response to NRC

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ENCLOSURE 3

UNITED STATES NUCLEAR REGULATORY COMMISSION

SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE

(SALP)

ALABAMA POWER COMPANY

SALP PERIOD

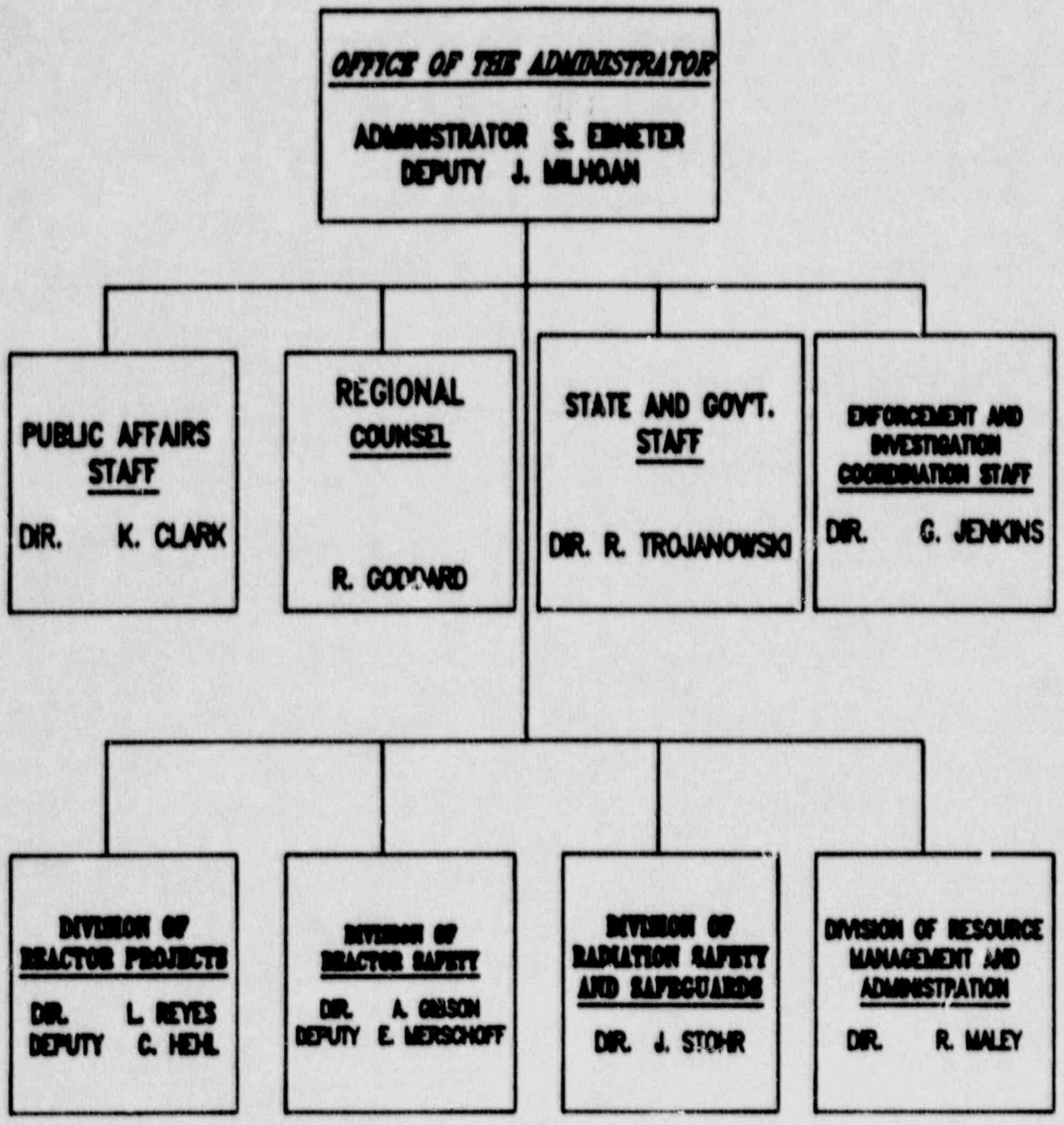
APRIL 1, 1988 THROUGH JULY 31, 1989

FARLEY UNITS 1 & 2

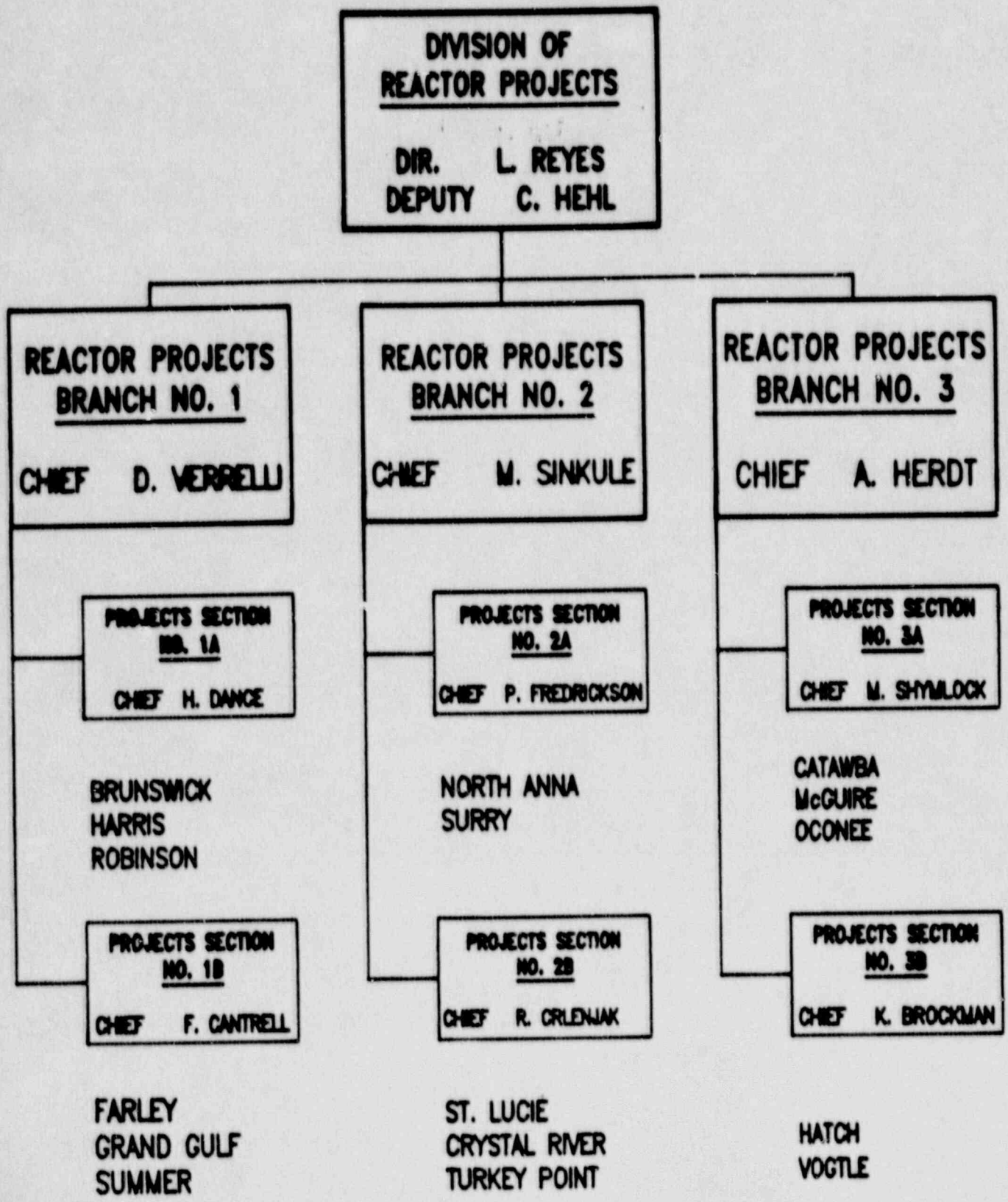
OCTOBER 30, 1989

DOTHAN, ALABAMA

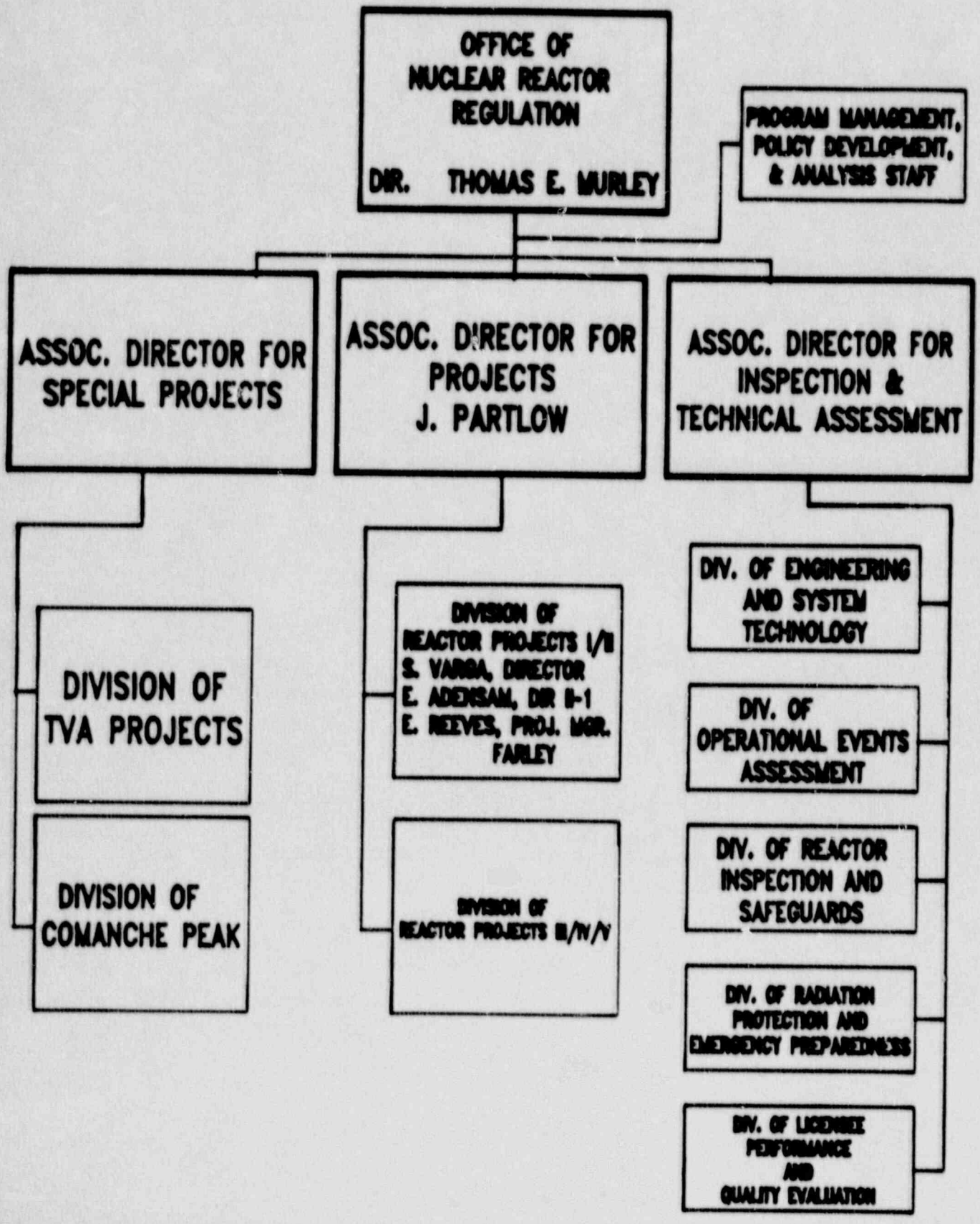
REGION II ORGANIZATION



DIVISION OF REACTOR PROJECTS ORGANIZATION



NRR ORGANIZATION



NRC

SALP PROGRAM

REVISIONS

MAJOR CHANGES TO THE SALP PROGRAM CONSIST OF...

* Redefinition of Functional Areas

* Reduction in Number of Separate Functional Areas

* Two New Functional Areas
  : Engineering/Technical Support
  : Safety Assessment/Quality Verification

* Attributes Addressing Human Performance and Self-Assessment

* Emphasis on Analysis

PERFORMANCE ANALYSIS AREAS

FOR OPERATING REACTORS

A. PLANT OPERATIONS

B. RADIOLOGICAL CONTROLS

C. MAINTENANCE / SURVEILLANCE

D. EMERGENCY PREPAREDNESS

E. SECURITY

F. ENGINEERING / TECHNICAL SUPPORT

G. SAFETY ASSESSMENT / QUALITY VERIFICATION

ENGINEERING/TECHNICAL SUPPORT

The purpose of this functional area is to address the adequacy of technical and engineering support for all plant activities. It includes all Licensee Activities associated with the design of plant modifications; engineering and technical support for operations, outages, maintenance, testing, surveillance; and procurement activities; training; and configuration management (including maintaining design bases and margins).

SAFETY ASSESSMENT/QUALITY VERIFICATION

The purpose of this funtional area is to address the technical adequacy and completeness of the licensee's approach toward a variety of activities associated with the implementation of licensee safety policies and licensee activities related to amendment requests, exemption requests, relief requests, response to generic letters, bulletins, and information notices and resolution of TMI items and other regulatory initiatives. It also includes licensee activities related to the resolution of safety issues, 10 CFR 50.59 reviews, 10 CFR 21 assessments, safety committee amd self-assessment activities, analysis of industry's operational experience, root cause analyses of plant events, use of feedback from plant quality assurance/ quality control (QA/QC) reviews, and participation in self-improvement programs. It includes the effectiveness of the licensee's quality verification function in identifying substandard or anomalous performance in monitoring the overall performance of the plant.

PERFORMANCE RATING CATEGORIES

- EXPANDED DISCUSSION INTENT

- REDEFINITION OF THE CATEGORIES TO CLARIFY THIER MEANING

AREA PERFORMANCE

CATEGORY 1

LICENSEE MANAGEMENT ATTENTION AND INVOLVEMENT ARE READILY EVIDENT AND PLACE EMPHASIS ON SUPERIOR PERFORMANCE OF NUCLEAR SAFETY OR SAFEGUARDS ACTIVTIES, WITH THE RESULTING PERFORMANCE SUBSTANTIALLY EXCEEDING REGULATORY REQUIREMENTS. LICENSEE RESOURCES ARE AMPLE AND EFFECTIVELY USED SO THAT A HIGH LEVEL OF PLANT AND PERSONNEL PERFORMANCE IS BEING ACHEIVED. REDUCED NRC ATTENTION MAY BE APPROPRIATE.

AREA PERFORMANCE

CATEGORY 2

LICENSEE MANAGEMENT ATTENTION AND INVOLVEMENT IN THE PERFORMANCE OF NUCLEAR SAFETY OR SAFEGUARDS ACTIVITIES ARE GOOD. THE LICENSEE HAS ATTAINED A LEVEL OF PERFORMANCE ABOVE THAT NEEDED TO MEET REGULATORY REQUIREMENTS. LICENSEE RESOURCES ARE ADEQUATE AND REASONABLY ALLOCATED SO THAT GOOD PLANT AND PERSONNEL PERFORMANCE IS BEING ACHEIVED. NRC ATTENTION MAY BE MAINTAINED AT NORMAL LEVELS.

AREA PERFORMANCE

CATEGORY 3

LICENSEE MANAGEMENT ATTENTION AND INVOLVEMENT IN THE PERFORMANCE OF NUCLEAR SAFETY OR SAFEGUARDS ACTIVITIES ARE NOT SUFFICIENT. THE LICENSEE'S PERFORMANCE DOES NOT SIGNIFICANTLY EXCEED THAT NEEDED TO MEET MINIMAL REGULATORY REQUIREMENTS. LICENSEE RESOURCES APPEAR TO BE STRAINED OR NOT EFFECTIVELY USED. NRC ATTENTION SHOULD BE INCREASED ABOVE NORMAL LEVELS.

EVALUATION CRITERIA

1. MANAGEMENT INVOLVEMENT IN ASSURING QUALITY

2. APPROACH TO RESOLUTION OF TECHNICAL ISSUES FROM A SAFETY STANDPOINT

3. RESPONSIVENESS TO NRC INITIATIVES

4. ENFORCEMENT HISTORY

5. REPORTING AND ANALYSIS OF REPORTABLE EVENTS

6. STAFFING (INCLUDING MANAGEMENT)

7. TRAINING EFFECTIVENESS AND QUALIFICATION

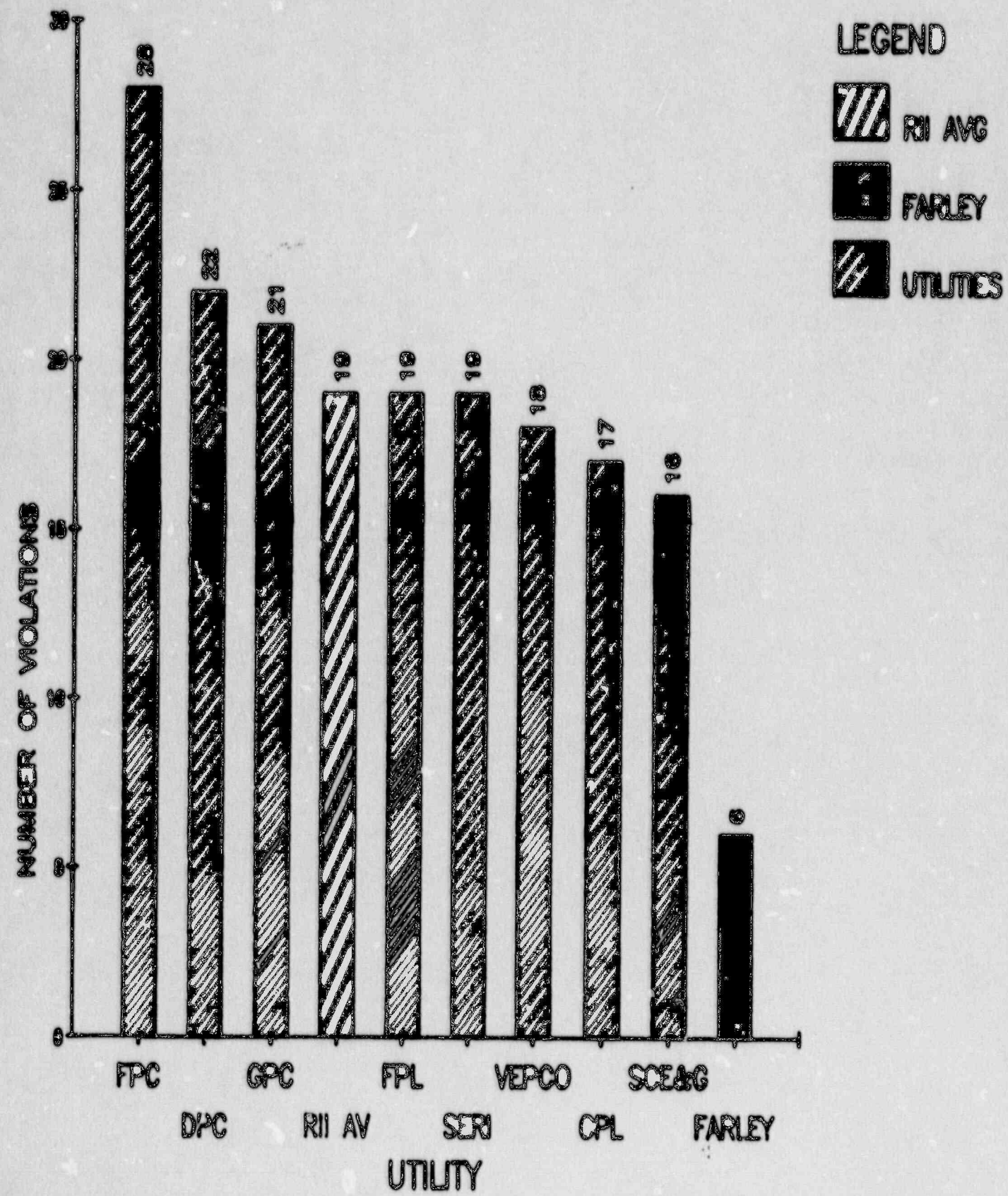
VIOLATION SUMMARY

APRIL 1, 1988 through JULY 31, 1989

	I	II	III	IV	V
FARLEY 1	**0**	**0**	**0**	**10**	**1**
FARLEY 2	**0**	**0**	**0**	**11**	**1**
REGION II AVE. PER UNIT	0	0	<1	17	2

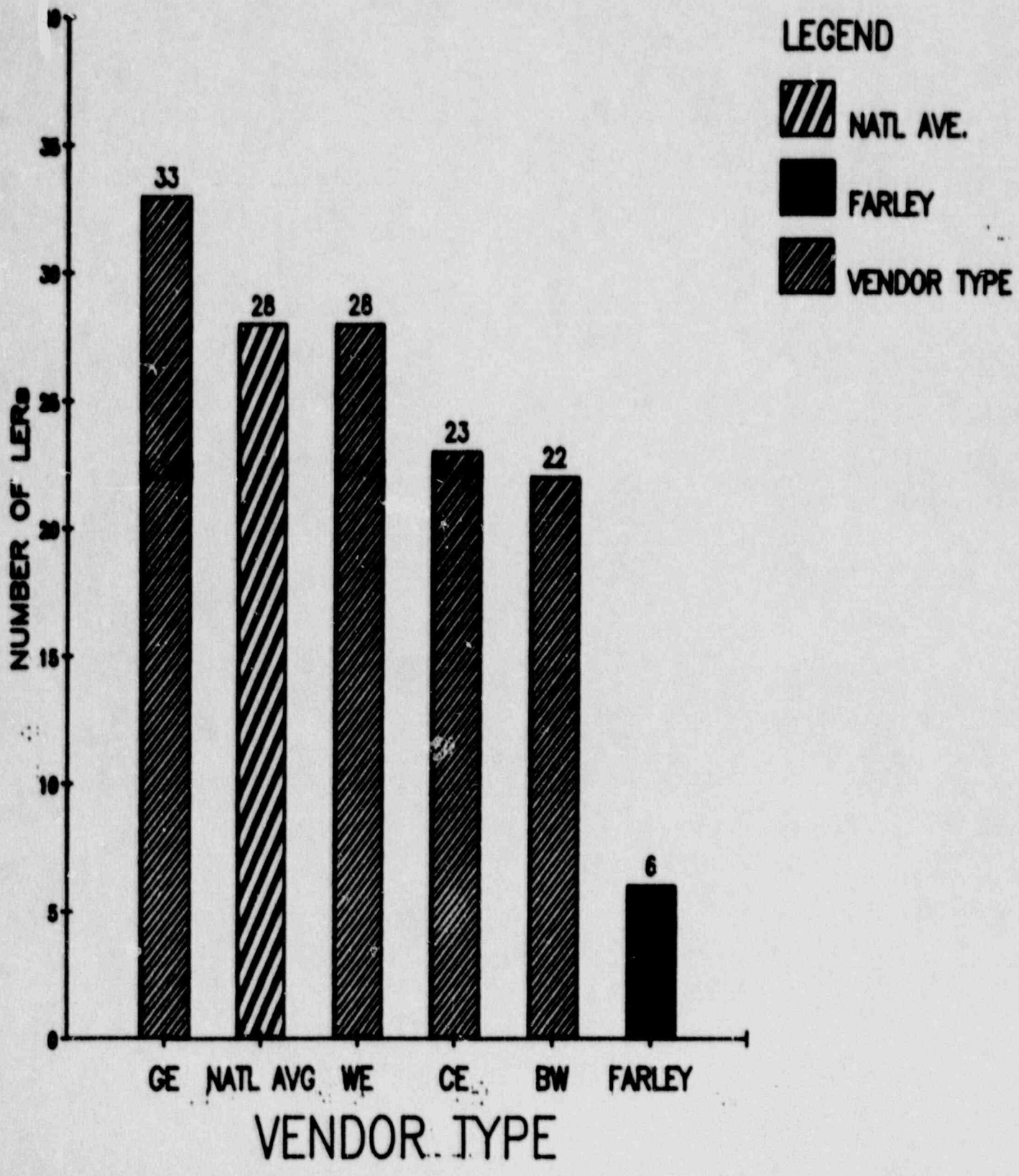
OPERATIONS PHASE VIOLATIONS/OPERATING REACTOR

APRIL 1, 1988 through JULY 31, 1989



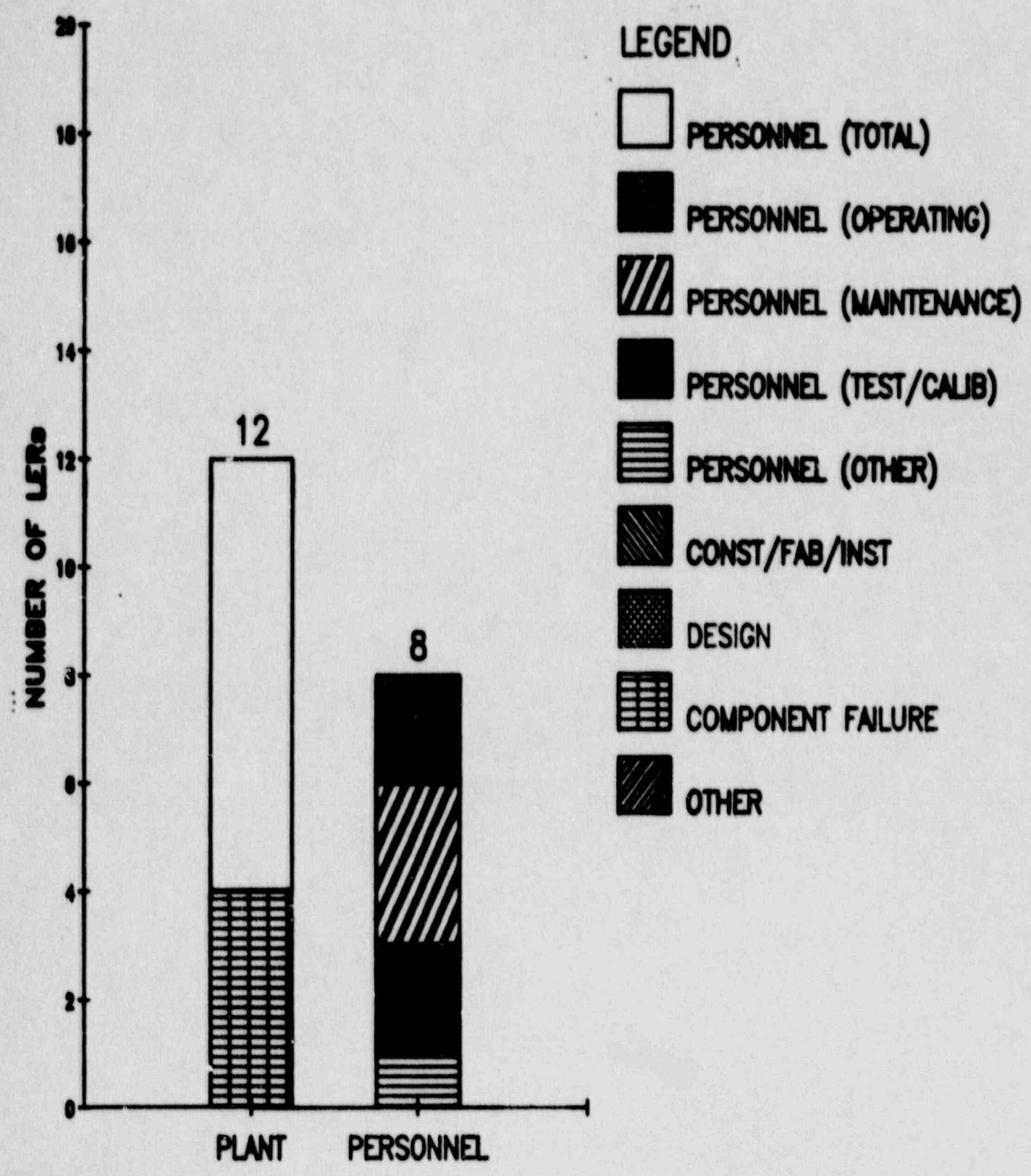
LERs PER UNIT

APRIL 1, 1988 through JULY 31, 1989



FARLEY LERs

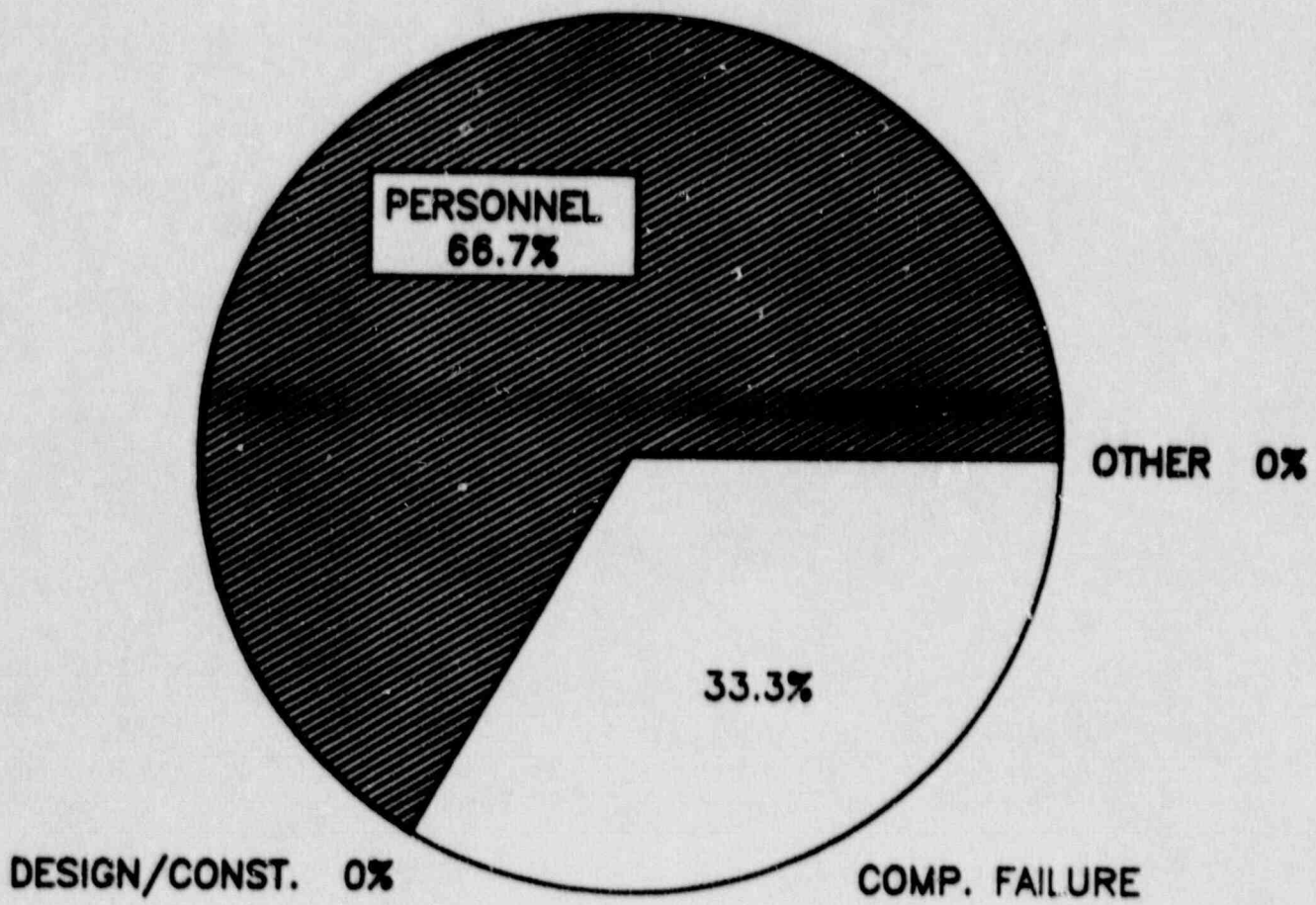
APRIL 1, 1988 through JULY 31, 1989



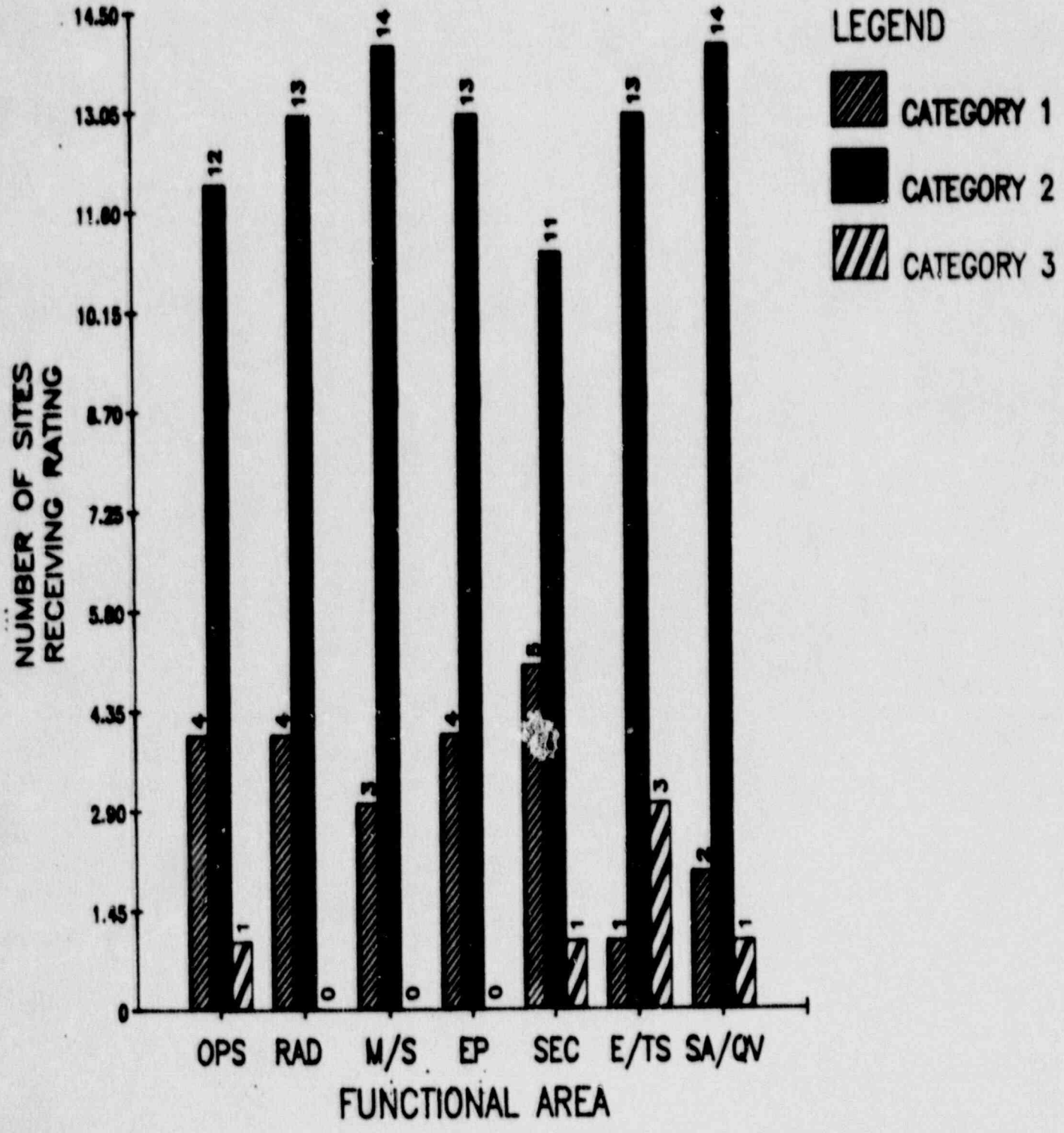
FARLEY LERs

(PLANT)

APRIL 1, 1988 through JULY 31, 1989



FUNCTIONAL AREA COMPARISON FOR REGION II SITES SALP CYCLE 7



PLANT OPERATIONS - CATEGORY 1

- CORPORATE OVERSITE EVIDENT BY FREQUENT VISITS AND PLANT TOURS BY SENIOR MANAGEMENT

- REDUCTION IN NUMBER OF REACTOR TRIPS FOR THIS SALP CYCLE

- OPERATIONS STAFF IS PROFESSIONAL, DEDICATED AND EXPERIENCED

- EFFECTIVE OPERATOR RESPONSE TO OFF-NORMAL CONDITIONS AND PLANT TRANSIENTS

- INTERNAL INCIDENT RESPONSE SYSTEM IS EFFECTIVE AND CONTRIBUTES TO LOW REPETITIVE EVENTS

- PLANT CLEANLINESS CONSIDERED AVERAGE AND NEEDS IMPROVEMENT

- PROCEDURE COMPLIANCE IS A CONCERN

- DEPARTURE FROM INTENT OF NRC GUIDANCE ON OVERTIME IS A CONCERN

RADIOLOGICAL CONTROLS - CATEGORY 1

- MANAGEMENT SUPPORT AND INVOLVEMENT IN RADIATION PROTECTION WERE EVIDENT

- KNOWLEDGE AND EXPERIENCE LEVEL OF HEALTH PHYSICS STAFF WERE EXCELLENT

- REDUCTION IN CONTAMINATED AREA AND PERSONNEL EXPOSURES A STRENGTH

- SPIKED SAMPLE ANALYSIS COMPARISONS SHOWED EXCELLENT AGREEMENT EXCEPT FOR FE-55

- INITIATIVES TO REDUCE RADWASTE IS A PLUS BUT NEED CONTINUED EMPHASIS

- SIGNIFICANT REDUCTION IN THE NUMBER OF ABNORMAL GASEOUS OR LIQUID RELEASES

MAINTENANCE/SURVEILLANCE - CATEGORY 1

- MAINTENANCE ORGANIZATION PROVIDED EFFECTIVE SUPPORT TO OPERATIONS
- MANAGEMENT INVOLVEMENT AND ALLOCATION OF RESOURCES EVIDENT
- INITIATIVES IN PREDICTIVE MAINTENANCE PROGRAM EVIDENT
- SELF INITIATED PROCEDURE UPGRADE PROGRAM NOTED
- EFFECTIVE DAILY PLANNING GROUP
- TS SURVEILLANCE AND ISI PROGRAMS EFFECTIVE
- LACK OF TRENDING OF EQUIPMENT FAILURES CONTINUES TO BE A WEAKNESS

EMERGENCY PREPAREDNESS - CATEGORY 2

- ABILITY TO ADEQUATELY IMPLEMENT KEY ELEMENTS OF EMERGENCY PLAN DEMONSTRATED
- IMPROVEMENT IN ALERT AND NOTIFICATION SYSTEM NOTED
- ADEQUATE ERF FACILITIES IN PLACE
- SEVERAL AREAS NEEDING IMPROVEMENT IDENTIFIED

SECURITY - CATEGORY 1

- SECURITY FORCE IS PROFESSIONAL, DEDICATED AND EXPERIENCED
- SECURITY STAFF IS WELL TRAINED
- FEW SECURITY ENFORCEMENT ISSUES
- MCA PROGRAM IS EXCELLENT
- ~~INDEPENDENT AUDIT OF SECURITY PROGRAM DEEMED MARGINAL~~ SEE ERRATA SHEET
- EXTENSIVE RESOURCES EXPENDED TO UPGRADE SECURITY SYSTEM BUT IS NOT YET OPERATIONAL
- SECURITY PLAN IN NEED OF MAJOR REVISION

ENGINEERING/TECHNICAL SUPPORT - CATEGORY 2

- MANAGEMENT INVOLVEMENT AND UNDERSTANDING OF TECHNICAL ISSUES WAS EVIDENT

- USE OF VENDOR TECHNICAL ASSISTANCE TO SUPPORT PLANT OPERATIONS WAS EFFECTIVE

- CORPORATE ENGINEERING SUPPORT ON MAJOR DESIGN ISSUES IS TIMELY AND EFFECTIVE

- ENGINEERING SUPPORT ON MINOR DESIGN CHANGES AND DAILY PLANT ISSUES AND MAINTENANCE ACTIVITIES WAS LESS EVIDENT

- REQUALIFICATION PROGRAM FOR LICENSED OPERATORS IS MARGINALLY ADEQUATE

SAFETY ASSESSMENT/QUALITY VERIFICATION - CATEGORY 1

- MANAGEMENT, ENGINEERING AND PLANT OPERATIONS INVOLVEMENT IN RESOLUTION OF SAFETY ISSUES WAS EVIDENT

- LICENSEE EXHIBITED AGGRESSIVE APPROACH TO SIGNIFICANT TECHNICAL ISSUES AND NRC INITIATIVES

- NEED FOR ROOT CAUSE ANALYSIS TRAINING RECOGNIZED

- SELF INITIATED SAFETY SYSTEMS ASSESSMENTS

- RESPONSE TO NRC BULLETINS AND GENERIC LETTERS USUALLY TIMELY AND COMPLETE

- LER SUBMITTALS ARE COMPLETE AND WELL ORGANIZED

- PEER REVIEW PROGRAM WEAKNESSES IDENTIFIED

SUMMARY OF RESULTS

- PLANTS OPERATED IN SAFE MANNER
- MANAGEMENT INVOLVEMENT AND OVERSIGHT OF PLANT ACTIVITIES APPARENT
- RADIOLOGICAL CONTROLS CONSIDERED A STRENGTH
- MAINTENANCE/SURVEILLANCE PROGRAM VIEWED AS A STRENGTH
- EMERGENCY PREPAREDNESS NEEDS ATTENTION TO LICENSEE AND NRC IDENTIFIED WEAKNESSES
- SECURITY PROGRAM IS STRONG BUT MAJOR PLAN REWRITE IS NEEDED
- ENGINEERING/TECHNICAL SUPPORT PERFORMED WELL BUT REQUALIFICATION PROGRAM NEEDS ATTENTION
- SAFETY ASSESSMENT/QUALITY VERIFICATION ACTIVITIES WERE EFFECTIVE

ENCLOSURE 4

Alabama Power Company
40 Inverness Center Parkway
Post Office Box 1295
Birmingham, Alabama 35201
Telephone 205 868-5581

W. G. Hairston, III
Senior Vice President
Nuclear Operations

Alabama Power
the southern electric system

November 27, 1989

Docket Nos. 50-348
50-364

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D. C. 20555

Gentlemen:

Joseph M. Farley Nuclear Plant Units 1 and 2
NRC Inspection Report Nos. 50-348/89-15 and 50-364/89-15

By letter dated October 5, 1989, the NRC forwarded the results of the Systematic Assessment of Licensee Performance (SALP) Board evaluation of Farley Nuclear Plant for 1989. Alabama Power Company has revieved this report and provides comments in an attachment to this letter.

Alabama Power Company appreciates the opportunity to provide comments on the SALP report and requests that these comments be considered in the NRC's final conclusion. In addition to the attached comments, Alabama Power Company requests that comments and discussions from the October 30, 1989 meeting be taken into consideration for final disposition of the SALP report.

If you have any questions, please advise.

Respectfully submitted,

for W. G. Hairston, III

WGH,III/BHW:sd 10.58

Attachment

cc: Mr. S. D. Ebneter
Mr. E. A. Reeves
Mr. G. F. Maxwell

8912080172 3pp

Attachment

1989 SALP Comments
NRC Inspection Report Nos.
50-348/89-15 and 50-364/89-15

No.	Reference	Comment
1.	Page 17 (Section IV.E.1)	The report indicates concern by the NRC regarding the audits performed within the security area because the security audit checklists reference 10CFR73.40, 73.45 and 73.46 which are not applicable for FNP. The NRC then concludes that the qualifications of the auditors and validity of the audit findings are in question. The conclusion reached is apparently based solely on this single issue. APCo questions this conclusion based on the following: 1. The comment regarding the qualifications of APCo auditors was not presented at the exit meeting or in Inspection Report 89-18, which initially posed the issue of sections 73.40, 73.45, and 73.46. 2. The three checklist items represent less than 3 percent of the more than 105 checklist items assessed during the security audit reviewed. 3. None of the findings included in the final audit report were indicated as being non-valid. 4. No specific findings related to inadequate qualification of an auditor have been presented.

No.	Reference	Comment
1. (Continued)		Finally, with specific regard to the three sections in question (10CFR73.40, 73.45 and 73.46), APCo recognizes the potential for nonapplicability of at least some of these sections. The criteria of 10CFR73.20 would currently exempt FNP from the requirements of 73.45 and 73.46 given the current amount of strategic nuclear fuel maintained on site. However, APCo is currently of the opinion that 10CFR73.40 does in fact apply since 10CFR73.55 is referenced and should be audited. It is definitely not clear how this approach represents a lack of qualifications on the part of the FNP audit staff or casts doubt on the validity of the audit findings.
2.	Page 21 (Section IV.G.1)	The report states that APCo's late submittal of a report relating to the cracked RHR pipe at FNP needed by the NRC to assist in generic resolution of Bulletin 88-08, delayed the NRC's technical review of this issue. No formal requests by the NRC or commitments by APCo were made to submit this report. APCo does not understand how the NRC can cite this issue as a deficiency. APCo provided this report to the NRC immediately after receipt from Westinghouse. APCo cooperated completely with the NRC on this issue. NRC personnel were actively involved with the efforts being taken by APCo to evaluate and resolve this issue.

WGH,III/BHW:md 11.39