February 26, 1998

Mr. J. Langenbach Vice President and Director Three Mile Island GPU Nuclear, Inc. Route 441 South P. O. Box 480 Middletown, PA 17057-0480

SUBJECT: THREE MILE ISLAND UNIT 1 SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE (SALP) REPORT NO. 50-289/98-99

Dear Mr. Langenbach:

This letter forwards the SALP report for Three Mile Island Unit 1 for the period August 5, 1996 through January 24, 1998 (Enclosure 1). The U.S. Nuclear Regulatory Commission (NRC) conducted this assessment using the SALP process that the agency implemented on July 19, 1993. In this process, the NRC evaluates the performance of licensees in four functional areas: Operations, Engineering, Maintenance, and Plant Support. The Plant Support area comprises radiological and effluent controls, chemistry, security, emergency preparedness, fire protection, and housekeeping.

We noted performance at Three Mile Island Unit 1 during the assessment period was mixed. The low number of plant transients and reliable equipment operation reflected excellent operator performance and equipment material condition. Superior performance ratings were achieved in the areas of Operations and Maintenance. Senior management involvement in plant activities was usually a strength with a generally good focus on problem identification and resolution. However, performance declined in the engineering area; the second consecutive assessment in which a decline was noted, indicating that previous efforts to improve performance in that area were not effective. Corrective action programs, while improved, were not fully effective in achieving timely resolution of some problems. Improvements were needed in the conduct, tracking, and oversight of the corrective action process. Additionally, some problems with procedure implementation were noted in several areas.

Performance in the operations area was rated Category 1. Human performance was generally excellent; the operators responded well to the infrequent transients and equipment problems. Effective management involvement was evident on a daily basis during routine power operation, controlled evolutions and transient conditions. However, on occasion the operators did not rigorously follow approved procedures, the most noteworthy example resulted in a reactor coolant system overfill. The licensed operator requalification program remained strong.

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Performance in the maintenance area was rated Category 1. The performance of maintenance and surveillance activities was very good. Strong management support, effective supervisor oversight, and improved planning contributed to high equipment reliability and availability.

As noted above, overall performance in the engineering area declined and was rated Category 3. Significant problems were identified in many engineering program areas. Examples included problems with the Inservice Testing (IST), the Motor Operated Valve (MOV) programs, the Quality Classification List (QCL) Process, and technical support. Adverse findings associated with engineering performance, which were identified by oversight groups, were not effectively addressed until eventually found by the NRC. In contrast, system engineering provided generally good support to address emergent issues. The procurement engineering program was excellent and had good management oversight.

Performance in the plant support area was rated Category 2. Overall performance in the radiation protection area was good, though there were some problems in the controls of hot particles, and posting and monitoring of areas within the radiologically controlled area. The security program was implemented very well. Some significant performance problems were identified during the March 1997 emergency drill, which required a remedial drill be conducted. These performance problems highlighted ineffective management involvement in the emergency preparedness area.

We have scheduled a management meeting with you at 2:00 P.M. on March 18, 1998. The meeting is open to the public. At the meeting, you should be prepared to discuss our assessment and the initiatives you have ongoing or plan to take to address the weaknesses detailed in our evaluation.

Enclosure 2 provides the schedule of NRC inspections of your facility planned for the next year. We will inform you of any changes. The routine resident inspection effort is not included in this schedule. We appreciate your cooperation.

Sincerely,

Original Signed By:

Hubert J. Miller Regional Administrator

Docket No. 50-289

## Enclosures:

- 1. Systematic Assessment of Licensee Performance No. 50-289/98-99
- 2. NRC Inspection Plan

## cc w/encl:

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M. J. Ross, Director, Operations and Maintenance

D. Smith, PDMS Manager

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Commonwealth of Pennsylvania

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