

UNITED STATES NUCLEAR REGULATORY COMMUSSION WASHINGTON, D. C. 20656

January 22, 1991

Docket Nos. 50-295 50-304

> Mr. J. J. O'Connor Chief Executive Officer Commonwealth Edison Company Post Office Box 767 Chicago, IL 60690

Dear Mr. O'Connor:

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, Zion Station was categorized as requiring 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 Zion Units 1 and 2 are provided below:

An NRC Diagnostic Evaluation conducted in June 1990, at the Zion Station identified significant weaknesses requiring improvement. These weaknesses include corporate management and engineering support, inadequate staff resources and financial commitment to effect improvements in a timely manner, management control of operator activities, teamwork within and among departments, and maintenance of safety systems and components. It was also noted that, historically, corporate management and assessment have not been effective in assuring simultaneous, quality performance of all Commonwealth Edison Company nuclear plants.

As a result of these findings senior NRC management met with the Commonwealth Board of Directors in September 1990, to encourage them to provide the leadership and resources to improve the safety performance at Zion Station.

The company has been responsive to these NRC findings and initiatives. Financial and personnel resources have been committed; corporate overview and assessment have increased; action plans have been developed to effect performance improvement; contract support has been obtained to assess and assist in improving cultural and organizational deficiencies; and close oversight by the Board of Directors is apparent. Although some improvement has been noted, much remains to be done. Therefore, the NRC plans to closely monitor these programs and efforts to assure that they are being adequately implemented and the desired results are achieved.

OFO!

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. A. Bert Davis, the Region III Administrator, has discussed the basis for our conclusions with regard to Zion Units 1 and 2 with members of your staff.

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

Sincerely,

Original Signed Sys James M. Taylor

James M. Taylor Executive Director for Operations

cc: See next page

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