



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

November 18, 2004

Bryce L. Shriver  
President-PPL Generation and  
Chief Nuclear Officer  
PPL Susquehanna, LLC  
Two North Ninth Street  
Allentown, PA 18101

SUBJECT: SUSQUEHANNA STEAM ELECTRIC STATION UNIT NOS. 1 AND 2  
(SSES 1 AND 2) - AUDIT OF THE LICENSEE'S MANAGEMENT OF  
REGULATORY COMMITMENTS (TAC NOS. MC3961 AND MC3962)

Dear Mr. Shriver:

On May 27, 2003, the Office of Nuclear Reactor Regulation Office Instruction LIC-105, "Managing Regulatory Commitments Made by Licensees to the NRC [Nuclear Regulatory Commission]," was published. LIC-105, which is publicly available electronically from the Agencywide Documents Access and Management Systems (ADAMS) Public Electronic Reading Room on the Internet at the NRC web site (Accession Number ML022750041), provides the NRC staff and its stakeholders with a common reference for handling regulatory commitments made by licensees for commercial nuclear reactors to the NRC staff. The guidance is consistent with the industry guidance prepared by the Nuclear Energy Institute (NEI), NEI 99-04, "Guidance for Managing NRC Commitment Changes." LIC-105 specifies that once every 3 years, the NRC staff will audit a licensee's commitment management program.

An audit of the commitment management program for PPL Susquehanna, LLC (PPL, the licensee) was performed onsite and in the NRC office. The NRC staff concludes that, based on the audit (1) PPL had implemented NRC commitments on a timely basis; and (2) PPL's program for managing NRC commitment changes is effective. Details of the audit are set forth in the enclosed audit report.

Sincerely,

A handwritten signature in black ink, reading "Richard V. Guzman", is positioned above the typed name.

Richard V. Guzman, Project Manager, Section 1  
Project Directorate I  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket Nos. 50-387 and 50-388

Enclosure: As stated

cc w/encl: See next page



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**AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION (NRR)**  
**REGULATORY COMMITMENTS MADE BY THE LICENSEE TO**  
**THE NUCLEAR REGULATORY COMMISSION (NRC)**  
**SUSQUEHANNA STEAM ELECTRIC STATION, UNIT NOS. 1 AND 2**  
**DOCKET NOS. 50-387 AND 50-388**

**1.0     INTRODUCTION AND BACKGROUND**

On May 27, 2003, the NRR Office Instruction LIC-105, "Managing Regulatory Commitments Made by Licensees to the NRC," was published. LIC-105, which is publicly available electronically from the Agencywide Documents Access and Management Systems (ADAMS) Public Electronic Reading Room on the Internet at the NRC web site (Accession Number ML022750041), provides the NRC staff and its stakeholders with a common reference for handling regulatory commitments made by licensees for commercial nuclear reactors to the NRC staff. The guidance is consistent with the industry guidance prepared by the Nuclear Energy Institute (NEI), NEI 99-04, "Guidance for Managing NRC Commitment Changes."

According to LIC-105, a "regulatory commitment" as defined in NEI 99-04 and also for the NRC staff, is an explicit statement to take a specific action agreed to, or volunteered by, a licensee and submitted in writing on the docket to the NRC. LIC-105 further directs the NRR Project Manager to "audit the licensee's commitment management program by assessing the adequacy of the licensee's implementation of a sample of commitments made to the NRC in past licensing actions (amendments, reliefs, exemptions, etc.) and activities (bulletins, generic letters, etc.)." The audit is to be performed every 3 years.

**2.0     AUDIT PROCEDURE AND RESULTS**

Since no such audit, as described above, was performed for PPL Susquehanna, LLC (PPL, the licensee) before issuance of LIC-105, the NRC staff defined the period covered by this audit to go back approximately 3 years from the date of the audit. The audit was performed at the Susquehanna Steam Electric Station, Units 1 and 2 (SSES 1 and 2) on August 19, 2004; in-office work was performed before and after the audit.

In support of the audit, the NRC staff reviewed several of PPL's procedures related to commitment management:

- "Regulatory Open Items/Commitments," NDAP-QA-0750, Revision 5;
- "NRC Correspondence," NDAP-QA-0729, Revision 5;
- "Condition Report," NDAP-QA-0702.

Specifically, NDAP-QA-0750, Revision 5, was compared to the guidance in NEI 99-04. In general, the licensee's procedure follows the guidance closely: it sets forth the need for identifying, tracking and reporting commitments, and it provides a mechanism for changing commitments. The NRC staff concluded that the licensee's procedures appropriately implemented NEI guidance for commitment management. The remainder of the audit evaluated the effectiveness of the procedures by exploring the products produced by the procedures.

## 2.1 Verification of Licensee's Implementation of NRC Commitments

The primary focus of this part of the audit is to confirm that the licensee has implemented those commitments made to the NRC as part of past licensing actions/activities. For commitments that have yet been implemented, the NRC staff aimed to ascertain that they have been captured in an effective program for future implementation.

### 2.1.1 Audit Scope

PPL's commitments are computerized under the title, "Nuclear Information Management System (NIMS)." There are two NIMS search screens where commitments can be found; for purpose of the audit, the WMAMMAIN screen search tool was used. The NRC staff reviewed a computer-generated report listing 37 PPL, Nuclear Regulatory Affairs (NRA) Commitments. In addition, before the audit, the NRC staff reviewed license amendments issued in the last 3 years. Some of the licensee's submittals for these amendments contain regulatory commitments, but the NRC staff found that commitments meeting the definition in LIC-105 are few in number. Two license amendments and one licensing activity were selected for review, as listed in Table 1.

LIC-105 limits the audit of commitments to those made in writing to the NRC as a result of past licensing actions (amendments, exemptions, etc.) or licensing activities (bulletins, generic letters, etc.). Accordingly, the audit excluded the following types of commitments:

- (1) Commitments as a result of Licensee Event Reports (LERs). Several commitments related to LERs were reviewed to provide a larger sample and better compare the licensee's documents to their procedures, but review of these commitments will not be documented.
- (2) Commitments made on the licensee's own initiative among internal organizational components.
- (3) Commitments that pertain to milestones of licensing actions/activities (e.g., respond to an NRC request for additional information by a certain date). Fulfillment of these commitments was indicated by the fact that the subject licensing action/activity was completed.
- (4) Commitments made as an internal reminder to take actions to comply with existing regulatory requirements such as regulations, Technical Specifications, and Updated Final Safety Analysis Reports. Fulfillment of these commitments was indicated by the licensee having taken timely action in accordance with the subject requirements.

### 2.1.2 Audit Results

The NRC staff reviewed reports generated by the licensee's commitment tracking program, NIMS, to evaluate the status of the commitments listed in Table 1. The licensee's NIMS produces a report on each commitment. Each report is identified by a commitment number. The NRC staff reviewed the reports for each of the commitments listed in Table 1 to evaluate the status of completion of various components of each commitment. In general, each commitment comprises multiple components, such as revising appropriate plant procedures, revising appropriate sections of the UFSAR, revising training manuals, and training personnel. The NRC staff reviewed the information associated with each commitment to determine the status of completion. The NRC staff found that the licensee's NIMS captured all the regulatory commitments that were identified by the NRC staff before the audit.

The NRC staff also reviewed other sources of information, in particular licensee submittals, to verify implementation of commitments. The review results are shown in the last column on the right of Table 1, where appropriate.

Table 1 summarizes what the NRC staff observed as the current status of licensee commitments. The NRC staff has no basis to dispute the implementation status of these regulatory commitments.

### 2.2 Verification of the Licensee's Program for Managing NRC Commitment Changes

Regarding changes to commitments, Section 6.3 of NDAP-QA-0750, Revision 5, specifically refers to the guidance of NEI-99-04. Attachments A, B, and C of NDAP-QA-0750, Revision 5, provide details of the Regulatory Commitment Change Evaluation process.

Before changing a commitment, the licensee answers various questions related to the commitment's importance to continued safety. Commitments meeting the procedure requirements can be changed with or without notifying the NRC, depending on the circumstances. The NRC staff found that commitments were changed in accordance with licensee procedures and that the NRC was notified appropriately, as in the letter, "10 CFR 50.59 Summary Report and Changes to Regulatory Commitments," submitted by PPL for SSES 1 and 2 on October 8, 2004 (ML042940283).

The effectiveness of a procedure can be indicated by the products that are produced by the procedure. As set forth in Section 2.1 above, the NRC staff found that the licensee had properly addressed each regulatory commitment selected for this audit. As a result of review of the licensee's NIMS information, as well as information from other sources, the NRC staff found no reason to differ from the licensee's reported status of the audited commitments. Thus, the NRC staff surmises that the procedure used by the licensee to manage commitments is appropriate and effective.

### 3.0 CONCLUSION

The NRC staff concludes that, based on the above audit, (1) the licensee had implemented NRC commitments on a timely basis; and (2) the licensee's program for managing NRC commitment changes is effective.

4.0 LICENSEE PERSONNEL CONTACTED FOR THIS AUDIT

M. Crowthers

D. Filchner

B. O'Rourke

Principal Contributor: R. Guzman

Date:

TABLE 1

**WRITTEN COMMITMENTS AND RELATED INFORMATION  
(2001 THROUGH 2004)**

<b>PPL Submittal</b>	<b>NRC TAC No.</b>	<b>NRC Issuance</b>	<b>Summary of Commitment and Licensee's Tracking Number</b>	<b>Licensee Implementation Status</b>
8/11/2003	MB9863 and MB9864	NRC Generic Letter 2003-01: Control Room Habitability (CRH)	(1) PPL to perform design review to confirm that applicable design and regulatory requirements are met for postulated radiological and hazardous chemical release events. (2) PPL to provide basis for determination of the necessity for unfiltered rate testing and schedule for any further action (3) PPL to validate that no compensatory measures have been taken that were required to demonstrate compliance to CRH requirement	Complete - PLA-5711, PPL letter dated 2/3/2004
2/3/2004	MB9863 and MB9864	Under Review	(1) PPL to provide a dose consequence submittal to the NRC, using the methodology described in RG 1.183 by 6/30/2005 (2) PPL to notify NRC if release of an inventory of hazardous chemicals, transported by railroad, is not imminent - OR - if inventory received by July 30, 2004, PPL will complete the hazardous chemical control room habitability assessment. (3) PPL to comply with RG 1.78, Rev.1 and will be incorporated into the FSAR.	(1) Ongoing commitment (#554989)  (2), (3) Ongoing commitment (#554977).
9/18/2003	MB9008	Amendment No. 215 for Unit 1, 10/29/2003	Submit TS Amendment request for Oscillation Power Range Monitor (OPRM) by 12/30/2003	Complete - PLA-5686 submitted on 12/22/2003
9/18/2003	MB9009	Amendment No. 190 for Unit 2, 10/29/2003	Submit TS Amendment request for Oscillation Power Range Monitor by 12/30/2003	Complete - PLA-5686 submitted on 12/22/2003
9/28/2004	MC1659	Amendment No. 217 for Unit 1, 11/9/2005	Implement new Oscillation Power Range Monitor Trip Setpoints utilizing revised methodology by 9/30/2004. (#539044)	Complete - NRC approved OPRM for SSES 1 implementation on 11/9/2004.
9/28/2004	MC1660	Amendment No. 192 for Unit 2, 11/9/2005	Implement new Oscillation Power Range Monitor Trip Setpoints utilizing revised methodology by 9/30/2004. (#539044)	Complete - NRC approved OPRM for SSES 2 implementation on 11/9/2004.

**TABLE 2**  
**CHANGED COMMITMENTS**  
**(2001 THROUGH 2004)**

<b>Tracking Number</b>	<b>Source</b>	<b>Description/Justification for Change/Deletion</b>
LDCN 3358	NRC Inspection Report 50-387/86-09 and 50-388/86-09, 6/12/1986.	Eliminated the need to perform states links inspections during each refueling outage to identify links that are not in their normally closed position or are administratively closed.
LDCN 3376	PPL Letter dated 5/4/1998 (PLA-4893)	Review of the Process Control Program by the Plant Operations Review Committee. Deleted.
LDCN 3487	PPL Letter to Bulletin 80-14 (PLA-751)	Report Scram Discharge Volume valve failures in accordance with 10 CFR 50.72 and 50.73 reporting requirements in lieu of 24-hour reporting commitment.
LDCN 3594	Licensee Event Report 387/00-009-00	Revise applicable surveillance procedures that implement SR 3.6.1.3.2 to clarify the appropriate action statement to be entered in the event that the subject valves fail to meet the surveillance requirement.
LDCN 3613	PPL letter dated 10/4/2000 (PLA-5234)	Frequency of inspection of Unit 2 core shroud welds changed from Spring 2003 to Spring 2005 refueling outage.

Susquehanna Steam Electric Station, Unit Nos. 1 and 2

cc:

Britt T. McKinney  
Vice President - Nuclear Site Operations  
PPL Susquehanna, LLC  
769 Salem Blvd., NUCSB3  
Berwick, PA 18603-0467

Richard L. Anderson  
Vice President - Nuclear Operations  
PPL Susquehanna, LLC  
769 Salem Blvd., NUCSB3  
Berwick, PA 18603-0467

Aloysius J. Wrape, III  
General Manager - Nuclear Assurance  
PPL Susquehanna, LLC  
Two North Ninth Street, GENPL4  
Allentown, PA 18101-1179

Terry L. Harpster  
General Manager - Plant Support  
PPL Susquehanna, LLC  
769 Salem Blvd., NU CSA4  
Berwick, PA 18603-0467

Robert A. Saccone  
General Manager - Nuclear Engineering  
PPL Susquehanna, LLC  
769 Salem Blvd., NUCSB3  
Berwick, PA 18603-0467

Rocco R. Sgarro  
Manager - Nuclear Regulatory Affairs  
PPL Susquehanna, LLC  
Two North Ninth Street, GENPL4  
Allentown, PA 18101-1179

Walter E. Morrissey  
Supervising Engineer  
Nuclear Regulatory Affairs  
PPL Susquehanna, LLC  
769 Salem Blvd., NU CSA4  
Berwick, PA 18603-0467

Michael H. Crowthers  
Supervising Engineer  
Nuclear Regulatory Affairs  
PPL Susquehanna, LLC  
Two North Ninth Street, GENPL4  
Allentown, PA 18101-1179

Dale F. Roth  
Manager - Quality Assurance  
PPL Susquehanna, LLC  
769 Salem Blvd., NUCSB2  
Berwick, PA 18603-0467

Luis A. Ramos  
Special Office of the President  
PPL Susquehanna, LLC  
634 Salem Blvd., SSO  
Berwick, PA 18603-0467

Bryan A. Snapp, Esq  
Assoc. General Counsel  
PPL Services Corporation  
Two North Ninth Street, GENTW3  
Allentown, PA 18101-1179

Supervisor - Document Control Services  
PPL Susquehanna, LLC  
Two North Ninth Street, GENPL4  
Allentown, PA 18101-1179

Richard W. Osborne  
Allegheny Electric Cooperative, Inc.  
212 Locust Street  
P.O. Box 1266  
Harrisburg, PA 17108-1266

Director - Bureau of Radiation Protection  
Pennsylvania Department of  
Environmental Protection  
P.O. Box 8469  
Harrisburg, PA 17105-8469

Senior Resident Inspector  
U.S. Nuclear Regulatory Commission  
P.O. Box 35, NU CSA4  
Berwick, PA 18603-0035



Susquehanna Steam Electric Station, Unit Nos. 1 and 2

cc:

Regional Administrator, Region 1  
U.S. Nuclear Regulatory Commission  
475 Allendale Road  
King of Prussia, PA 19406

Board of Supervisors  
Salem Township  
P.O. Box 405  
Berwick, PA 18603-0035

Dr. Judith Johnsrud  
National Energy Committee  
Sierra Club  
443 Orlando Avenue  
State College, PA 16803