



GPU Nuclear, Inc.
One Upper Pond Road
Parsippany, NJ 07054-1095
Tel 201-316-7000

June 18, 1997
6700-97-2121
6710-97-2267
6730-97-2188

U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, D.C. 20555

Gentlemen:

Subject: Request for Additional Information, GPU Nuclear
Operational Quality Assurance Plan (Rev. 10)
Three Mile Island Nuclear Generating Station, Unit 1 (TMI 1)
Docket No. 50-289
Oyster Creek Nuclear Generating Station (OCNGS)
Docket No. 50-219

By letter dated April 25, 1997, GPU Nuclear submitted Revision 10 of the Operational Quality Assurance (OQA) Plan to the NRC for review and approval. On June 18, 1997, the staff prepared a Request for Additional Information (RAI) concerning the reason and basis for the acceptance of the reorganizational change and the elimination of the degree requirements for certain management positions. In addition, the RAI requested organizational charts of the proposed organizational structure and the current organizational structure. This letter is in response to the RAI.

Over the past year, GPU Nuclear has established a series of process review teams. The purpose of these teams was to identify strengths, good practices and areas for process improvement. The charter of these teams was to propose recommendations to enhance process implementation. One process review team considered the nuclear safety assurance process.

The Nuclear Safety Assurance Process Review Team proposed that the functions, responsibilities and accountabilities of the various organizational units involved in the process be realigned. This realignment entailed changing the organizational structure. A major element of the reorganization is the merging of the Nuclear Safety Assessment Department (NSA) and the Licensing and Regulatory Affairs Department (L&RA) under a single director. The new department would retain the name Nuclear Safety Assessment and absorb the responsibilities of L&RA. Question 1.a of the RAI requests the reason and the basis for these organizational changes. The process review team reasoned that the charter of NSA was to provide oversight to ensure that the health and safety of the public and plant personnel was assured. Among its

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activities, L&RA is responsible for management of the nuclear safety review process (10 CFR 50.59). In addition, L&RA acts as a conduit for information between GPU Nuclear and the NRC. Since the NRC is charged with protecting the health and safety of the public, the reorganization would create a closer link between the internal and external oversight groups. That, in turn, will contribute to more effective oversight.

There are several major characteristics of the reorganization: there would be one director responsible for the NSA and L&RA functions; three management positions in the current NSA organization would be eliminated; a new position, GORB Consultant, would also be created; and, at the plant sites, the Independent On Site Review Group (IOSRG) and the site licensing function would report to the newly created position - Manager, Nuclear Safety and Licensing.

The new director position will retain the title Director, Nuclear Safety Assessment. The functions and responsibilities of the new position will include those of the current Director, NSA position and those of the L&RA Director. GPU Nuclear believes that the two current positions are complementary to one another in that both are concerned with ensuring the continued safe operation of the plants and adherence to all applicable laws, regulations and requirements. Both organizations perform oversight functions that require independence from the line functions and direct access to Senior Management. The proposed structure preserves and maintains those characteristics.

The new director position will remain as the Chairman of the General Office Review Board (GORB). The GORB is a senior level group which includes company personnel and outside consultants. Their primary responsibility is to consider potentially significant nuclear and radiation safety problems and propose recommendations to the President, GPU Nuclear to eliminate or mitigate them. To assist the new director in his GORB responsibilities, the position of GORB Consultant will be created. This position will assume the day to day activities related to the GORB which currently consumes a considerable portion of the NSA Director's time.

The organizational structure will be flattened and balanced under the proposed structure. Three current NSA management positions will be eliminated. At the two plant sites, the IOSRG function, which previously reported to one of the site NSA managers, will report to the new position Manager, Nuclear Safety and Licensing. As the title implies, this position will also be responsible for managing the Licensing function. This change will balance the span of control among the remaining management positions while retaining the functional responsibilities and organizational independence. The streamlined structure will enhance internal communication by eliminating a level of management and shortening the reporting chain.

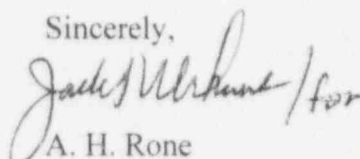
Section 6.5.4 of the TMI Technical Specifications requires that the IOSRG be "independent of the unit staff" and report to the director responsible for nuclear safety assessment. Similarly, Section 6.5.4 of the Oyster Creek Technical Specifications requires that the IOSRG be "independent of the facility staff" and report to the director responsible for nuclear safety assessment. The proposed organizational structure complies with those requirements.

Appendix B to 10 CFR 50 provides criteria to be met by the licensee's Quality Assurance Program. Any change to the Quality Assurance Program must continue to meet those criteria. Only Criterion I, "Organization" is involved in this change. Criterion I requires that the authority and duties of persons and organizations shall be clearly established and delineated in writing. It also requires that persons and organizations performing quality assurance functions shall have sufficient authority and organizational freedom to identify quality problems; to initiate, recommend and provide solutions and verify implementation. Finally, those persons and organizations shall report to a management level such that the required authority and organizational freedom are provided. GPU Nuclear believes that the changes included in Revision 10 of the OQA Plan do, in fact, clearly establish and delineate in writing, the authority and duties of persons and organizations performing quality assurance functions.

Question 1.b of the RAI requests the reason and basis for acceptance of the elimination of the degree requirements of "other managers" in Section 1.9 of the OQA Plan. A sentence regarding position requirements was deleted from that paragraph. It was deleted because it applied only to NSA Managers who did not report directly to the Director, NSA. In the proposed organizational structure, all the remaining management positions are direct reports. The education and experience requirements for those positions have not changed. The sentence was deleted because the class of employees to which it applied will be eliminated by the reorganization. It does not, therefore, constitute a reduction in commitment.

Question 2 of the RAI requests organization charts of the proposed organizational structure and the current structure. Attachment 1 is a depiction of the proposed organization and Attachment 2 portrays the organizational units as they currently exist.

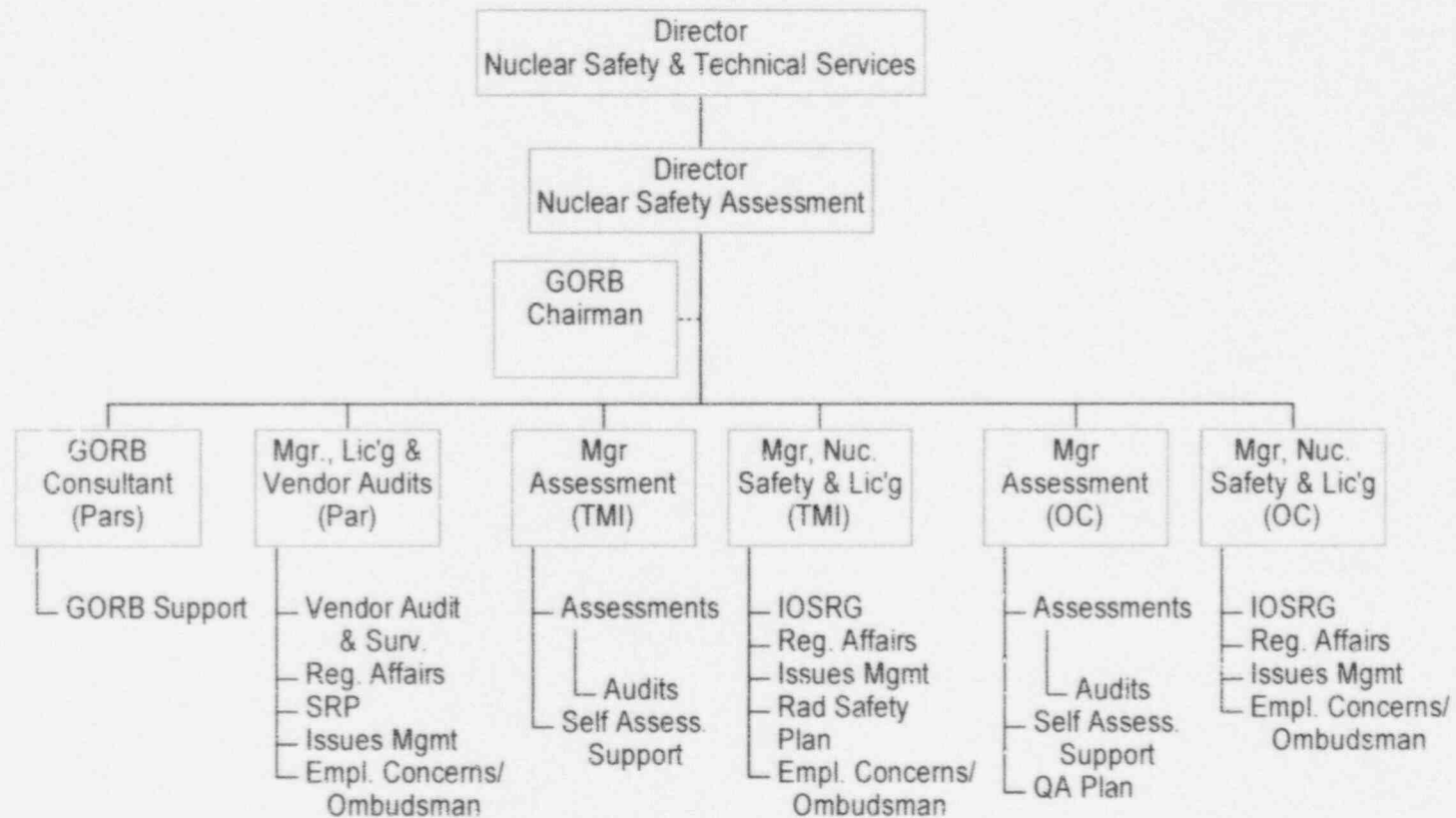
Sincerely,

A handwritten signature in dark ink, appearing to read "Jack H. Rone", followed by a forward slash and the word "for".

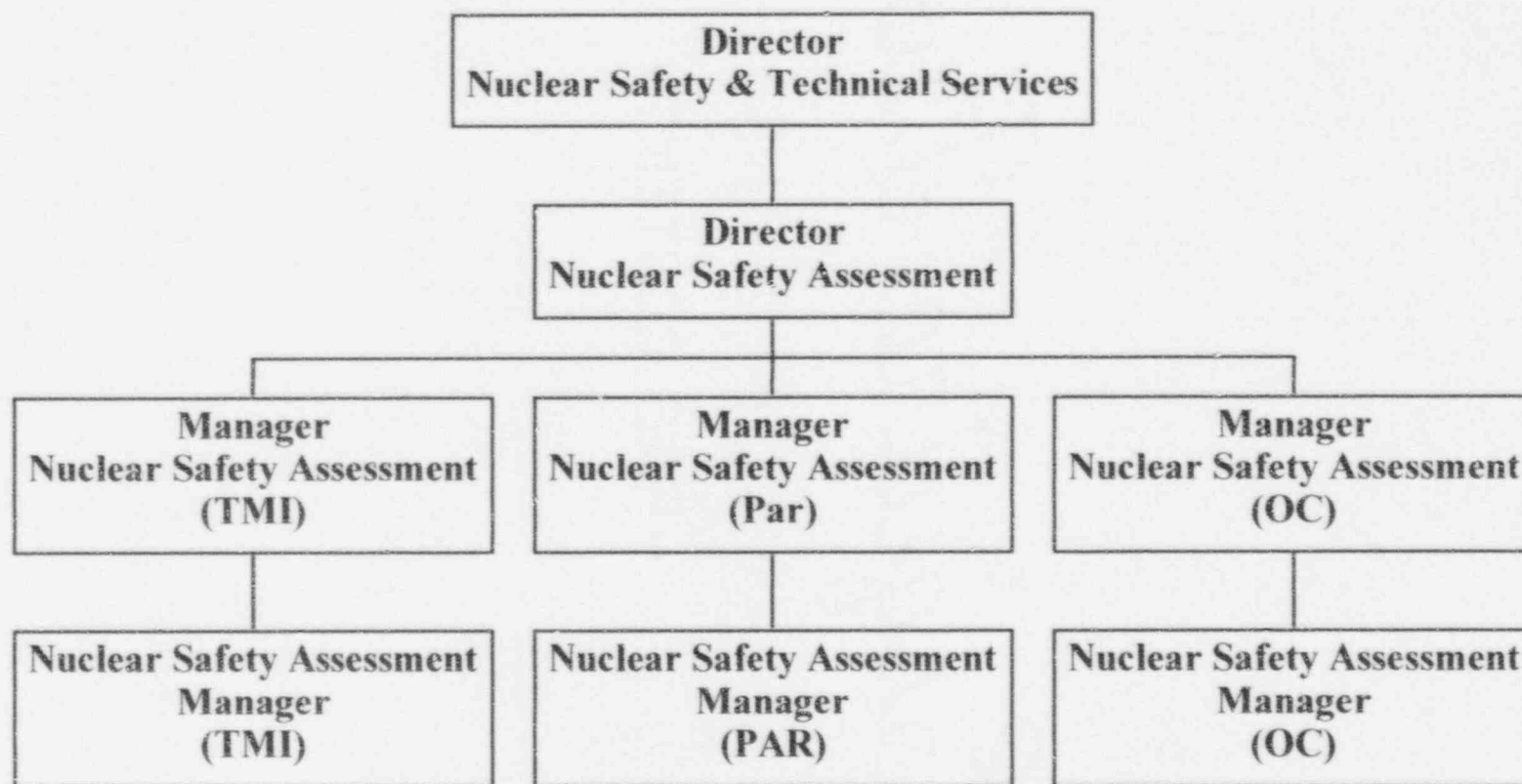
A. H. Rone
Vice President and Director
Nuclear Safety & Technical Services

cc: Administrator, Region 1
TMI Senior Resident Inspector
Oyster Creek Senior Resident Inspector
TMI Project Manager
Oyster Creek Project Manager

Proposed Organization Structure



CURRENT ORGANIZATIONAL STRUCTURE



CURRENT ORGANIZATIONAL STRUCTURE

