



Portland General Electric Company

David W. Cockfield Vice President, Nuclear

September 7, 1989

Trojan Nuclear Plant
Docket 50-344
License NPF-1

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington DC 20555

Dear Sir:

Nuclear Division Improvement Plan

The purpose of this letter is to discuss Portland General Electric (PGE) Company's actions to correct the performance concerns within the Nuclear Division. PGE acknowledges that previous actions have been insufficient to solve some of the basic performance concerns which have repeatedly been identified over the past several years. These concerns were again evident in the most recent event involving the Containment recirculation sump. While specific actions are being taken to correct the recent problems with the Containment sump, PGE has recognized the need to take actions which go beyond this particular event in an effort to identify and correct the lack of effective management involvement and accountability that allowed these conditions to occur. In this regard, PGE has made several changes in management personnel within the Nuclear Division organization, and will make further changes as necessary. A description of the corrective actions PGE has taken are described in the attachment to this letter.

PGE believes that the new management team will foster the commitment to excellence necessary for success. In order to succeed, PGE must see significant improvement in two key areas:

1. Personal Accountability - The recognition that each individual's work carries on it their personal stamp of integrity.
2. Environment for Success - Management must create the environment that demands personal accountability and commitment to excellence.

These basic qualities will be communicated to employees by the Vice President, Nuclear through a series of employee meetings. A brochure discussing the guidelines for a quality working environment at Trojan is being updated to address lessons learned from recent events, and will be reissued in the near future.

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Portland General Electric Company

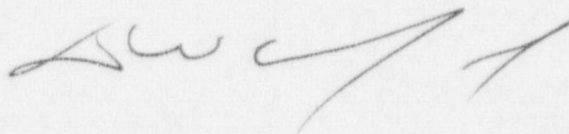
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In addition, PGE is developing an Improvement Plan for the Nuclear Division. This plan will be an exhaustive program to deal with the performance problems at Trojan. The Improvement Plan will analyze the performance decline, determine appropriate root causes and establish corrective actions. Some of the issues to be addressed by the Improvement Plan include management performance/effectiveness, procedural compliance, problem recognition, solving and corrective action systems, quality assurance and conduct of operations. This Improvement Plan will insure that past poor performance is corrected and improvements in all facets of Trojan operation continue. The Trojan Improvement Plan will be submitted to the Nuclear Regulatory Commission by October 1, 1989.

Sincerely,

A handwritten signature in dark ink, appearing to be 'D. Stewart-Smith', written in a cursive style.

Attachment

c: Mr. John B. Martin
Regional Administrator, Region V
U.S. Nuclear Regulatory Commission

Mr. David Stewart-Smith
State of Oregon
Department of Energy

Mr. R. C. Barr
NRC Resident Inspector
Trojan Nuclear Plant

NUCLEAR DIVISION IMPROVEMENT PLAN

During startup from the 1989 refueling outage, PGE discovered debris in the Trojan Containment recirculation sump. Subsequent inspections discovered additional debris in the sump and also identified a design deficiency in that the sump top screen was not installed and the side screens were degraded and contained large gaps around pipes penetrating the screen. PGE failed to manage this problem effectively and NRC intervention was necessary to force thorough resolution of the issue. This event was one of many which have demonstrated a lack of effective management involvement and accountability to assure problems are identified, investigated, and thorough corrective action taken to prevent recurrence.

PGE has taken corrective action to remove all debris from the sump and to repair the sump screen prior to returning to power operation. Additionally, to correct the continuing problem of management involvement and accountability, the Manager of Operations and Maintenance and the Branch Manager, Plant System Engineering were relieved of their duties. The position of Manager, Operations and Maintenance will be eliminated and separate Managers of Operations and Maintenance will be hired. PGE is currently conducting a nationwide search to fill these two positions. The Branch Manager, Plant Systems Engineering has been filled with a Supervising Engineer from the Mechanical Engineering Branch of Nuclear Plant Engineering.

In addition, the Maintenance Branch Manager will be relieved of his duties in order for him to gain some additional industry experience (potentially through a short-term assignment with the Institute of Nuclear Power Operations) before returning to school to complete his college degree requirements. Following this training he will be evaluated for assignment to a management position in the Nuclear Division.

A number of other changes have also been made recently at PGE to address performance concerns in other functional areas. As a result of concerns identified in the Nuclear Security Department (NSD) during the 1988 Systematic Assessment of Licensee Performance (SALP) period, PGE made changes to improve performance in this area. These changes included separating the NSD from Corporate Security to increase Nuclear Division involvement and visibility, appointing a new NSD Manager and Branch Manager, Security Operations, and relocating the NSD Manager's office to the Trojan Plant site. In the months since these changes were instituted, improvement has been noted in the performance of the NSD.

Performance weaknesses were also identified in the 1988 SALP period in the area of quality assurance. To correct these weaknesses, three managers were replaced. In addition, the experience level of the NQAD has been

strengthened in recent months through the selection of personnel experienced in areas other than quality assurance. Since these changes were instituted improvement in quality assurance effectiveness has been observed.

It has also been recognized by PGE that the Nuclear Division organization has been stagnant, with few management and supervisory positions filled externally. In order to bring new ideas and different perspectives into the Nuclear Division, two key positions within the Nuclear Division were filled from outside - the Manager of the Nuclear Safety and Regulation Department (NSRD) and the Manager of the Nuclear Quality Assurance Department (NQAD). The position of NSRD Manager was filled by an individual with previous Licensing experience at two other utilities with operating nuclear plants. The NQAD Manager position was filled by an individual with past experience in quality assurance, regulation, and engineering. In recognition of the significant role that NQAD plays in PGE's commitment to excellence, the NQAD Manager's position was upgraded to General Manager.

A new position, General Manager, Plant Support has also been created. This position has shifted the responsibility for areas such as Planning and Scheduling and Plant Administrative Services from the Plant General Manager, so that he can focus more effectively on the day-to-day operation of the Plant. Training will also be shifted to the new General Manager upon completion of a change to the Technical Specifications. A senior Manager from the U.S. Navy Nuclear Power Program has been brought in to fill this position.

The recent move of all Nuclear Division personnel to the Trojan Plant site has allowed for increased involvement by engineering personnel in Plant activities. The move occurred in August 1989 and has enhanced communications between the departments in the Nuclear Division.

PGE believes these personnel/organizational changes along with the movement of the entire Nuclear Division to the Trojan Nuclear Plant site, provide the foundation necessary to build an environment for success at the Trojan Nuclear Plant. PGE is committed to excellence in the operation of Trojan and we will not waver in that commitment. We recognize there is a long way to go to achieve this objective.