

DMB



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

October 4, 1982

Docket No. 50-315
Docket No. 50-316

American Electric Power Service
Corporation
Indiana and Michigan Electric Company
ATTN: Mr. John E. Dolan
Vice Chairman
Engineering
2 Broadway
New York, NY 10004

Gentlemen:

This refers to the management meeting held by Mr. A. B. Davis and other NRC representatives with Mr. J. E. Dolan and other representatives of American Electric Power Service Corporation on July 7, 1982 to review the results of the NRC's assessment of the utility's regulatory performance at the Donald C. Cook Nuclear Power Plant in connection with NRC Manual Chapter 0516 - Systematic Assessment of Licensee Performance (SALP) covering the period October 1, 1980 to April 1, 1982.

A preliminary copy of the SALP Report was provided for your review in advance of our meeting. The final SALP Report including the SALP Board Chairman's letter to you and your letter of July 27, 1982 is enclosed.

In addition to the assessments and recommendations made by the SALP Board contained in the enclosed SALP Report, I wish to give you my overall observations and assessment relative to the utility's regulatory performance during the assessment period:

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1. With respect to the SALP ratings, the Regional SALP Board views the Category 2 rating as the rating which it anticipates most licensees will achieve. A Category 1 rating is given only for superior performance and there is reasonable expectation that it will continue. A Category 3 rating is given when the licensee's performance is considered minimally acceptable and identified weaknesses warrant special licensee management and NRC attention.
2. The overall regulatory performance of the American Electric Power Service Corporation, Indiana and Michigan Electric Company at the D. C. Cook Nuclear Power Plant was satisfactory during the SALP period; however, continued management attention is required to ensure the timely and effective implementation of your regulatory improvement program. It is evident that positive steps have been taken to improve performance such as those outlined in your July 27, 1982, letter and management is trying to be responsive to NRC concerns as evidenced by the regulatory improvement program. However, I do share the SALP Board's concern that the rate of improvement during the assessment period was slow. We will continue to monitor your progress and expect to see further, timely improvement.
3. Corrections to the SALP Report are included in the Report Errata Sheet. The three significant changes were: deletion of an item of noncompliance on page 4 that was withdrawn, deletion of the word cognitive on page 5, and the addition of another item of noncompliance on page 13.

The word cognitive was deleted to avoid further problems in interpreting its meaning. As used, the word was intended to mean that the operator as the cognizant individual on shift knew the operating requirements of the Technical Specification but made a conscious decision to operate the plant in a manner which he felt was equivalent to the requirements. It was not intended to mean that the operator operated in total disregard of the Technical Specifications objectives.

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 SALP Report will be placed in the NRC's Public Document Room.

American Electric Power Service 3
Corporation

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No reply to this letter is required; however, should you have any questions concerning these matters, we will be pleased to discuss them with you.

Sincerely,

Original signed by
James G. Keppler

James G. Keppler
Regional Administrator

Enclosure: SALP Reports
No. 50-315/82-16 and
No. 50-316/82-16

cc w/encl:
W. G. Smith, Jr., Plant Manager
DMB/Document Control Desk (RIDS)
Resident Inspector, RIII
Ronald Callen, Michigan
Public Service Commission
EIS Coordinator, USEPA
Region 5 Office

RIII
Tambling/sv
9/24/82
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RIII
Spessard
9/29

RIII
Norelius
9/29

RIII
Hind
9/30/82

RIII
Dayis
9/30/82

RIII
Keppler
10/1/82