

PLAN FOR THE LONG RANGE PLANNING

PROGRAM FOR THREE MILE ISLAND NUCLEAR STATION - UNIT 1

I. INTRODUCTION

GPU Nuclear Corporation (GPUN) has developed a comprehensive program which will enable GPUN to effectively manage implementation of significant changes to the Three Mile Island Nuclear Station - Unit 1 (TMI-1) which have been required, or proposed by, the NRC, as well as other measures to enhance plant safety and reliability which have been identified by GPUN or other agencies (e.g., the Institute of Nuclear Power Operations). The program is identified as the "GPUN Long Range Planning Program". This program was developed to assess, coordinate and schedule major work tasks or projects at TMI-1, including those mandated or proposed by the NRC, or identified by GPUN and others. The program objectives are to (1) satisfy regulatory requirements; (2) provide sufficient lead times for modifications; (3) minimize changes for operators; (4) effectively manage financial and human resources; and (5) specify the framework for changes to developed projects and associated schedules. This will be accomplished within the overall objective of plant safety and availability.

This program reflects the recognition by GPUN and the NRC that fiscal and manpower resources are finite and that a limit on the onsite manpower is necessary. Routine functional plant operations and maintenance require a substantial portion of available resources, further limiting resources which can be applied to the resolution of non-routine but important regulatory and non-regulatory issues that arise. The program integrates a significant portion of presently planned non-routine work at TMI-1 over a nominal five-year period to ensure that tasks associated with issue resolution are properly assessed and effectively scheduled and coordinated. It provides a means for new requirements to be accommodated taking into account schedule and resource constraints, as well as the importance of implementing a new requirement. The purpose of this document is to describe the plan used to implement the program. It describes how the program functions, mechanisms for changing the program and updating it, the interactions and responsibilities of the NRC and licensee staffs under the program, and its resultant assessments and schedules.

The term project as used herein refers to the projected allocation of significant fiscal and manpower resources at TMI-1. The term issue resolution as used herein refers to the actions necessary to resolve concerns (safety related or otherwise) which have been identified by the NRC or GPUN.

II. SUMMARY OF PROGRAM DEVELOPMENT

The program is based on a list of projects and their projected completion schedules each of which is assigned a priority resulting from an established assessment method. The assessment method involves assigning each project a priority based on its importance in areas related but not limited to commitments (e.g., corporate commitments, regulatory commitments, restart or other requirements), public safety (e.g., core damage risk, or potential environmental and radiological impact), personnel safety (e.g., lost time accidents, or exposure to hazardous materials), plant availability, working conditions (e.g., tools and facilities), economic incentive (i.e., generating costs), training, and plant preservation.

The scheduling of projects takes into account projections for budgets and site manpower and engineering support requirements for up to five years, on an item-by-item basis covering significant plant projects. The list represents that significant portion of the TMI-1 work list and commitment list which is regularly modified and updated to meet changing conditions, including new NRC regulatory requirements. The final product of this program is the assessment of projects and the development of associated schedules as discussed below.

III. ASSESSMENT AND SCHEDULING

A first step in the development of this program involves the identification and listing of significant open issues and their associated resolutions. Following initial screening and evaluation of identified issues, those whose proposed resolution will require significant planning or resources are defined as proposed projects to be considered in development of the list of projects approved and proposed for approval by GPUN for TMI-1 over the next 5 years. An assessment of all proposed projects is required to determine their appropriate value/worth and relative priority. Upon completion of the project prioritization the tasks are scheduled based on assigned priority, available resources and scheduler constraints. The projects are organized into Categories A, B and C based upon their origin. Completion schedules and periodic status reports identify critical project tasks, target completion dates, progress and problem areas which enable management to develop contingency and/or schedule recovery plans. The three categories are briefly described below:

- Category A - All projects involving regulatory issues which have resolution dates mandated by NRC rules, orders or license conditions.
- Category B - Projects involving issues identified by the NRC and/or GPUN for which commitments have been made to the NRC by GPUN. The issue resolutions would result in significant a) plant modifications, b) procedure revisions, or c) changes in facility staffing requirements.

Category C - Other major projects, identified by GPUN or other regulatory agencies.

Projects and/or implementation dates in Category A may be modified or deleted only with prior approval of the NRC. Changes to project scope and/or completion dates in Categories B and C require notification to the NRC as described in Section V. Categories A, B and C, taken together, provide a basis for assessing the overall effects of changes to projects and/or schedules, and a departure point for discussion between the NRC and the licensee regarding such changes, as discussed below.

IV. ISSUE RESOLUTION AND SCHEDULE MODIFICATIONS

Project schedules for each planning cycle include required milestones for engineering, procurement and, where appropriate, regulatory review and approval. Inability to meet these milestones may require changes to previous plans and schedules.

Accordingly, an important aspect of GPUN's planning effort is the recognition that projects, project scopes, and scheduled completion dates may need to be modified or deleted at times to reflect changes in regulatory requirements, to accommodate those activities that GPUN finds necessary to improve plant efficiency and reliability, to incorporate the results of investigations into issues, and to take into account delays resulting from events beyond GPUN's control¹. The method used by GPUN for changing or deleting projects or scheduled completion dates is established and will be incorporated in the Corporate Procedures.

V. GPUN AND NRC RESPONSIBILITIES

The proper functioning of the Long Range Planning Program requires that GPUN apply consistent criteria to the assessment of projects, monitor the progress of work undertaken, manage its activities to maintain the schedule, and act promptly to take necessary actions when a project scope or schedule change is needed. As set forth herein the NRC will treat projects consistently and recognize that, when necessary, project scope and/or scheduled completion date changes are based on a comparison of the project scopes and/or completion dates being changed for all projects, and such changes are dependent upon resource constraints.

A. PERIODIC UPDATING

GPUN will update Categories A, B and C annually and submit the revised listing of projects and completion schedules to the NRC, beginning six months following NRC approval of this plan. The revised project

¹ The listing of projects in Categories A, B, and C will contain sufficient detail to identify those projects with tasks and/or completion dates keyed to refueling outages. In such cases, a change in outage period (i.e., initiation or duration) shall not be considered a schedule change.

listing will include the following:

- Summarize progress in completing or implementing projects.
- Identify changes since last update report.
- Summarize the reasons for project scope and/or schedule changes associated with regulatory requirements.

B. CHANGES TO ISSUE RESOLUTIONS AND/OR SCHEDULES

Changes to the project listing may arise from a variety of reasons, such as new projects identified; modifications to the scope of scheduled work; unplanned outages; results of investigations into an issue (e.g., PRA findings); problems in delivery, procurement, etc; changes in NRC rules and regulations; or other NRC or GPUN actions.

Where it is necessary to add a new project or to change the schedule for a project, the following general guidance will be utilized to the extent appropriate:

- Assess the priority of the project relative to all existing projects.
- Schedule the new or changed project to avoid rescheduling other projects, if it can be reasonably achieved.
- Select a schedule for the new or changed project which will help in maintaining an optimum integrated program of work.

Addition of activities to Category A requires GPUN to propose appropriate projects and/or completion dates and requires NRC approval of such proposals. Changes to previously established Category A resolutions and/or resolution implementation dates will be proposed only after GPUN has determined that changing Category B and C items will not significantly assist in maintaining Category A without change; or that safety, resource or schedule penalties from rescheduling Category B and C activities significantly outweigh the consequences of a change in a Category A completion date. As with proposals to add Category A activities, proposals to change previously existing Category A activities also requires NRC approval.

GPUN will inform the NRC Project Manager when serious consideration is given to requesting a change in Category A. When GPUN determines that a change in Category A is necessary, it will submit a written request for NRC approval. Projects in Category B or C may be modified, deleted or rescheduled, or new projects may be added to Category C by GPUN without NRC approval; however, GPUN will inform the NRC Project Manager once a change, deletion, or addition to Category B is necessary.

GPUN will provide the NRC with written notification of changes or deletions of Category B projects or completion dates associated with NRC initiated issues at a minimum in each annual update but in any event at least 30 days prior to the scheduled completion date. Such notification will also include the reasons for the change and describe any compensatory actions which GPUN determines to be appropriate.

The change, addition or deletion in Category B will go into effect upon evaluation by GPUN, unless the NRC, in writing, requests further explanation or discussion. NRC requests will be made within 15 days of receipt of GPUN written notification. In this event, discussions will be initiated to promptly develop a project scope and/or schedule which is mutually acceptable to GPUN and the NRC Project Manager while considering overall program impact. The written notification by the NRC will serve to extend the schedule date for the period of time required for such discussion. If a revised project scope and/or schedule is established in these discussions, such project scope and/or schedule will supersede the project scope and/or schedule set forth in Category B. The revised project scope and/or schedule will be incorporated in a revised Category B in the next update submitted to the NRC. If a revised project scope and/or schedule cannot be established in these discussions, GPUN changes to projects scope and/or schedule will be effective unless subsequently modified by NRC Order.

In the event of unplanned delays, delays which become manifest within 30 days of the scheduled completion date or in the event of circumstances beyond GPUN's control, GPUN shall provide timely notification to the NRC Project Manager of the revised project and/or schedule date and incorporate it in a revised Category B in the next update submitted to the NRC.

GPUN will provide notification of changes, deletions, additions or rescheduling of Category C projects to NRC annually. This is for information purposes.

VI. NRC REVIEW

As pointed out in Section V.B above, changes to project scope and/or schedules are inevitable. Action required by the NRC is discussed below:

A. GPU NUCLEAR ORIGINATED CHANGES

1. Upon receipt from GPUN of a request for modification of Category A, the NRC will act promptly (consistent with resource availability and priority of other work) to consider and decide on the request.
2. If the request for a modification of Category A is denied, NRC shall promptly inform GPUN and provide the reasons for denial.
3. NRC consideration of GPUN changes to non-Category A projects and/or schedules is covered by Section V.B.

B. NRC ORIGINATED CHANGES (CATEGORY A)

It is recognized that formal NRC regulatory actions (i.e., NRC rules, orders, or license conditions) may: (1) impose a new regulatory requirement with a fixed date, or (2) establish a firm date for a previously identified regulatory requirement. In taking any such action, the NRC, to the extent consistent with its overall regulatory responsibilities and, unless public health, safety, or interest require otherwise, will take into account the impact of such action on GPUN's ability to complete effectively the projects in Categories A, B, and C; and in consultation with GPUN, will try to minimize such impact. Although any formal regulatory action (i.e., regulatory rule, order, or license condition) taken by the NRC will be effective in accordance with its terms without inclusion in Category A, the NRC and GPUN recognize the desirability of incorporating such action into Category A, particularly in order to incorporate at the same time any other appropriate changes in the Long Range Planning Program. Accordingly, once such formal regulatory action is taken (or earlier, if practicable), the NRC will provide GPUN a reasonable opportunity to propose overall changes in the Long Range Planning Program which would most effectively accommodate such requirements. Any resulting changes in projects in Category A will be (1) reviewed by the NRC, taking in account the overall objective of the Long Range Planning Program to use available resources effectively, and (2) if acceptable, approved by the NRC, and will thereupon be reflected in a revised Category A listing submitted by GPUN. GPUN will inform the NRC of any resulting changes in Categories B and C in accordance with Section V above.

C. NEW NRC ISSUES (CATEGORY B)

The NRC may, from time to time, identify new regulatory issues which may result in (a) plant modifications, (b) procedure revision or development, or (c) changes in facility staffing requirements. With respect to issues which the NRC requests (1) scheduling information or (2) responses by a certain date, these issues may be included in Category B in accordance with the project priority resulting from GPUN assessment. Projects and/or schedule date commitments resulting from GPUN evaluation will form the basis for discussions between the NRC and GPUN.

As for the case of NRC-originated changes to Category A issues, the NRC will provide GPUN a reasonable opportunity to propose overall changes in the total integrated plan program which would most effectively accommodate such issues. Any resulting changes in the integrated plan program will thereupon be reflected in a revised Category B or C list submitted by GPUN.

D. INSPECTIONS AND AUDITS

The Plan and the Long Range Planning Program implementation processes and procedures do not fall within the scope of GPUN's Quality Assurance Program or the requirements of 10 CFR 50 Appendix B. The existence of the Plan does not change the extent or nature of NRC inspection or audit activities which would be applied in the absence of the Plan. Specifically, the management processes by which resource limits are established and allocated are not subject to detailed audit or inspection. GPUN will provide information as discussed in Section V for review and/or approval by NRC of the basis for the Category A and B project schedules. Implementation of those projects are subject to inspection and audit as required by GPUN QA Program and NRC Regulations.

VII. MODIFICATION TO THE PLAN

The licensee and the NRC recognize that the Plan itself may require future modifications. Accordingly, all Plan revisions will be submitted for prior NRC approval. The revisions will be made effective on a mutually agreed date upon or subsequent to amendment issuance by the NRC.

ENCLOSURE 4