

MAR 9 1983

Alabama Power Company
ATTN: Mr. R. P. McDonald, Vice President
Nuclear Generation
P. O. Box 2641
Birmingham, AL 35291

Gentlemen:

SUBJECT: SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE

The Nuclear Regulatory Commission has completed its periodic evaluation of the performance of your reactor facility. As you are aware, this evaluation program, the Systematic Assessment of Licensee Performance (SALP), involves an assessment of facility performance by the NRC staff; the issuance of the staff's findings in the form of a final report, the SALP Board Assessment (Enclosure 1); a meeting with senior staff of your utility to present and discuss the Board's assessment; your response to the SALP Board's assessment (Enclosures 2 and 3); and the approval and public distribution of the SALP Report by the Regional Administrator.

In accordance with NRC policy, I have reviewed the SALP Board Assessment and, as Regional Administrator, approve the issuance of the report.

The following discussions relate to my resolution of your comments and are considered to be an integral part of the SALP Assessment:

1. In your letter of December 21, 1982, responding to the findings of the SALP Board, you noted that the SALP evaluation of licensing activities appeared to have several content errors and to be out of context with the SALP evaluation criteria.

I have reviewed your comments and, after further review of the issues with senior NRR managers, I have concluded that the SALP Board's assessment of the Alabama Power Company's licensing performance represents an appropriate balance of the pertinent issues. As indicated in the SALP Board Assessment, each functional area may have some attributes that would place the evaluation in Category 1 and others that would place it in either Category 2 or 3. The final rating is a composite tempered by the judgment of NRC managers. The SALP Board noted that your management continued to provide detailed involvement and control to assure quality performance regarding licensing issues. As you know, the SALP Board cited instances of Alabama Power Company management initiative and response such as in the important post-TMI effort. The Board also noted that most of your responses to licensing issues reflected high-quality input and with only a few requiring schedule negotiations. These are clearly examples of strong performance.

I wish to note in this connection, the recent submittal by Alabama Power Company of a composite listing of all planned licensing activities for 1983. This listing is a valuable tool to plan agency workload and resource utilization.

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Despite these instances of strong performance, the number of emergency or expedited licensing actions attributable to various causes during the review period are of concern and should receive attention. Some of these actions could have been anticipated and handled as routine items. While NRC must and will be responsive to needed expedited action requests, we are of the view that safety is better served if actions are taken to limit emergency requests. In amplification of this issue, it is to be noted that inherent in the Technical Specifications are allowances for more-or-less routine maintenance outages and equipment malfunctions. Whenever allowable outage times are requested to be exceeded or an operational restriction to be relaxed, increased regulatory concern is focused on the underlying causes of such emergency change requests. It is our goal to minimize or eliminate such emergency change requests. We will maintain our awareness of the Farley experience over the coming year regarding emergency change requests.

2. In your letters of December 21, 1982, and February 2, 1983, responding to the findings of the SALP Board, you state that two fire protection issues pertaining to the lack of physical examinations for fire brigade members, and welding and cutting fire prevention procedures, were incorrectly characterized as open by the SALP Board. I have reviewed this matter and conclude that further review by the NRC staff is necessary to adequately disposition the issues which you have raised. The results of our review will be forwarded to you under separate correspondence. Notwithstanding the resolution of these issues, my review concludes that the final disposition of this matter will not alter the functional area rating assigned by the SALP Board.

With regard to the overall performance of the Farley facility, your resources are being effectively used such that a high level of performance with respect to operational safety is being achieved. It is my view that Alabama Power Company's management attention and involvement with facility operations are aggressive and oriented toward nuclear safety. Strong performance was noted by the SALP Board in the functional areas of plant operations, radiological controls, maintenance, surveillance, emergency preparedness, security and safeguards, and refueling.

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

Sincerely,

James P. O'Reilly
Regional Administrator

Enclosures: (See Page 3)

Enclosures:

- 1. Letter from R. C. Lewis, NRC, to R. P. McDonald, Alabama Power Company, dated December 6, 1982
- 2. Letter from F. L. Clayton, Jr., Alabama Power Company, to J. P. O'Reilly, NRC, dated December 21, 1982
- 3. Letter from F. L. Clayton, Jr., Alabama Power Company, to J. P. O'Reilly, NRC, dated February 2, 1983

cc w/encls:

- W. O. Whitt, Executive Vice President
- F. L. Clayton, Jr., Senior Vice President
- J. W. McGowan, Manager, Safety Audit and Engineering Review
- O. D. Kingsley, Jr., Manager, Nuclear Engineering and Technical Services
- H. O. Thrash, General Manager, Nuclear Generation
- W. G. Ware, Supervisor, Safety Audit and Engineering Review
- W. G. Hairston, III, Plant Manager-Nuclear

bcc w/encls:

- NRC Resident Inspector
- Document Management Branch
- State of Alabama
- Region II, Distribution C and D
- DPRP Directors, Regions I, III, IV, V
- E. A. Reeves, NRR

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