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July 18, 1983

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In the Matter of
Metropolitan Edison Company
(Three Mile Island Nuclear Station, Unit No. 1)
Docket No. 50-289 (Restart)

Dear Chairman Palladino and Commissioners:

In a Memorandum from the Secretary, dated June 28, 1983, the Commission has offered an opportunity to parties to the TMI-1 Restart Proceeding to comment on the Memorandum and related documents, including the transcript of the Commission's June 21, 1983 briefing by the NRC Staff. Licensee offers the following comments.

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Commissioners, NRC

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Licensee retains confidence in the capability and integrity of the present GPU Nuclear organization and personnel to operate and support TMI-1. The personnel reassignments outlined in Mr. Dieckamp's letter of June 10 have been undertaken in the face of the Staff's "open issues" to provide an additional level of confidence that any inappropriate attitudes or practices of the past have not been carried forward and will not manifest themselves in GPU Nuclear. That plan is being implemented.

During the Staff's briefing of the Commissioners on June 21, questions were raised concerning the emphasis which our re-assignment of personnel placed on those in Met Ed's employ at the time of and prior to the accident (as opposed, for example, to those in the employ of GPU Service Corporation at the time), and on the recent shift of primary responsibilities between Messrs. Arnold and Clark within the Office of the President of GPU Nuclear. In this regard, we urge the Commissioners to review the attached excerpts from the transcript of Licensee's meeting with the NRC Staff on June 20, 1983, in which these two areas were explored in some detail.

The attached excerpts include corrections to the transcript of the June 20 meeting with the Staff. We have also attached to these comments for the benefit of the Commission and all parties a complete listing of transcript corrections for the entire meeting with the Staff and a revised set of Licensee presentation notes which were bound into the transcript of that meeting. As was pointed out at the outset of the meeting (Tr. 12), Licensee has continued to comb through the GPU Nuclear organization to ensure a thorough implementation of its personnel reassignment goals and anticipated that its continued review could yield some changes in the numbers of persons affected. Those changes which have been identified are reflected in each instance by a vertical bar alongside the new information in Licensee's revised presentation notes.

Finally, Licensee notes the continued high priority the Commission places on completing its immediate effectiveness decision, as stated in the Secretary's Memorandum of June 28, 1983. Based on the favorable testing results to date since completing the steam generator repair and on the status of completion of certification items, Licensee anticipates that TMI-1 will be physically ready to restart in September. We urge the Commission to maintain its sense of priority on closing out open issues

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which would enable a determination on restart of TMI-1 as early as September of this year. */

Respectfully submitted,

Ernest L. Blake, Jr.
Ernest L. Blake, Jr.
Counsel to Licensee

Enclosures

cc: per Certificate of Service

*/ Questions about the Staff's ability to support a September restart decision are posed by Mr. Dirck's Memorandum to the Commissioners of July 15, 1983, which Licensee just received. Licensee will be responding to that Memorandum.

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE COMMISSION

In the Matter of)
)

METROPOLITAN EDISON COMPANY)
)

(Three Mile Island Nuclear
Station, Unit No. 1))
)

Docket No. 50-289
(Restart)

SERVICE LIST

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Proposed Transcript Corrections for GPU
and Meeting With NRC Staff
June 20, 1983

<u>Page</u>	<u>Line</u>	<u>Correction</u>
3	12	Change "here" to "hear".
10	9	Change "regressively" to "aggressively"
11	10	Change "unresolved" to "resolved".
18	3	Change "board" to "GORB".
21	3	Change "President" to "Vice President".
21	18	Change "TMI to" to "TMI-2."; change "people" to "People".
21	20	Change "to" to "too".
28	3	Change second "of" to "and".
28	5	Insert comma (",") following "licensing".
28	25	Change "there" to "three".
30	1	Insert "our review" following "1974".
30	2	Change period (".") following "date" to comma (",").
30	4	Change first "and" to "in".
30	5	Change "and" to "in".
34	8	Change "New Jersey" to "Jersey Central".
34	23	Change "Fred" to "Floyd".
34	23	Change "Levy" to "Leva".
37	10	Change "other" to "of the".
37	13	Change "are" to "were".
37	14	Change "are" to "were".
39	23	Change "one" to "one hundred".
41	6	Change "have" to "had".
41	25	Change "Certainly," to "I am not certain".

<u>Page</u>	<u>Line</u>	<u>Correction</u>
42	3	Change "or" to "our".
44	16	Change "it" to "I".
44	25	Change "PIV" to "PID".
45	19	Change "Quin" to "Quinn".
48	16	Change "On" to "One".
49	13	Insert "and" following "administrative".
50	5	Insert "and" following "composition".
50	7	Change "DP" to "VP".
50	11	Change "Board" to "GORB".
54	16	Insert "you what" follow "give".
55	4	Change "Device" to "The Vice President, no".
55	4	Delete last word ("Vice").
55	5	Delete "President now".
55	6	Insert period (".") following "specifically".
55	17	Change "our" to "are".
58	11	Change "oversigh" to "oversight".
58	17	Change "stopped" to "staffed".
59	11	Insert period (".") after "with"; change "recognizing" to "Recognizing".
62	25	Change "sere" to "were".
64	5	Delete "to" following "shift".
65	14	Delete "aos" following "will".
69	24	Change "or" to "are".
70	12	Change "plant" to "planned".
72	15	Change "supplicability" to "its applicability".
78	7	Change "overchecked" to "overcheck"; change "crosschecked" to "crosscheck".

<u>Page</u>	<u>Line</u>	<u>Correction</u>
78	21	Change "The" to "They".
79	9	Change "Corp" to "GORB".
81	2	Change "need" to "meet".
81	17	Change "accepted" to "excepted".
81	18	Change "Non-emergency" to "Now, Emergency".
82	20	Change "cross-checked" to "crosscheck".
91	14	Change "conversation" to "concentration".
91	22	Change "plant" to "plan".
92	25	Change "was" to "way"; change "words" to "works".
93	18	Change "RADON" to "Rad Con".
95	2	Change first "has" to "in".
96	13	Change "he" to "we".
96	25	Change "GORB-NRC" to "GORB and NRC".
97	14	Insert period (".") following "advised".
97	15	Change "in" to "In".
102	24	Change "to" to "the".
107	11	Change "som may" to "so many".
109	14	Insert "For" following "budget."; change "The" to "the".
110	12	Change "a" to "in".
115	22	Change "now" to "not".
117	17	Insert comma (",") following "it".

1 MR. CLARK: Essentially the same assignments.

2 Page four is a quote from Mr. Dieckamp's letter
3 which addresses the current organization. I think in addition
4 to what is stated there, what is in the letter is that the
5 organization is designed to provide all reviews and cross
6 checks, and of course that is the organization which was re-
7 viewed by the ASLB with the favorable conclusions.

8 Page five shows the current organization and it
9 is color-coded or marked to show those who were with Met Ed
10 prior to 3/79 at any time, people who are new to the entire
11 GPU system since 3/79, and people who were with the GPU system
12 but not with Met Ed prior to 3/79. Met Ed now is the organi-
13 zation which was operating TMI.

14 As we go down through the office of the president,
15 we see that Mr. Arnold was with Met Ed prior to 3/79, but not
16 at the date of 3/79. I am new to the GPU system. The direct-
17 ors of Oyster Creek TMI-1, TMI-2 are new to the GPU system.
18 The directors of administration, communications and maintenance
19 and construction are new to the GPU system. And that the
20 directors of tech functions, nuclear assurance and radiation
21 and environmental controls were not with Met Ed prior to the
22 accident and have moved in from Jersey Central and the service
23 corporation since the time of the accident. That also applies
24 to the chairman of our general office review board, Mr.
25 Finfrock.

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This chart also shows by the dotted lines the
formally defined access to the Board of Directors from the
chairman of the ^{GORB}~~board~~ and the vice-president of nuclear as-
surance.

End two.

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1 I think that gives a good picture of the twelve
2 senior jobs in GPU nuclear . Eleven of them are filled by
3 people who were never with Met Ed, the twelfth by someone
4 who was with Met Ed, but not after sometime in 1977.

5 MR. DIECKAMP: Phil, perhaps at this point we
6 ought to inject a little bit about the service company because
7 of a characterization of the service company as being separate
8 from MetEd. At the time of the accident and before the accident
9 the service company's responsibility was for design and construc-
10 tion of new generation facilities, whether they be nuclear or
11 fossil. This service company had no direct responsibility
12 for the operation of TMI. On the other hand, this service
13 company did have a number of technical personnel who, on
14 occasion, were called upon to support TMI in terms of some
15 specific analysis. Probably the most prominent one was
16 nuclear fuel management, a task being done by this service
17 company in support of the operation.

18 Other examples, which today may stand out, are
19 things like the efforts of some of Bob Keaton's people and the
20 service company to assist in analyzing what have today been
21 identified as some of the precursor events, the pressurizer
22 transients that were observed either in the start up turnover
23 program for TMI 2 or during the actual nuclear start up of
24 TMI 2. So there was no direct operating responsibility, no
25 direct supervisory responsibility but indeed there was a

1 technical arm of the company, a resource, that was made
2 available to assist MetEd.

3 MR. DENTON: Can you refresh my memory on what
4 was the relationship between MetEd, the service company, and
5 the overall holding company in '79? Who did the president
6 of MetEd report to, for example?

7 MR. DIECKAMP: The president of MetEd reported to
8 the Metropolitan Edison Company Board of Directors and probably,
9 in a more generalized kind of a chart, it would be Mr. Kuhns
10 as the Chairman of the Board, each of GPU's operating subsid-
11 iaries at that time. In an analogous way Oyster Creek was,
12 from an operating responsibility point of view, totally within
13 the Jersey Central organization which again, in a similar
14 way, reported to the Jersey Central Board of Directors, with
15 Mr. Kuhns again as the Chairman of the Board.

16 The service company also reported to its own Board
17 of Directors and then to Mr. Kuhns, as the Chairman of the
18 Board. I was president of the service company starting, I think,
19 sometime in 1974 and continuing today. Mr. Arnold, at the
20 time of the accident, was the service company Vice President
21 in charge of the Design and Construction Division of the
22 service company.

23 MR. DENTON: Who would have been in charge, respon-
24 sible, for operations of Unit 1 at the time of the accident,
25 organizationally?

1 MR. DIECKAMP: Organizationally, the line would go
2 down through Walter Creitz, who was President of Metropolitan
3 Edison, to Jack Herbein, ^{Vice} President of Generation, had both
4 the nuclear and fossil stations for Metropolitan Edison down
5 to Gary Miller, who was the Manager of the Station, the
6 Station Manager down through Joe Logan, who was the Superin-
7 tendent for TMI 2.

8 MR. CLARK: That basically is the first chart we
9 looked at. It shows the organization for operation of TMI.

10 MR. DIECKAMP: Harold, again to make sure that we
11 are clear on this item, people like Dick Heward was the Program
12 Manager for the construction of TMI, and I think for a large
13 fraction of TMI 1 and TMI 2. By the time of the accident
14 he had phased out and was spending his time on the Forked River
15 Project, which was being reactivated in New Jersey. So during
16 the period of 1977, largely when we had the turnover, this
17 start up and test turnover from construction to the operators,
18 Dick Heward was still involved in that phase of TMI ^{2.} to People
19 like Dick Wilson and Bob Long on the left of the chart were
20 not as -- well, they were involved in TMI to ⁰ -- from a construc-
21 tion management point of view. But again, by the time the
22 accident had come around were well into devoting their time
23 to Forked River Project.

24 The scheme that we used was that the service
25 company had responsibility for design and construction manage-

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1 ment. They integrated the efforts of the architect engineer,
2 the nuclear steam supplier, the construction manager, and any
3 other contractors associated with the job. As we completed
4 construction and systems were checked out to assure that they
5 conformed with the design requirements, Metropolitan Edison
6 provided the operators. The service company supervised, or
7 sort of provided the project leadership, to the turnover but
8 as soon as the operations were done by MetEd individuals then,
9 upon turnover, it became the responsibility of MetEd to operate
10 those systems.

11 The construction permit was delegated from the
12 owners, with MetEd being the 50 percent owner, to the service
13 company. And then, when we got the operating permit for
14 TMI 2, in about February of 1978, full responsibility for the
15 license transferred to Metropolitan Edison Company.

16 MR. DENTON: I think this is a key area. Maybe
17 it warrants a bit more discussion because after the accident
18 Bob, and others from your service company, became very visible
19 and active in planning operations from there. I think that
20 did lead to questions as to involved they had been in the past.
21 Some people jumped to the conclusion that since Bob Arnold
22 did play a very active role right after the accident that he
23 was the man in charge of operations also.

24 MR. DIECKAMP: Let's be specific about Bob Arnold.
25 He was Vice President of Generation at MetEd up until about

1 May of 1977 and then Jack Herbein followed him. Bob moved
2 to the service company in May of '77, to become Vice President
3 of Design and Construction, or Generation we called it at
4 that time. His predecessor, Bill Verrochi, moved to Penelec
5 to be the President of the Penelec subsidiary. Arnold, Wilson,
6 Long, Heward, people of that sort were some of our major
7 resources back in Parsippany to bring to bear on the problem
8 at the time of the accident.

9 In fact, the first response was to send Dick
10 Wilson and a team of guys out to begin to investigate. They
11 arrived at the site on Thursday after the Wednesday of the
12 accident and immediately found that it was more than just an
13 investigation, it was a matter of getting and assisting the
14 operation. And so, in effect, what the company did was to
15 take all of its resources -- and I say that, you know, 95
16 percent of the resources available at the service company at
17 Parsippany -- and drop everything else and apply them to
18 managing the accident and its aftermath.

19 MR. DENTON: I think it has been -- I read in one
20 of the allegations that Unit 1 operations were the Cadillac
21 and Unit 2 were the Hudson.

22 MR. ARNOLD: Studebaker, I think.

23 (Laughter.)

24 MR. DENTON: Studebaker. Do you have any comment
25 on why there would be a difference in the way the operations

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1 were perceived on the Island? They were both under MetEd's
2 control at the time.

3 MR. DIECKAMP: I would give you a generalized kind
4 of thought about it, is that by the time we got to 1978 and 9,
5 Three Mile Island Unit 1 had been operating for four years and
6 as a result had gone through a lot of that early learning
7 process, debugging process, getting the wrinkles out of the
8 system and getting it down to the point where it was operating
9 very smoothly. And there was no question then that, as we
10 moved into Unit 2, we were starting over again on that debugging
11 kind of a process and, as you recall, the start up program was
12 significantly extended because we encountered problems with
13 the operability of the safety relief valves on things of
14 that sort which required major modifications.

15 And I think we also have to say that the organiza-
16 tion was suffering the problems of growing pains. It was
17 a significant job to pick up from operating one plant to being
18 able to operate two plants, and those things all contributed
19 to a difference in the smoothness, the happiness, the effective-
20 ness with which the operation was going forward.

21 MR. DENTON: To the extent there was a difference
22 in the quality of operation -- the reason I'm asking is do you
23 think Bob Arnold was responsible for the difference in the
24 quality of operations? He had left prior to Unit 1 coming on
25 line and I thought, since these issues are kicked around and

1 MR. CLARK: Let me suggest that we go back and
2 look at page 3 for a minute because I think the discussion
3 relates to the operation of the Service Corp ^{and} of Metropolitan
4 Edison. If you look at the chart, you ~~see~~ a MetEd quality
5 assurance, licensing, training, and under the Engineering,
6 design engineering, project engineering, radiation safety
7 and environmental engineering.

8 So the MetEd organization had essentially all
9 of the elements that go with operating and maintaining the
10 plant, and could call on Service Corp as described. They
11 had the organizational responsibility and the people for all
12 of those aspects at TMI.

13 MR. DENTON: Did MetEd generate any non-nuclear
14 power?

15 MR. CLARK: Yes.

16 MR. DENTON: So the Vice President for Generation
17 also worried about fossil plants.

18 MR. CLARK: Yes.

19 MR. DIECKAMP: Yes.

20 MR. EISENHUT: How many different corporations,
21 then, were there in the overall system in addition to, say,
22 the MetEd one? How many --

23 MR. DIECKAMP: If you look at GPU at the time,
24 reporting to the holding company, there were four subsidiaries;
25 ^{three} ~~there~~ operating utilities, Jersey Central Power & Light,

1 Metropolitan Edison Company, Pennsylvania Electric Company
2 and the GPU Service Company. What happens in a holding
3 company is that the SEC requires that those things that would
4 normally just be called a corporate staff be identified as
5 a service company, and they tend to prescribe certain
6 accounting principles as to how those costs shall be
7 allocated to the operating utilities.

8 And as you recall, MetEd is a 50 percent owner
9 and operator. Jersey Central and Penn Elec were each 25
10 percent owners.

11 MR. CLARK: To go back to page 5, it shows GPU/
12 Nuclear. That is, of course, now a fifth subsidiary of the
13 General Public Utilities System. Unless there are questions,
14 I think we've pretty well gone through page 5.

15 MR. DENTON: I think we have. Are you going to
16 come back and cover Wilson, Long, Heward, there?

17 MR. CLARK: I forget if they show in this handout
18 or not.

19 MR. ARNOLD: It would be better now.

20 MR. DENTON: Yes.

21 MR. ARNOLD: Let me pick up on Dick Heward first,
22 because he probably had the most involvement with Three Mile
23 Island. If you don't hold me to the dates, I think I can
24 give them to you fairly representatively.

25 MR. CLARK: How about 1967? Heward was hired by

our review

1 Pen Elec in July of 1967, and as of 1974, went back to the
2 Unit 1, the license date, April 1974, Service Corporation
3 as Manager of Design, August of 1975, Project Manager of
4 Generation ⁱⁿ and Service Corp., and in 1977, Manager of Projects
5 ⁱⁿ and Service Corp, which continues through the accident.

6 In all those cases, his office was located in New Jersey.

7 MR. ARNOLD: He initially came from Penn Elec.
8 The Service company was not formed until May of 1971. So
9 people who were with the nucleus of the service corp, what
10 became the Service Corp, prior to May of 1971 had to be on
11 one of the operating company payrolls. Dick Heward was never
12 really involved with anything other than the Service Corp
13 and its predecessor.

14 MR. DENTON: Let's use Mr. Heward as an example,
15 then. You know what is in the B&W/GPU lawsuit record probably
16 better than we do, but if we were to search through all of
17 that, would you expect to find any mention of Mr. Heward?

18 MR. ARNOLD: I don't believe he was one of those
19 that were deposed. As I sense the things in the B&W lawsuit
20 records, which have become of interest, ones relating to the
21 design and construction side, probably have their earliest
22 one in September 1977 when we had the contamination of
23 Nuclear Services cooling water system that led to having to
24 shut down all of the auxiliaries for the reactor plant. The
25 reactor plant did not have fuel in it or anything at that time.

1 MR. DENTON: Would you expect him to be involved
2 in the Hartman allegation?

3 MR. ARNOLD: Let me finish up on that. Heward
4 had left, being the Program Manager for AI-2 in about
5 August, as I recall, of 1977. And follow by the name of
6 John Barton replaced him. Heward came back to Parsippany
7 or take a position at Parsippany where John Barton reported
8 to him, as well as the Forked River. And at that point, fall
9 of 1977, he started transferring his major interests to
10 Forked River.

11 I would not expect Heward to have anything at all
12 to do with any of the allegations relating to -- that
13 Mr. Hartman has made. I really don't think so. I guess my
14 answer is no, I don't think he would even have anything to do
15 with any of the issues in the B&W lawsuit files that will be
16 of any concern.

17 That's kind of a long-winded answer for a simple
18 no.

19 MR. DENTON: Do you want to cover the other two?

20 MR. CLARK: Yes.

21 MR. ARNOLD: Bob Long came with us in early 1978,
22 as I recall. June of 1978, and Bob initially came into a
23 section of the Design and Construction Division of the Service
24 Corporation, which at that point was called Generation
25 Division, where we were providing corporate staff support to

1 efficiency monitoring and improvement programs. This is
2 productivity; not from a manhour unit of work, but station
3 output. Station and capacity factor of the units. And
4 Bob initially was the Manager of Generation Productivity.
5 That had to do, again, with capacity factors of the plant,
6 not people productivity as such.

7 He then was promoted in August of 1979 to what
8 was a predecessor really to the Nuclear Assurance Division.
9 So at the time of the accident, which I guess is really
10 of interest to us, at the time of the accident he was still
11 Manager of Generation Productivity and had no responsibility
12 for operations at the site and really no visibility in
13 day-to-day operations at the site.

14 MR. DENTON: Would you hazard an answer like you
15 did for Mr. Heward with regard to the record or the Hartman
16 allegation?

17 MR. ARNOLD: I do not think that Bob Long would
18 have anything to do with the Hartman allegation. I don't
19 think his name would come up in connection with that at all.

20 Dick Wilson --

21 MR. EISENHUT: How about -- on Long, how about the
22 lawsuit, the same questions that you addressed for the
23 Hartman allegations?

24 MR. ARNOLD: I was trying to remember whether Bob
25 Long had any involvement with the analysis made by Keaton

1 and Rogovin and others of what are now referred to as
2 precursor type events. I don't believe he did, Darrell. I
3 don't think he would even come up in any of the balance of
4 the B&W lawsuit records.

5 Dick Wilson initially joined the company as a
6 Manager of Quality Assurance in the Service Corporation in
7 March of 1975. He was put in charge of tech functions, which
8 was pretty analagous to what we have now in tech functions
9 except that in August of 1977, mid-1977, he became, in effect,
10 the Chief Engineer of the service company, Generation Division.
11 He did have at that time quality assurance underneath him
12 which is not a part of technical functions today. He did not
13 have licensing and environmental affairs, which is a part of
14 the tech functions today. So there is that change.

15 Dick would not have had anything in the way of
16 involvement in any of the Hartman allegations that I can
17 imagine. I think he would not be touched by that. He would
18 have had some peripheral type involvement perhaps with some
19 of the TMI-2 design issues, either as QA Manager or late in
20 the completion of construction. It was his people, for
21 example, that had to approve the architect engineer's fix for
22 the steam generator steam safety relief valve problems,
23 for example. But he was almost totally involved with Forked
24 River in the year prior to the accident.

25 MR. DIECKAMP: With respect to the precursor event,

1 Bob Keaton reported to Dick Wilson?

2 MR. ARNOLD: Yes. Bob Keaton was a systems
3 engineering manager for Dick Wilson at that time, so those
4 types of analytic capabilities were a part of technical
5 functions. And, of course, they have played a prominent
6 role in the B&W lawsuit discussions.

7 MR. CLARK: The only other one is the Finfrock,
8 he was with ~~New~~ ^{Central} Jersey Power & Light from about 1952 on and
9 was involved in Saxton and then Oyster Creek, but not with
10 TMI.

11 MR. GOLDBERG: On this chart, there is no shading
12 on the Board of Directors box, and does that mean the same
13 thing that the no shading did on page 3 of the chart?

14 MR. CLARK: I had the chart made up and I did not
15 view them as employees of the company, I guess is the reason
16 it's not shaded anywhere.

17 MR. ARNOLD: If it were coded, it would be coded
18 with the combination of the first two.

19 MR. DIECKAMP: Let me first define for you who is
20 in that box. That box includes Mr. Kuhns and myself. It
21 then includes the presidents of each of the subsidiaries that
22 own Three Mile Island, so that is the President of MetEd,
23 ~~Fred~~ ^{Floyd} Smith, the President of Penn Elec today, Jim ~~Levy~~ ^{Leva},
24 President of Jersey Central Power & Light, Bill Verrochi.
25 It then includes two vice presidents from the Service company

1 who have nuclear backgrounds but not involved in GPU/Nuclear
2 today -- Vice President of Planning, Bud Cherry, Executive
3 Vice President of Electric Operations, Shep Bartnoff. And
4 then it's closed out with Bob Arnold and Phil Clark.

5 So that's the makeup of the GPU/Nuclear Board of
6 Directors. None of those people had direct responsibility
7 for TMI-2 at the time of the accident.

8 Again, if you --

9 MR. ARNOLD: Let me correct what I said to you.
10 With the exception of Floyd Smith and myself, the bottom
11 two categories, they are either new to this system or were
12 not with MetEd prior to the accident. You have heard my
13 history. Floyd Smith was with MetEd in 1975 and earlier,
14 something like that, but he was over in the electric operations
15 side. He had no involvement with generation.

end 4

1 commitment to the plant and safe operation of the plant is
2 very important. We cannot lose sight of that when we make
3 these kinds of changes.

4 MR. CLARK: I think the NRC people who were on the
5 site last week had an opportunity to interface with a lot of
6 the people. We are giving a calibration on that, but our
7 sense is it has gone well and better than we were afraid and
8 probably even a little better than we expected.

9 MR. DENTON: Shall we move to the next one?

10 MR. CLARK: Page 19, which is the Priorities and
11 Assignments within the Office of the President.

12 If you turn to the next page, which is unnumbered,
13 it is an enclosure -- maybe before you start reading that --
14 the Office of the President does have two people in it,
15 Bob Arnold and me. And clearly, from the very beginning, we
16 have not both been doing everything.

17 And the agreement, when the Office of the President
18 was set up, was that each of us would have access to all parts
19 of the organization and all of the activities of the
20 organization, but that we would establish what has come to
21 be called "areas of concentration."

22 And what that means is that, first order, anybody
23 in that area looks to the designated officer, Bob or me, for
24 their direction. That is who they report to. That is who
25 they send recommendations to. That is primarily overseeing

1 that activity.

2 We also made it clear that if you can't get to that
3 guy on something you need timely action on, you can go to the
4 other one.

5 So that the fact that I was in Europe, where does
6 Hukill go, he could go to Bob Arnold.

7 And this now is the third version as, from time
8 to time, depending on the circumstances, there has been a
9 redefinition of where Bob would concentrate and where I would
10 concentrate.

11 And you will see that it says I will concentrate
12 on TMI-1. The last -- prior revision of this had that listed
13 for Bob and, conversely, had Oyster Creek with me concentrat-
14 ing on it. In fact, that is what I have done with a good bit
15 of time.

16 And then we take the other support divisions and
17 designate a lead.

18 So, I think the first two paragraphs of the memo,
19 which are not changed from the prior versions, describes what
20 is meant by "area of concentration."

21 And then we, each one, make a definitive
22 assignment.

23

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end 10

7:jl 11:1

1 MR. ARNOLD: We did do some editing of the second
2 paragraph, but it is intended to say the same thing in case
3 someone makes a comparison.

4 MR. GOLDBERG: In the restart proceeding, there
5 was concern expressed about your lack of familiarity with
6 B&W reactors and your need to rely on others for the detailed
7 knowledge of their operation, Phil.

8 Since the record was closed on that, do you feel
9 you have gained familiarity that is needed to take over the
10 day-to-day responsibility of TMI-1?

11 MR. CLARK: First, the day-to-day responsibilities
12 for operating TMI-1 is Hank Hukill. He is there on-site.

13 So, in no sense am I or Bob, for that matter, for
14 areas of ^{concentration} ~~conversation~~, day-to-day running, any of those
15 operations. We have senior experienced people.

16 The ASLB hearing stipulation with regard to me went
17 to my role in the emergency plan as the Emergency Support
18 Director, which, in our terminology, is the senior company
19 official responsible for overall management of the emergency.

20 We did conduct and I did take a course in the
21 TMI-1 plant and systems, with specific regard to the emergency
22 plant, ^e so that the safety systems, the off-site release
23 points, things of that kind -- as I recall, it ran about eight
24 or ten sessions of about three hours each, with about three
25 exams, all of which I took and passed and probably have

1 recorded it to clear the record.

2 I'm not sure how that happened.

3 MR. ARNOLD: I went back, Jack, and reviewed the
4 testimony I gave in the ASLB proceedings relative to my
5 involvement. And it included, I think, most of the area of
6 -- it included the questioning of me as to Phil's background
7 and ability to fulfill his functions.

8 I am satisfied that what we are doing here is
9 not inconsistent with the commitments made before the ASLB.

10 MR. CLARK: I also went back and reread that
11 portion of the record.

12 MR. DENTON: Without getting to vacation coverage
13 and that sort of thing, let's take the routine responsibility
14 for TMI-1.

15 How do you two split that out, given that that
16 is your area now? What would be the normal way that you
17 would oversee that area?

18 MR. CLARK: Recommendations from Hukill with
19 regard to things on TMI-1 which would need action by the
20 Office of the President would be directed to me. Guidance
21 from the Office of the President for TMI-1 would go from me.

22 I don't know whether that is responsive. It is
23 intended to be.

24 MR. ARNOLD: Harold, perhaps the next chart
25 may be able to describe the way ^y it ^K words on a routine,

1 day-to-day basis.

2 The Office of the President has a major function
3 in providing the inter-divisional coordination and direction
4 that is needed, the integration of the support divisions with
5 the plant divisions and the providing of policy and general
6 direction on activities.

7 I think if our chart does not get too enthusiastic
8 -- we intended to have this identify how that would work on
9 the day-to-day with the nine divisions.

10 MR. CLARK: Let me read the paragraph: "The
11 officer listed below is lead for a particular activity,
12 listing about TMI-1. For TMI-1, I am the normal, direct
13 reporting point within the Office of the President for TMI-1.
14 Substantive written communications addressed to me should be
15 copied to Mr. Arnold."

16 And then, if you go on down through the rest, I
17 have the technical functions lead, I have the nuclear
18 assurance lead, and I have the lead for ^{Rad Con} ~~RADON~~ and ...
19 environmental controls for TMI-1. Bob Arnold has them for
20 Oyster Creek. I have the TMI-1 GORB, and I have the NRC
21 interaction for TMI-1 for the Office of the President for
22 TMI-1.

23 Now, the things I am not listed as the lead on
24 that would have some interaction with TMI are administration.
25 Now, that does not sound -- that is not saying I'm not

1 involved in it; I am. And it says, "If you are supporting
2 specific division interface with the office having the lead."
3 So, for TMI-1 things, that would be me.

4 MR. DENTON: Let me ask a question.

5 As I remember Drucker from years ago, he said the
6 ability to reward and punish employees is sort of a key to
7 control.

8 What relationship do you have to deciding to
9 promote or demote or raise salaries and these kinds of
10 things?

11 MR. CLARK: Let's take salaries.

12 Bob and I have both reviewed in the past, and I
13 would anticipate we would in the future, review the salary
14 recommendations for senior people or anybody above a certain
15 level. They are also reviewed by the Board of Directors.
16 And the salaries of all of the officers of the company,
17 which are the 10 people reporting to us, are set by the Board
18 of Directors.

end 11

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1 Typically the person having the lead responsibility
2 for the division ^W~~has~~ discussions, has the most to say and has
3 been given the most weight. He has the greatest visibility
4 of the people in that particular function.

5 MR. ARNOLD: I would also add, Harold, that in the
6 position description for the executive vice-president, and I
7 think we described this in the ASLB proceeding, I am not as
8 clear on it, we identify that the executive vice-president
9 has the same authority to act as the president does. Any
10 authority I have as a president, he has the equivalent author-
11 ity to exercise when he feels it is necessary.

12 MR. CLARK: The question that we have kicked around,
13 and we thought people would ask is, suppose for some reason
14 that the president decided to overrule me, and I think that
15 is a good question. And the answer to that is that it has
16 always been understood by me and Bob and the Board of Directors
17 that as a member of the Board of Directors, I clearly have,
18 and Bob and I both have, and would raise that kind of a sub-
19 stantive issue to the Board.

20 MR. DENTON: I think this is an area that the
21 Commission is going to be interested in. If they decide that
22 they want to go forward in this, suppose you had to tell them
23 in 100 words or less what this inter-office memo means. I
24 have read the words here and maybe you can tell me one more
25 time about the extent that you see that you would be

1 responsible for day-to-day operations versus Bob being respon-
2 sible.

3 MR. EISENHUT: What it is not as well as what it is.

4 MR. CLARK: It is not a statement that Mr. Arnold is
5 excluded from any TMI-1 activities. It is not that. It is
6 a statement that the normal direct reporting relationship
7 from the Director of TMI-1, who was the on-site guy running
8 that division and coordinating all activities in support of
9 TMI-1, his normal direct reporting relationship is to me, that
10 he would address recommendations or requests for action which
11 need action by the office of the president to me. And that
12 I would respond. That he would copy them to Mr. Arnold on
13 substantive things, I forget exactly how ^whe said it but sub-
14 stantive things would be copied to Mr. Arnold just as in
15 divisions where Mr. Arnold has the lead responsibility they
16 would be copied to me.

17 MR. DENTON: Were you previously worried about
18 Oyster Creek? Bob would take over that.

19 MR. CLARK: Yes. One is Oyster Creek to him, TMI-1
20 to me. I think we switch the nuclear assurance. I think that
21 used to be the opposite way, if I remember.

22 There are a number of things in there like RADCON
23 and GORB and NRC where it goes with the plant division.
24 Whoever has the lead for the plant division has the lead for
25 the GORB ^{and} NRC interaction and a number of other things that

1 support that plant.

2 MR. THOMPSON: It might be helpful if you could
3 give Harold some examples of when it was switched the other
4 way, when you had Oyster Creek, the types of things that you
5 would normally handle and the types of things that you would
6 want to normally raise up to Bob.

7 MR. CLARK: I am trying to think of what, if any-
8 thing there was in Oyster Creek that I had to review with Bob
9 rather than advise him of what I was doing. And, frankly,
10 none come to mind. The setting of the outage schedule, those
11 things I thought I had the authority and did have the authority
12 to act on.

13 However, Bob and I typically talk every day, every
14 other day. We share that office, so I was keeping him advised.
15 In terms of were there any that I could not have acted on if
16 he were not available. None really come to mind. I do not
17 want to say there weren't any.

18 MR. DIECKAMP: One of the kinds of things that Bob
19 has done, and I think very likely continues to do, which is
20 not shown on this chart, is the interaction with the State
21 PUCs. We have sort of tried to divide that job up so that
22 not everybody was totally consumed by it.

23 MR. CLARK: That is the rate case, the bulk of it,
24 as well as the communications.

25 MR. DIECKAMP: Does everybody understand the

1 extreme cleverness of the "cross-your-heart" dotted lines on
2 that chart? What that means is that the executive vice-
3 president, if the executive vice-president wants to work on
4 something relative to RADCON and environmental controls, for
5 example, he does not have to go through the president to get
6 there. He can come directly on that subject.

7 And I think also one way to think about this is if
8 you thought about these two fellows divvying up their job of
9 working 90 percent on something versus 10 percent on other
10 things, this is kind of the 90-10 spot, and we need to keep
11 the ten there in order to keep the total organization working
12 as an entity, and in order that any one piece of the organi-
13 zation does not become cloistered. So we have uniformity in
14 policies and awareness in coverage in case there is a need
15 for backup.

16 MR. DENTON: Let me ask you, Herman, how are you
17 going to assure that if the people down on the island do not
18 like Phil's guidance and are always running over to Bob saying,
19 hey, here's the way we really want you to do it, we want to
20 override him for this time and this time and this time, what
21 kind of instructions are you going to give them to keep the
22 channels straight? Or maybe you don't have that problem?

23 MR. DIECKAMP: My instruction does not go to the
24 people on the island. My instruction goes to Bob Arnold and
25 Phil Clark. And just as Phil Clark has been told that he is

1 to be the lead guy in taking care of TMI, Bob Arnold has been
2 told the corollary of that, that he is not to be the lead guy
3 in TMI-1 and is to not do those things. So I think as time
4 goes on, Harold, we will have ample indications of whether
5 this is working the way it is supposed to work. If it is not
6 working the way it is supposed to work, I would expect either
7 Phil or Bob to speak up in the Board of Directors meeting.

8 Again, I think it is important to note that while
9 we do have a degree of pecking order here, in order to main-
10 tain organizational coherence and logic, we still have these
11 two fellows both participating in the Board of Directors, both
12 having direct access to the Board and I think that by means
13 of their past behavior, ample demonstration that they are both
14 willing to speak up when the time comes. That is what we
15 have to depend upon.

16 There certainly is no plan or hope that this be
17 subverted. In fact, we don't want that to happen. I think we
18 will have the visibility to know whether it is or is not.

19 MR. CLARK: Before we ever got into issuing these
20 memos, it was pretty clear to me and to Bob both that the
21 Board looked to us to share the office of the president and
22 to raise to them substantive safety issues or programmatic
23 issues where we differed. I think that has been clear for
24 three or plus years and is still clear. I think we will con-
25 tinue to be clear.

1 We also pointed out as we went through that there
2 are two or three places in the organization where there is
3 direct access to the Board, around Bob and me.

4 The GORBs, the nuclear assurance division director,
5 and the quality assurance manager all have direct access to
6 the Board and exercise that on a routine basis.

7 MR. DIECKAMP: Again, you can ask yourself what does
8 the Board of Directors do. I think there is testimony on that
9 in the ASLB proceedings. But it does the same things that a
10 normal board of directors performs. It selects the key mana-
11 gers. It maintains sufficient visibility in terms of the
12 operation so as to gain an awareness of whether those key
13 managers are doing the job or not. It reviews and approves
14 those major policy issues that may impact the total operation,
15 its effectiveness or its safety or its budgets.

16 And after that, it determines the compensation of
17 the officers of the organization. We do that by means of a
18 monthly meeting where Bob and Phil carry most of the laboring
19 or providing to that Board of Directors meeting on a struc-
20 tured basis a review of certain parameters that we have chosen
21 to be indicative of the performance of the performance of the
22 organization.

23 And then, after reviewing that, to talk about
24 specific problem areas that GPU Nuclear is grappling with or
25 specific issues where we need to more or less work out what

1 is our attitude toward those.

2 We also have that Board to visit each of the plant
3 sites twice a year so that the Board not only has visibility
4 of Bob Arnold and Phil Clark, but when we go to the sites, we
5 purposely arrange the agenda so that members of that operating
6 plant staff come forward and make presentations to the Board
7 so that we can see those people and gain some insight into
8 them and their capabilities.

9 MR. DENTON: Let me probe this area a little bit
10 further. As you know, we have a matrix organization, so
11 usually when I meet on a project I also have to have technical
12 staff there. If you look at your normal day-to-day operations,
13 when you used to meet on Oyster Creek for example, did you
14 also have tech functions or do you give more time to the
15 operating plants, more time to the other technical functions?
16 How did that -- how does your activity break down?

17 MR. CLARK: I'm not sure if I have precise functions.
18 Tech functions is in Parsippany. I would be reviewing the
19 individual matters, programmatic matters with the director
20 of the tech functions two or three times a week. A specific
21 item, I might be in touch with him on the phone.

22 I get a daily report on the operating status
23 from the plant every morning and go through the plant status
24 releases, any incidents, things of that kind. I typically
25 talk to the director of the plant most days, but certainly

1 every other day.

2 And I was visiting Oyster Creek, probably every
3 other week, sometimes every week depending on what was going
4 on. During the visits, I would interact with the plant
5 director, some of his staff and not infrequently have a
6 meeting where we would get everybody together. In that case,
7 it was preparations for the outage, for how were we doing at
8 the outage. That kind of review would have Oyster Creek di-
9 vision tech functions divisions, RADCON, QA, and I guess I would
10 foresee the same kind of interaction with TMI-1.

11 MR. DENTON: When you switch, say, Oyster Creek and
12 TMI-1, does it mean a whole new bunch of relationships with
13 people? Do you have to get to know them, or have you two
14 worked so that the plants know you already?

15 MR. ARNOLD: What Phil described what he was doing
16 for Oyster Creek, he was doing perhaps at least half of that
17 type of effort for TMI-1 right along as well. While we would
18 try to both be at TMI-1, say, preparation for restart meetings
19 and things like that, if it came to a priority between TMI-2 and
20 TMI-1 then I would typically cover TMI-2 and he would cover
21 TMI-1. So I think he has every bit as much both currency
22 in terms of TMI-1 activities and conditions and the relation-
23 ships developed there that he has got for Oyster Creek.

24 MR. CLARK: I had ^{the} to lead on the technical end of
25 the steam generator problem for TMI-1 that was being run

1 basically by tech functions from Parsippany. I had the lead
2 for tech functions. I was there. I have a design background
3 so I was heavily involved in that.

4 I have known Hukill far longer than Bob has, from pre
5 GPUN days. I had a lot of interaction with Colitz, Toole.
6 I think many of the licensed operators would recognize me and
7 I certainly know the RADCON and quality assurance people out
8 there. It is not starting from scratch with any of the
9 relationships. I know those people and I think they know me.

10 MR. EISENHUT: I'm trying to get a better feel,
11 Bob, for what you just said. If you're going to a meeting
12 where you are getting ready for a restart, do you typically
13 having both been there in the past, do you envision that in the
14 future?

15 MR. ARNOLD: I think to the extent that we can put
16 that much of our joint time into it, yes. But I think what
17 we would continue is what we really have been doing. If there
18 is a conflict in our time, then whenever possible I've had
19 Phil stay with TMI-1 and I take care of the TMI-2 or the PUC
20 or whatever it was that created the conflict.

21 MR. CLARK: Like where are we on the Oyster Creek
22 outage? And if we have a major programmatic review of where
23 are we on the Oyster Creek outage hereafter, Bob would clearly
24 be there and if I could, I would too. But it is such a big
25 part of the overall nuclear operation that I do not want to

1 be 100 percent divorced from that .

2 MR. DIECKAMP: In contrast with all of the day-to-
3 day coverage and communications and decision-making, those
4 kinds of major reviews constitute the good opportunities for
5 the two members of the office of the president to stay glued
6 together on what is happening.

End 12.

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GPU NUCLEAR PRESENTATION

RE: H. DIECKAMP LETTER OF JUNE 10, 1983

6/27/83

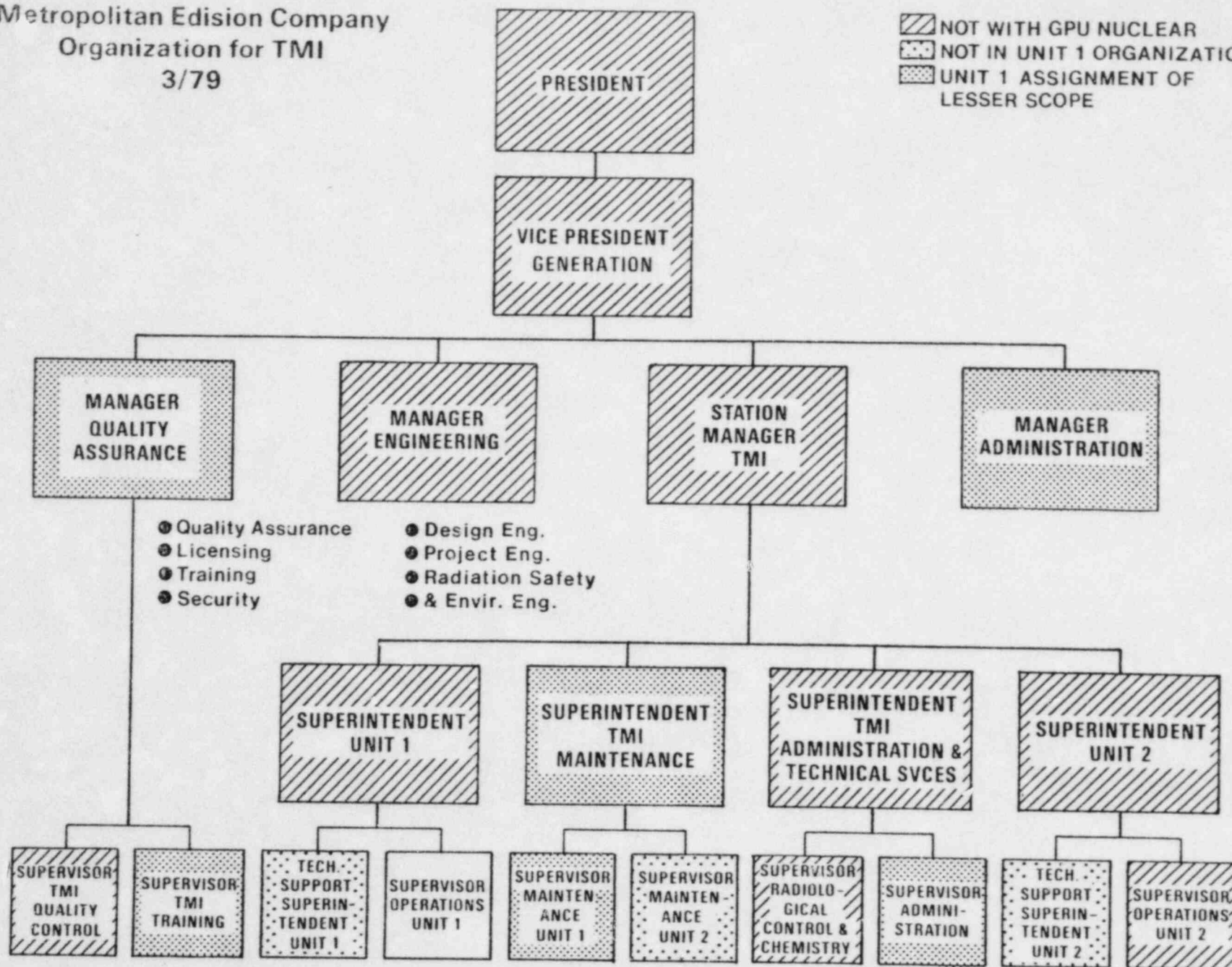
"AS A PRELIMINARY MATTER, IT IS USEFUL TO REVIEW THE METED ORGANIZATION THAT WAS RESPONSIBLE FOR OPERATION OF THE TMI STATION AT THE TIME OF THE ACCIDENT. NO MEMBER OF METED'S/TMI SENIOR MANAGEMENT IS NOW INVOLVED WITH TMI. FOUR LEVELS OF MANAGEMENT, THE METED PRESIDENT, VICE-PRESIDENT, STATION MANAGER, AND BOTH UNIT MANAGERS RESPONSIBLE FOR TMI AT THE TIME OF THE ACCIDENT ARE NOT WITH GPU NUCLEAR."

H. DIECKAMP LETTER DATED 6/10/83

6/27/83

Metropolitan Edison Company
Organization for TMI
3/79

 NOT WITH GPU NUCLEAR
 NOT IN UNIT 1 ORGANIZATION
 UNIT 1 ASSIGNMENT OF LESSER SCOPE



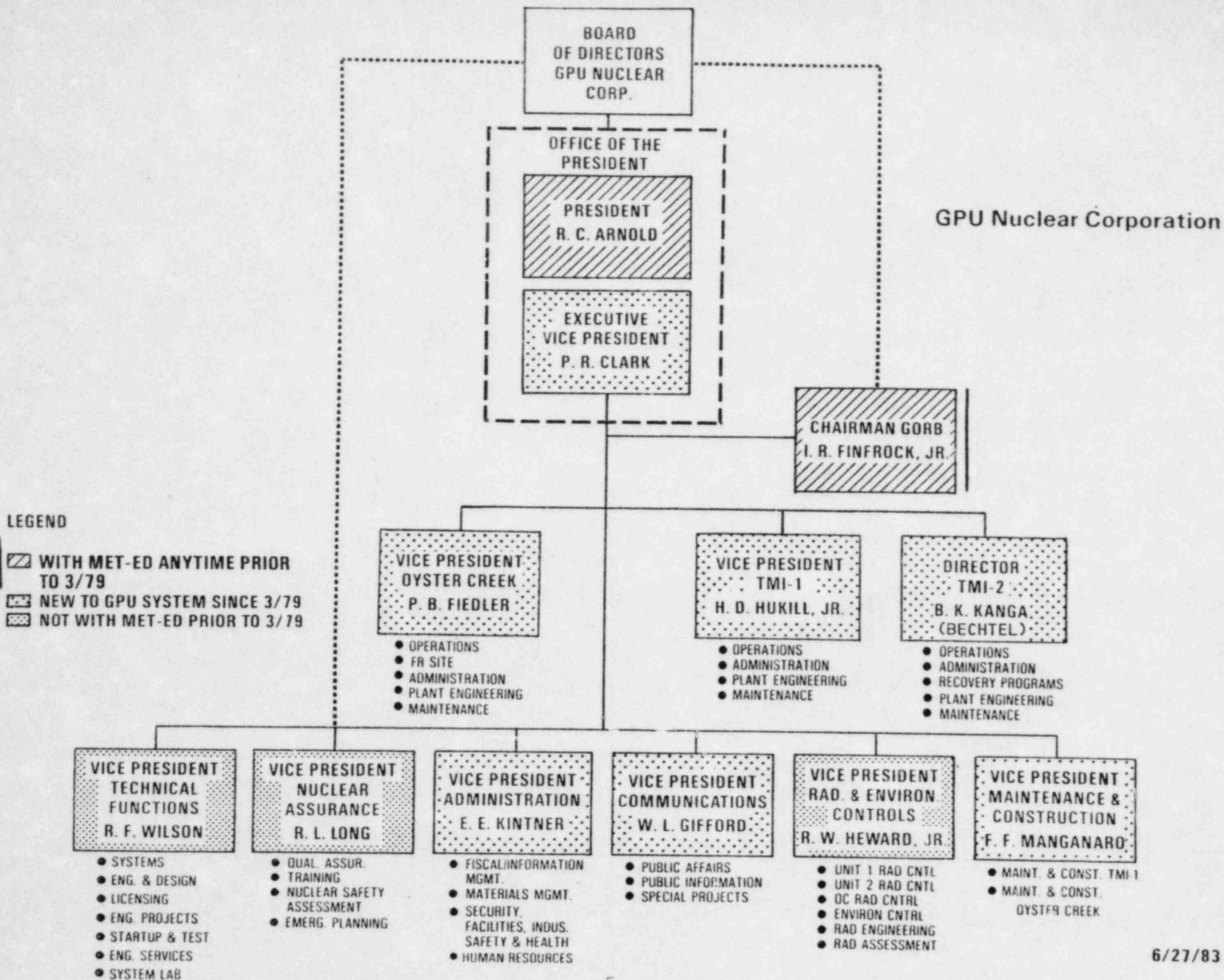
6/27/83

"THE SENIOR MANAGEMENT RESPONSIBLE FOR OPERATION OF TMI-1 TODAY IS DRAMATICALLY DIFFERENT THAN THAT WHICH EXISTED AT THE TIME OF THE ACCIDENT.

IN STRUCTURING GPU NUCLEAR WE HAVE PROVIDED DEDICATED ON SITE PERSONNEL FOR EACH OF THE GENERATING STATIONS WITH A HIGHLY EXPERIENCED SENIOR MANAGER ON SITE. WE HAVE PROVIDED EXPERIENCED MANAGERS AND STAFF FOR A NUMBER OF CENTRALIZED SUPPORT FUNCTIONS SUCH AS ENGINEERING, HEALTH PHYSICS, QUALITY ASSURANCE, TRAINING, MAINTENANCE, AND CONSTRUCTION IN ORDER TO EFFECTIVELY SUPPORT THE STATION MANAGEMENT."

H. DIECKAMP LETTER DATED 6/10/83

6/27/83

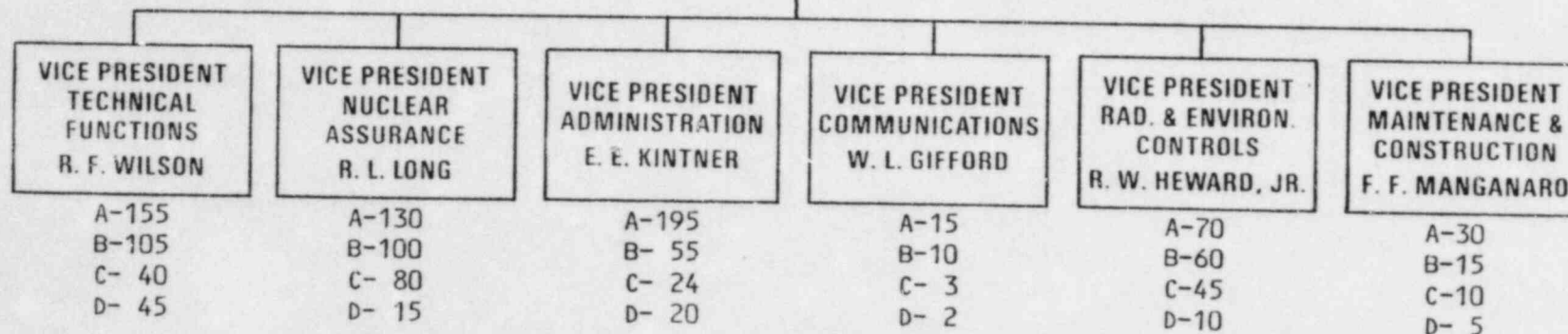
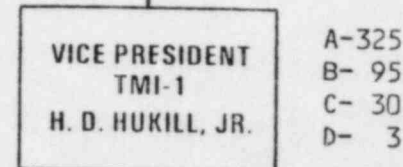
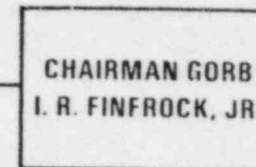
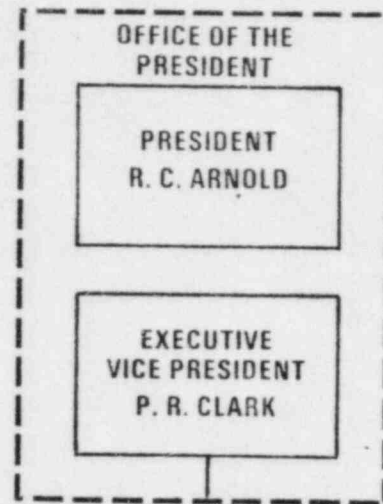


6/27/83

GPU Nuclear Corporation

LEGEND

A	APPROXIMATE TOTAL EMPLOYEES APPLIED TO TMI-1	TOTAL 922
B	KEY PERSONNEL INCLUDING MANAGERS, TECHNICAL/ PROFESSIONAL AND LICENSED OPERATORS	442
C	NUMBER OF THOSE IN "B" NEW TO SYSTEM (POST 3/79)	233
D	NUMBER OF THOSE IN "B" NOT WITH MET-ED (PRIOR TO 3/79)	100



6/27/83

"A BROAD LOOK AT THE ELEMENTS OF GPU NUCLEAR WHICH WILL BE INVOLVED IN THE OPERATION OF TMI-1 REVEALS THAT THE ORGANIZATION, DOWN THROUGH TWO LEVELS OF MANAGEMENT BELOW THE GPU NUCLEAR VICE PRESIDENTS, ENCOMPASSING 86 SUCH POSITIONS, CONTAINS 16 INDIVIDUALS THAT WERE WITH METED PRIOR TO THE ACCIDENT. OF THE BALANCE, 30 ARE NEW EMPLOYEES SINCE THE ACCIDENT AND THE REMAINING 40 COME FROM OTHER COMPONENTS OF THE GPU SYSTEM. THE EXECUTIVE V.P. OF GPU NUCLEAR AND THE VICE PRESIDENT DIRECTLY RESPONSIBLE FOR TMI-1 SITE OPERATIONS ARE NEW."

H. DIECKAMP LETTER DATED 6/10/83

6/27/83

GPU NUCLEAR CORPORATION

COMPOSITION AND PRIOR HISTORY OF MANAGEMENT INVOLVED IN TMI-1 ACTIVITIES
(EXCEPT STRICTLY ADMINISTRATIVE FUNCTIONS) DOWN THROUGH TWO LEVELS BELOW DIVISION V.P.

<u>Office of President</u>	(3)	Employee of MetEd Prior to March 1979	<u>Comment</u>
President		Yes <u>9/69 to 5/77</u>	. Development & performance of GPUN Organization 3/79 to date . NRC SALP . INPO . Special NRC Inspection . Safety Overview & Checks designed into organization including: GORB, Dir. Nuclear Assurance & Quality Assurance Dir. with direct access to Board of Directors . Shares Office/President with Exec. V.P. who also sits on Board of Dir.
Executive V.P.		No	. "...TMI-1 will report to the Executive Vice President and such that he will be able to devote his prime attention to TMI-1 matters."
Chairman - Gen. Office Review Boards (GORB)		Yes <u>6/52 to 5/71</u>	. JCP&L Employee 5/71 - 12/82 . Assignments: Non-Nuclear 6/52-8/59 Saxton 9/59 - 7/64 Oyster Creek 8/64 - 7/81
<u>Division</u>			
<u>Technical Functions</u>	(31)	None except: TMI-1 Start-up and Test Mgr.	. Indirect role in plant safety. . Others set acceptance criteria. . Signoff by Plant. . Subject to Quality Assurance Plan, etc.
Technical & regulatory adequacy of all activities			
<u>Nuclear Assurance</u>	(16)	None	
Quality Assurance Nuclear Safety Assessment Emergency Preparedness Training			
<u>Maintenance & Construction</u>	(9)	None except: Mgr - M&C Planning TMI-1	. Indirect impact on safety - . Does not set requirements for work or verify completion . Quality Assurance Plan & other overviews apply to M&C work
Establish policies, practices & procedures for Maintenance & Construction - carry out major maintenance & modifications			

Employee of MetEd
Prior to March 1979

Comment

Division (continued)

. Radiological & Environmental (10)
Controls Division

Establish and implement
Radiological & Environmental
policies, practices and pro-
cedures and carry out monitor-
ing and surveillance programs.

One
Radiological
Training Mgr.

- . Indirect role in plant safety-
- . Establishment & Enforcement
of Nuclear Management
Direction & Policies
- . Performance as evaluated by
ASLB, SALP, INPO, Special
NRC Inspection
- . Organizational Design provides
multiple overviews & checks

TMI-1 Division

(17)

Operate and maintain TMI-1
safely, consistent with
corporate requirements, and
in compliance with laws,
regulatory requirements and
technical requirements.

V.P.

No

Operations & Maintenance Director

No

Mgr. Plant Operation

Yes

Mgr. Plant Chemistry

Yes

Mgr. Plant Maintenance

Yes

Admin & Technical Support

Yes

- . Establishment & Enforcement
of Nuclear Management
Direction & Policies
- . Performance as evaluated by
ASLB, SALP, INPO, Special
NRC Inspection
- . Organizational Design provides
multiple overviews & Checks

Employee of MetEd
Prior to March 1979

Comment

Division (continued)

. TMI-i Division (continued)

Plant Engineering Director

Yes

Lead Mechanical Engr

Yes

Lead Nuclear Engr.

Yes

Lead I&C Engr.

Yes

Lead Electrical Engr.

Yes

Fire Protection

Yes

Special Project

Yes

Chemistry

Yes

Establishment & Enforcement of
Nuclear Management Direction
& Policies

Performance evaluated by ASLB,
SALP, INPO, Special NRC
Inspection

Technical Functions role
including Design Control &
Review of Operating and
Emergency Procedures

Overview, particularly IOSRG

Mgr. Plant Administration

Yes

Coordinating Indirect role

Mgr. Plans & Programs

No

Total 86

"AT THE TIME OF RESTART WE EXPECT TO UTILIZE 38 CURRENTLY LICENSED OPERATORS FOR TMI-1; 25 ARE NEWLY LICENSED SINCE THE ACCIDENT. OUT OF THE REMAINING 13 THAT WERE LICENSED AT THE TIME OF THE ACCIDENT, 10 ARE ASSIGNED TO SHIFT ACTIVITIES. THESE OPERATORS NEED TO BE VIEWED AS A SOURCE OF EXPERIENCE FOR THE SAFE OPERATION OF TMI-1. THEIR PROSPECTIVE PERFORMANCE MUST ALSO BE ASSESSED IN LIGHT OF (1) THE FACT THAT ALL HAVE BEEN LICENSED UNDER THE NEW TESTING CRITERIA, (2) THE ABILITY OF GPUN TO PROVIDE 6 SHIFT COVERAGE FOR TMI-1 WHICH PROVIDES ONE SHIFT OUT OF SIX FOR TRAINING, (3) THE PRESENCE OF SHIFT TECHNICAL ADVISORS, AND (4) SIGNIFICANTLY IMPROVED PROCEDURES.

AS FURTHER ASSURANCE:

- 1) WE WILL, PRIOR TO RESTART, REASSIGN PERSONNEL SUCH THAT NO TMI-2 LICENSED OPERATOR WILL OPERATE TMI-1 (EXCEPT FOR THE MANAGER OF OPERATIONS WHO WAS LICENSED ON UNIT 2 BUT WHO WAS EVALUATED IN DEPTH AND SPECIFICALLY ENDORSED BY THE ASLB)..."

H. DIECKAMP LETTER DATED 6/10/83

6/27/83

Current Holders of TMI-1 Licenses

SRO License

21

<u>Status</u>	<u>Title</u>	<u>Current License #</u>	<u>Comment</u>
Will not be licensed at restart	Shift Supervisor	SOP3084	
	Mgr. Radwaste Ops.	SOP2485	
	Supv. Non-licensed Op. Trng.	SOP3704	
Licensed on Unit 1 and 2 prior to 3/79	(3) Mgr - Operations Ross (1)	SOP2053	. Heavily reviewed by ASLB including cheating proceedings . Performance as indicated in SLAP-Special Review . Rarely functioned on Unit 2 . Reexamined 1982 Cross Checks
Licensed prior to 3/79	Shift Supervisors	SOP4113	. Relicensed under new procedures . ASLB Review of cheating Special NRC Review . Cross Checks including Shift Technical surveillance (new) . Management Enforcement of Policy & Practice
	Shift Supervisor	SOP3235	
	Shift Supervisor	SOP3273	
	Shift Supervisor	SOP4263	
	Shift Supervisor	SOP2783	
	Engr Sr II	SOP3393	
	Supv. Simulator Inst.	SOP2784	
Engr. Asst. Sr. III (License being dropped)	SOP2782		
	(7)		
Licensed subsequent to 3/79	Shift Foreman	SOP4358	
	Shift Foreman	SOP4361	
	Shift Foreman	SOP4395	
	Shift Foreman	SOP4460	
	Shift Foreman	SOP4245	
	Shift Foreman	SOP3703	
	Shift Tech Advisor	SOP4359	
	Shift Tech Advisor	SOP4114	
	Shift Tech Advisor	SOP4360	

(9)

Total SRO

Licenses at Restart | 17

Current Holders of TMI-1 Licenses (con't)

RO License

<u>Status</u>	<u>Title</u>	<u>License</u>	<u>Comment</u>
Will not be licensed at Restart	Control Room Operator	OP5010	
	(1)		
Licensed on Unit 1 prior to 3/79	Shift Foreman	OP4888	{ . Relicensed under new procedures . ALSB Review of cheating . Special NRC Review . Cross Checking including Shift Technical Surveillance (new) . Management Enforcement Policy & Practice }
	Control Room Operator	OP5915	
	Control Room Operator	OP3604	
	Control Room Operator	OP4642	
	Control Room Operator	OP4101	
	(5)		
Licensed sub- sequent to 3/79	Control Room Operator	OP6229	
	Control Room Operator	OP6293	
	Control Room Operator	OP6294	
	Control Room Operator	OP6295	
	Control Room Operator	OP6296	
	Control Room Operator	OP5913	
	Control Room Operator	OP5751	
	Control Room Operator	OP6292	
	Control Room Operator	OP6230	
	Control Room Operator	OP6297	
	Control Room Operator	OP5909	
	Control Room Operator	OP5910	
	Admin Nuc Tech Trng	OP6030	
	(13)		
Total current ROs to be licensed at restart	(18)		
Recently passed NRC Reactor OP examination	Control Room Op	(to be assigned)	
	Control Room Op	(")	
	Non-Licensed Op Trng	(")	
	(3)		
Total RO Licenses at Restart	<u>(21)</u>		
Total Licensed at Restart	(38)		

- 2) "WE WILL, PRIOR TO RESTART, ADD FULL TIME ON SHIFT OPERATIONAL QUALITY ASSURANCE COVERAGE BY DEGREED ENGINEERS UNTIL THE OPEN ISSUES ARE RESOLVED. WE WOULD DEFER TO THE NRC SHOULD IT WISH TO PROVIDE FULL TIME ON SHIFT RESIDENT INSPECTOR COVERAGE OF TMI-1 OPERATIONS."

THIS IS IN ADDITION TO SHIFT TECHNICAL ADVISORS (STA).

H. DIECKAMP LETTER DATED 6/10/83

6/27/83

"IN ORDER TO PROVIDE ADDED ASSURANCE:

WE WILL REASSIGN PERSONNEL SUCH THAT THOSE FUNCTIONS WHICH PROVIDE AN OVERVIEW ASSESSMENT, ANALYSIS, OR AUDIT
OF PLANT ACTIVITIES SPECIFICALLY;

GENERAL OFFICE REVIEW BOARD

INDEPENDENT ON-SITE SAFETY GROUP

SHIFT TECHNICAL ADVISORS

Q/A AUDIT

Q/A AND Q/C SITE STAFF

LICENSING

RADIATION CONTROL

EMERGENCY PREPAREDNESS

WILL CONTAIN ONLY PERSONNEL WITH NO PRE-ACCIDENT INVOLVEMENT AS EXEMPT METED EMPLOYEES AT TMI-1 OR 2. WE
WILL CONTINUE THIS CONSTRAINT UNTIL THE OPEN ISSUES ARE EFFECTIVELY RESOLVED."

H. DIECKAMP LETTER DATED 6/10/83

6/27/83

FUNCTIONS WHICH PROVIDE AN OVERVIEW ASSESSMENT, ANALYSIS, OR AUDIT OF PLANT ACTIVITIES

<u>General Office Review Board</u>	<u>Employee of MetEd Prior to March 1979</u>	<u>Comment</u>
-- Consider potentially significant nuclear and radiation safety and related management matters		
-- Reports to Office of the President, GPUN. Has direct access to Board of Directors, GPUN --		
10 members - 5 GUN, - 5 Outside	Chairman GORB	. Assignments: Non-Nuclear 6/52-8/59 Saxton 9/59 - 7/64 Oyster Creek 8/64 - 7/81

SEE PAGE 18A

Corporate Nuclear Safety Assessment Department (NSAD)

-- Investigate assess & recommend... to assure overall safety. Reports to VP & Director, Nuclear Assurance Division.	
Manager plus 3 professionals	None

Independent On-Site
Safety Review Group

-- Full time - on-site Reports offsite to Manager, NSAD -		
Manager + 4 professionals	Two	(Reassign prior to restart and until resolution of uncertainties)

FUNCTIONS WHICH PROVIDE AN OVERVIEW ASSESSMENT, ANALYSIS, OR AUDIT OF PLANT ACTIVITIES

<u>Shift Technical Advisors</u>	<u>Employee of MetEd Prior to March 1979</u>	<u>Comment</u>
-- Degreed engr. specifically qualified. On-Shift - Report to Technical Functions Division - not to Plant	7 One	Reassign prior to Restart.
 <u>Radiological Controls</u>		
-- exempt personnel below management	13 None	
 <u>Emergency Preparedness</u>		
-- exempt personnel below management	5 One	Reassign prior to Restart
 <u>Licensing</u>		
-- exempt personnel below management	12 None	

FUNCTIONS WHICH PROVIDE AN OVERVIEW ASSESSMENT, ANALYSIS, OR AUDIT OF PLANT ACTIVITIES

<u>Division</u>	<u>Exempt MetEd Employee Assigned to TMI Site 3/77 to 3/79</u>	<u>Comment</u>
<u>Quality Assurance</u>		
QA Audit & Q/A Q/c TMI-1 Site Staff		
52	Ops QA Mgr	Provide replacement coverage for TMI-1 prior to Restart
	Maint M&I Monitoring Supv	Provide replacement coverage for TMI-1 prior to Restart
	Ops Radoon Monitoring Supv	Provide replacement coverage for TMI-1 prior to Restart
	QC Inspector	Provide replacement coverage for TMI-1 prior to Restart
	QA Engineer	Provide replacement coverage for TMI-1 prior to Restart
	QC Project Engineer	Provide replacement coverage for TMI-1 prior to Restart
	QC NDE Welding Supv	Provide replacement coverage for TMI-1 prior to Restart
	Admin Trng Monitor	Provide replacement coverage for TMI-1 prior to Restart
	TMI Audit Supv	Provide replacement coverage for TMI-1 prior to Restart
	QA Monitor	Provide replacement coverage for TMI-1 prior to Restart

GPUNC MANAGEMENT OR OVERSIGHT PERSONNEL WHO WERE MEMBERS OF THE PREDECESSOR TMI GORB PRIOR TO
TO 3/79

<u>PRESENT POSITION</u>	<u>DATE OF ASSIGNMENT TO PREDECESSOR TMI GORB</u>
. President	02/73*
. Chairman GORBs	03/72
. V.P. Radiological & Env. Controls & Member TMI-1 GORB	11/69
. Dir. Licensing & Regulatory Affairs & Member TMI-1 GORB	09/71
. Outside Member TMI-1 GORB	11/69
. Outside Member TMI-1 GORB	01/79

COMMENTS:

- . Open issues unlikely to involve these individuals solely because of their prior GORB membership. Any other sources of vulnerability are considered and addressed above (pp. 8 to 10 and 16 to 18).
- . Current TMI-1 GORB strengthened relative to 3/79
 - Structure and controls of GPUN provide better visibility of day to day performance and permit more effective review.
 - Previously two outside members; now a minimum of three required.
 - Greater emphasis on GORB role and functions reflecting lessons from TMI-2 accident.
 - Chairman's only other assignments are Chairman of TMI-2 and Oyster Creek GORB's
 - Formal direct access to Board of Directors.
 - Increased Staff Support.
 - Expanded use of subcommittees.

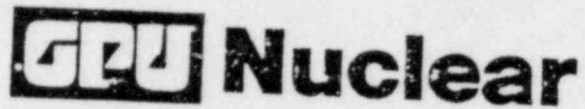
*Left GORB 3/77

"WE HAVE REALLOCATED THE PRIORITIES AND ASSIGNMENTS WITHIN THE OFFICE OF THE PRESIDENT OF GPU NUCLEAR, WHICH OFFICE INCLUDES THE PRESIDENT AND EXECUTIVE VICE PRESIDENT, SUCH THAT TMI-1 WILL REPORT TO THE EXECUTIVE VICE PRESIDENT AND SUCH THAT HE WILL BE ABLE TO DEVOTE HIS PRIME ATTENTION TO TMI-1 MATTERS."

H. DIECKAMP LETTER DATED 6/10/83

6/27/83

Inter-Office Memorandum



Date June 9, 1983

Subject Areas of Concentration for
the Office of the President

To Vice President, TMI-1
Director, TMI-2
Vice President, Oyster Creek
Acting Director, Administration
Vice President, Communications
Vice President, Radiological & Environmental Controls
Vice President, Maintenance & Construction
Vice President, Technical Functions
Vice President, Nuclear Assurance
Chairman, GORBS

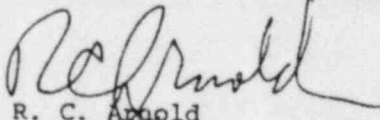
Location Headquarters/Parsippany

The Office of the President memorandum, same subject, dated January 22, 1982, described the then current areas of concentration for the Office of the President. This memorandum describes revised areas of concentration effective July 1, 1983. It supersedes prior guidance.

The officer listed below as "lead" for a particular activity is the normal direct reporting point within the Office of the President for the subject activity. Substantive written communications addressed to the officer with lead for a particular activity should be copied to the other O/P officer. As before, any item can be referred to, or addressed to, either the President or the Executive Vice President in cases where the other is unavailable on a schedule suitable for the matter in question.

<u>AREA</u>	<u>O/P LEAD</u>
TMI-2	President
TMI-1	Executive Vice President
Oyster Creek	President
Technical Functions	Executive Vice President (Vice President, Technical Functions will assist the Executive Vice President in keeping the President briefed on Oyster Creek and TMI-2 specific activities)
Communications	President

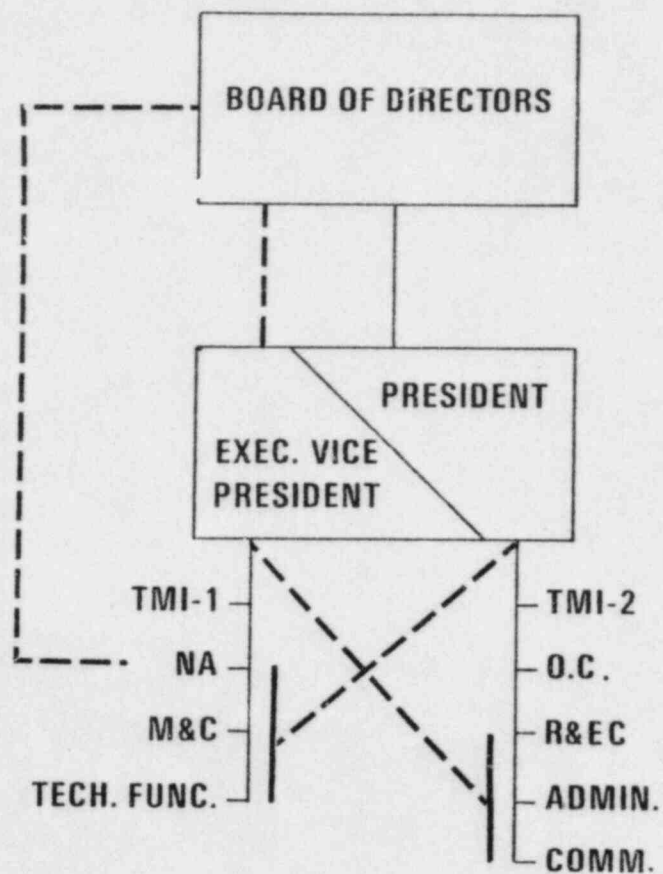
<u>AREA</u>	<u>O/P LEAD</u>
Radiological & Environmental Controls:	
• Plant Specific	President or Executive Vice President with lead for the Plant
• General/Headquarters	President
Administration	President
NOTE: Administration Division activities in support of specific Divisions should interface, as appropriate, with the officer having the lead role.	
Nuclear Assurance	Executive Vice President (Vice President, Nuclear Assurance will assist the Executive Vice President in keeping the President briefed on Oyster Creek and TMI-2 specific activities)
Maintenance & Construction	Executive Vice President (Vice President, Maintenance & Construction will assist the Executive Vice President in keeping the President briefed on Oyster Creek specific activities)
GORB	Same as Plant
Rate Case	President
External Matters (other than NRC)	President
NRC	
• Plant Specific	Same as for Plant involved
• General	Executive Vice President


R. C. Arnold
President

pk

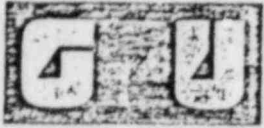
cc: Executive Vice President
GPU Nuclear Board of Directors

AREAS OF CONCENTRATION FOR
OFFICE OF PRESIDENT GPUN



6/20/83

Herman Dieckamp
President



GENERAL
PUBLIC
UTILITIES
CORPORATION

100 Interpace Parkway
Parsippany, New Jersey 07054
201 263-6500
TELEX 136-482
Writer's Direct Dial Number

June 10, 1983

The Honorable Richard Thornburgh
State House
Harrisburg, Pennsylvania 17120

Dear Governor Thornburgh:

In your letter of June 2 to Chairman Palladino, you expressed concern about a number of issues relating to the restart of TMI-1 and stated specifically:

"I would find it particularly inappropriate for the Commission to take such action prior to hearing this Commonwealth's appeal on the operator cheating issue."

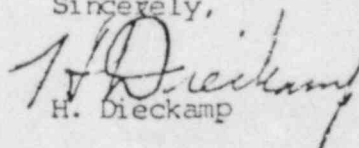
We had been hopeful that this matter would have been resolved by the appeal processes by this time. Since it is not, we have undertaken a review of the actions that we can take to resolve this issue and to provide assurances with respect to other issues. We want to inform you of the following commitments on the part of the Company with respect to the three remaining outstanding issues on which the Commonwealth filed exceptions with the Atomic Safety and Licensing Appeals Board on August 20, 1982.

- 1) The Company will not utilize anyone to operate TMI-1 who was found by the ASLB to have cheated on an NRC administered licensing exam or on a company administered training exam (Mr.H.).
- 2) The Company will not utilize Mr. DD (whose attitude was criticized by the ASLB) to operate TMI-1 or to train operating license holders or trainees.
- 3) The Company will direct the ASLB mandated training audit to specifically evaluate Mr. DD's performance as an instructor and the Company will comply with the findings in a timely and appropriate manner. Prior to the audit the Company will continue to monitor Mr. DD's performance and assign work consistent with that performance.

We believe that these commitments remove the concerns that are the subject of the Commonwealth's appeal before the Atomic Safety and Licensing Appeal Board.

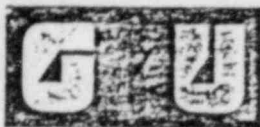
We will be informing the NRC, with a copy to you, of additional commitments that we will also be completing prior to restart so as to provide additional assurance regarding protection of public health and safety and a further basis for confidence in the integrity of the management and staff which will be involved in the operation of TMI-1.

Sincerely,


H. Dieckamp

lda

Herman Dieckamp
President



GENERAL
PUBLIC
UTILITIES
CORPORATION

100 Interpace Parkway
Parsippany, New Jersey 07054
201 263-6500
TELEX 136-482
Writer's Direct Dial Number

June 10, 1983

Docket No. 50-289

Chairman Nunzio J. Palladino
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Dear Chairman Palladino:

Recently, the NRC staff stated, "because of all the open issues....the staff can draw no conclusion regarding management integrity at this time". Additionally, the Commonwealth of Pennsylvania's "Supplemental Comments" of June 2, 1983, stated that, "the Commonwealth will not support the restart of TMI-1 until it receives adequate assurances from the Commission that the management of GPU Nuclear Corporation is willing and able to operate the plant in a safe and competent manner".

We have again evaluated the present GPU Nuclear organization to reassure ourselves and to provide a basis for the confidence of others that any inappropriate attitudes or practices of the past have not been carried forward and will not manifest themselves in GPU Nuclear.

We retain confidence in the capability and integrity of the GPU Nuclear organization and personnel. The basis is further evidenced by the in-depth assessment conducted by the Licensing Board, as well as by independent measurements by industry's INPO, NRC's SALP and other inspections and by Licensee's own consultants.

As a preliminary matter, it is useful to review the MetEd organization that was responsible for operation of the TMI Station

at the time of the accident. No member of MetEd's/TMI senior management is now involved with TMI. Four levels of management, the MetEd president, vice-president, station manager, and both unit managers responsible for TMI at the time of the accident are not with GPU Nuclear. The senior management responsible for operation of TMI-1 today is dramatically different than that which existed at the time of the accident.

In structuring GPU Nuclear we have provided dedicated on site personnel for each of the generating stations with a highly experienced senior manager on site. We have provided experienced managers and staff for a number of centralized support functions such as engineering, health physics, quality assurance, training, maintenance, and construction in order to effectively support the station management. Additionally, the organizational structure was specifically designed to provide inherent checks and balances. GPU Nuclear, its operational philosophy, its senior managers, and numerous other key personnel within the organization were reviewed in depth and endorsed by the ASLB. Over one hundred individuals, including top managers, appeared before that board in public hearings.

A broad look at the elements of GPU Nuclear which will be involved in the operation of TMI-1 reveals that the organization, down through two levels of management below the GPU Nuclear vice presidents, encompassing 86 such positions, contains 16 individuals that were with MetEd prior to the accident. Of the balance, 30 are new employees since the accident and the remaining 40 come from other components of the GPU System. The executive v.p. of GPU Nuclear and the vice president directly responsible for TMI-1 site operations are new.

At the time of restart we expect to utilize 38 currently licensed operators for TMI-1; 25 are newly licensed since the accident. Out of the remaining 13 that were licensed at the time of the accident, 10 are assigned to shift activities. These operators need to be viewed as a source of experience for the safe operation of TMI-1. Their prospective performance must also be assessed in light of (1) the fact that all have been licensed under the new testing criteria, (2) the ability of GPUN to provide 6 shift coverage for TMI-1 which provides one shift out of six for training, (3) the presence of shift technical advisors, and (4) significantly improved procedures.

As further assurance:

- 1) We will, prior to restart, reassign personnel such that no TMI-2 licensed operator will operate TMI-1 (except for the manager of operations who was licensed on Unit 2 but who was evaluated in depth and specifically endorsed by the ASLB), and
- 2) We will, prior to restart, add full time on shift operational quality assurance coverage by degreed engineers until the open issues are resolved. We would defer to the NRC should it wish to provide full time on shift resident inspector coverage of TMI-1 operations.

The balance of the TMI-1 site staff in engineering, maintenance, and supervisory roles contains numerous individuals with prior experience in the operation of TMI-1, experience which is important to the safe operation of TMI-1. The prospective performance of the current TMI-1 site staff must be assessed in light of (1) the evaluation by the ASLB, (2) the NRC's Jan. 1983 SALP and (3) the most recent inspection 50-289/83-10 which found very favorable results in the pervasive management areas of procedures, adherence, discipline, and attitude toward safety.

-4-

In order to provide added assurance;

We will reassign personnel such that those functions which provide an overview assessment, analysis, or audit of plant activities specifically;

General Office Review Board
Independent On-Site Safety Group
Shift Technical Advisors
Q/A Audit
Q/A and Q/C Site Staff
Licensing
Radiation Control
Emergency Preparedness

will contain only personnel with no pre-accident involvement as MetEd exempt employees at TMI-1 or 2. We will continue this constraint until the open issues are effectively resolved.

As a further action to strengthen TMI-1;

We have reallocated the priorities and assignments within the office of the president of GPU Nuclear, which office includes the president and executive vice president, such that TMI-1 will report to the executive vice president and such that he will be able to devote his prime attention to TMI-1 matters.

In a letter to Governor Thornburgh we have committed to the actions which we think necessary to satisfy the issues under appeal by the Commonwealth of Pennsylvania. A copy of that letter is attached.

We are taking these steps in order to provide additional assurances during the period necessary to resolve the open issues. We are confident that the actions necessary to provide these added assurances will not detract from the first priority of safe operations.

We will work with your staff to communicate the specifics of these steps.

In closing, we urge the Commission to expeditiously resolve the open issues so as to provide assurance that the learnings of the accident have been identified and implemented. We pledge our cooperation in that effort so that the TMI-1 management and staff can be accorded the full support of the Commission and the public.

Sincerely,



H. Dieckamp

lda

enclosure

cc: Governor Thornburgh