



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

January 22, 1991

Docket Nos. 50-317
50-318

Mr. George V. McGowan
Chairman of the Board and
Chief Executive Officer
Baltimore Gas and Electric Company
P.O. Box 1475
Baltimore, Maryland 21202

Dear Mr. McGowan:

On January 8 and 9, 1991, NRC senior managers met to review the performance of nuclear power plants licensed to operate by the NRC. This meeting is conducted semiannually to focus NRC resources on those plants and related issues of greatest safety significance. At this meeting, the Calvert Cliffs facility was categorized as continuing to require close monitoring. Plants in this category have been identified as having weaknesses that warrant increased NRC attention from both Headquarters and the Regional Office until the licensee demonstrates a period of improved performance.

A summary of the discussions held relating to Calvert Cliffs is provided below:

Since the June 1990 Senior Management Meeting, the licensee's performance has shown continued but varied levels of improvement in all areas of concern. The licensee's Performance Improvement Plans appear to comprehensively address all known problems. Both Unit 1 startups conducted during the period were generally well performed with clear emphasis on quality and safety over production. The oversight provided by the Startup Review Board, Independent Safety Assessment Group, Quality Assurance and line management, during the preparations for and conduct of these startups, demonstrated the licensee's capability to perform quality self assessments of readiness for operations and operational performance, and develop appropriate lessons learned. The operating staff remains knowledgeable and capable. Although the quality of procedures and staff adherence to those requirements continued to improve, the number of staff errors experienced during the period due to inattention to detail and improper use of procedures remains a concern. The licensee has made substantial efforts to improve the material condition of both units and has reduced the planned maintenance backlog by half. Modification and maintenance efforts to address pressurizer heater sleeve cracking, salt water system fouling, erosion and corrosion, and auxiliary feedwater system reliability problems were particularly noteworthy. Approximately 800 required maintenance items have been identified to support Unit 2 restart, currently scheduled for the later half of February. A recent reporting chain realignment and the authorization of additional staff

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for the nuclear energy organization, should provide enhanced engineering and technical support for operations, and continued improvement in inter-disciplinary communications and cooperation. Additional management effort is warranted to improve maintenance process efficiencies, substantially reduce the large number of temporary modifications, and continue the improving trend in procedure adherence.

The facility and staff readiness for restart of Unit 2, the effectiveness of the new organization and processes in conducting two unit operations, and the licensee's progress in implementing their long term Performance Improvement Plan remain as outstanding concerns to NRC and will continue to receive close NRC monitoring.

An NRC Commission meeting, open to the public, has been scheduled for January 24, 1991, to review the results of the latest meeting of NRC managers. Mr. Thomas T. Martin, the Region 1 Administrator, has discussed the basis for our conclusions with regard to Calvert Cliffs with members of your staff.

If you have any questions regarding this matter, do not hesitate to call me.

Sincerely,

Original Signed By:
James M. Taylor

James M. Taylor
Executive Director
for Operations

cc: See next page

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