



**ENTERGY**

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April 22, 1996

**C. R. Hutchinson**

Vice President  
Operations  
Grand Gulf Nuclear Station

U.S. Nuclear Regulatory Commission  
Mail Station P1-37  
Washington, D.C. 20555

Attention: Document Control Desk

Subject: Grand Gulf Nuclear Station  
Docket No. 50-416  
License No. NPF-29

References: 1) GNRO-95/00119 dated November 6, 1995 from EOI to NRC  
2) NRC letter dated January 3, 1996 (Beckner to Hutchinson)  
3) GNRO-96/00009 dated February 12, 1996 from EOI to NRC

GNRO: 96/00042

Gentlemen:

Grand Gulf's implementation of a performance-based audit scheduling program has been the subject of various correspondence (reference list) and meetings with the NRC. Most recently, on April 3, 1996, we met with the Staff and Mr. Ashok Thadani to appeal the Staff's position that our performance-based audit scheduling program represented a reduction in commitment as the term is used in 10CFR50.54(a).

While expressing discomfort over the lack of safety focus, Mr. Thadani upheld the Staff's position based on precedent and the difficulty in contradicting precedent on a single docket. However, as indicated during the meeting, the Staff would be directed to renew their review of the outstanding 10CFR50.54(a) petition for rulemaking which proposes to eliminate the concept of reduction in commitment, and, in the short term, consider issuance of a Generic Letter that would revise the Staff's position on what constitutes a reduction in commitment.

Regardless of the problems associated with interpreting and applying 10CFR50.54(a), we continue to believe that our performance-based audit scheduling approach will result in safety improvement at Grand Gulf. We also believe that the Staff holds a similar view. Consequently, we are submitting the attached supplement to our quality assurance program description and requesting Staff approval.

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The proposed change would require that audit subject areas previously included in the Grand Gulf Technical Specifications would continue to be audited on a frequency previously specified in the Technical Specifications unless sufficient basis was documented to preclude the need to audit. As we've discussed with the Staff, that basis, would consist of performance information coupled with expert judgment that demonstrates that the audit subject area's performance is acceptable. The proposed change also restores a prior commitment to audit an activity as early in life as practical to assure timely implementation of quality assurance program requirements. This commitment had been unintentionally deleted in the course of the audit program changes.

Based on various conversations with the Staff we believe that the attached supplemental change is sufficient to implement a performance-based audit scheduling program and addresses the issues raised by the Staff in Reference 2 and its attachment. Since the details of the proposed audit program have already been the subject of extensive correspondence and discussion we request prompt Staff approval of the quality assurance program change docketed in Reference 1 as modified by the attached change.

We would also like to express our appreciation for the opportunity to discuss, during the meeting on April 3, our concerns about the application of 10CFR50.54(a). As the Staff proceeds to re-examine the rulemaking petition and consider issuance of a Generic Letter, we would be happy to provide constructive dialogue to that effort.

Yours truly,

A handwritten signature in cursive script, appearing to read "C.R. Hull". The signature is written in dark ink and is positioned below the text "Yours truly,".

CRH/MJM:be

Attachment:

Proposed Grand Gulf Operational Quality Assurance Manual Changes

cc:

(see next page)

cc:

Ms. S. C. Black (w/a) (NRC/NRR)  
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Mr. N. S. Reynolds (w/a)  
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Mr. M. J. Meisner (w/o)  
Mr. D. C. Mims (ANO) (w/a)  
Mr. R. L. Patterson (w/a)  
Mr. J. C. Roberts (w/a)  
Mr. G. A. Zinke (w/a)  
File (LCTS/RPTS) (w/a)  
File (Hard Copy) (w/a)  
File (NS&RA) (w/a)  
File (Central) (w/a) ( 7 )

OPERATIONAL QUALITY ASSURANCE MANUAL  
TITLE: AUDITS

18.5.6 (Continued):

- 18.5.6.1 Auditing shall be initiated as early in the life of an activity as practical to assure timely implementation of quality assurance program requirements.
- 18.5.6.2 Audits shall be scheduled on the basis of the status and importance of the activities to be audited.
- 18.5.6.3 This section deleted in Revision 14.

18.5.7 Individual audits shall be performed in accordance with documented procedures, plans, or checklists which describe the audit and provide for an objective evaluation of the status and adequacy of the areas being audited.

The "objective evaluation" referenced is not to be confused with the evaluation statement in ANSI N45.2.12 to which the licensee has provided a clarification. See Appendix A.

18.5.8 Audit results, including conditions adverse to quality detected during the audit, shall be documented and reviewed with the supervisor or manager having responsibility in the areas audited. Distribution of audit reports shall include management of the audited organization and appropriate licensee management.

18.5.9 Management of the audited organizations shall be responsible for correcting conditions adverse to quality identified during an audit. They shall assure that corrective action is scheduled, accomplished as scheduled, and documented. The corrective action shall be designed to prevent the recurrence of significant conditions adverse to quality. (See also Appendix A, Regulatory Guide 1.144, Item 11.)

18.5.10 Deficient areas shall be reviewed or reaudited on a timely basis to verify implementation of corrective action.

18.5.11 Audit results shall be analyzed to detect adverse quality trends and to evaluate the effectiveness of the Operational Quality Assurance Program. Results of such analyses which indicate adverse quality trends shall be reported to appropriate management for review and assessment.

18.5.12 Records shall be generated and retained for all audits, including individual audit plans, audit reports, written replies, and records of corrective action. (See also Appendix A, Regulatory Guide 1.144, Item 13.)

NRC Regulatory Guide 1.30 - Section 6 (Continued):

calibration and identity of person that performed the calibration, can be readily determined. Such information may also be contained on tags or labels which may be attached to installed instrumentation."

Section 7 - Data Analysis and Evaluation will be implemented as stated herein after adding the clarifying phrase "where used" at the beginning of that paragraph.

Section 8 - Records will be implemented by conformance with Policy 17 of the Operational Quality Assurance Manual and ANSI N45.2.9 as set forth in Appendix A to the OQAM.

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NRC Regulatory Guide 1.33 - "Quality Assurance Program Requirements (Operation)" (Rev. 2, 2/78) - Endorses ANSI N18.7 - 1976.

The Operational Quality Assurance Program complies with the requirements of this guide with the following clarifications:

- 1) Paragraph C.3 of Regulatory Guide 1.33 (and Section 4.3.4 of ANSI N18.7 which it references) will be implemented as required by the UFSAR, Appendix 16B, which defines "Subjects Requiring Independent Review."
- 2) Paragraph C.4 ("Audit Program") of Regulatory Guide 1.33 (and Section 4.5 of ANSI N18.7 - 1976 which it references).

Audit frequencies will be implemented as required by the applicable Code of Federal Regulations, Updated Final Safety Analysis Report, and commitments by various correspondence to the NRC. All other audit frequencies will be based on performance results and importance of the activity relative to safety, determined in accordance with a performance-based audit scheduling program. The scheduling program, through an expert panel, uses assessment indicators to identify and schedule audits based on performance results and importance of the activity relative to safety. Potential audit subject areas are periodically assessed against appropriate performance criteria. From these reviews a determination is made in regard to the depth, scope and scheduling of specific audits. Audit subject areas contained in Technical Specifications Section 7.4.2.8 prior to implementation of the improved Technical Specifications in March, 1995 shall continue to be audited on the frequencies previously designated in the Technical Specifications unless expert panel judgment based on performance results determines such an audit to be unnecessary. In such cases the expert panel basis shall be documented.

- 3) Paragraph C.5.a of Regulatory Guide 1.33 (and Section 4.4 of ANSI N18.7 which it references) will be implemented with the clarification that the Plant Safety Review Committee shall perform this activity.

NRC Regulatory Guide 1.33 - (Continued)

- 4) Paragraph C.5.d of Regulatory Guide 1.33 (and Section 5,2.7.1 of ANSI N18.7 which it references) will be implemented by adding the clarifying phrase "Where practical" in front of the fourth sentence of the fifth paragraph. The regulatory guide's changing of the two uses of the word , 'should" in this sentence to "shall" unnecessarily restricts the licensee's options on repair or replacement parts. It is not always practical to test parts prior to use. For modifications where these requirements are not considered practical, a review in accordance with the provisions of 10CFR50.59 will be conducted and documented.