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**Florida
Power**
CORPORATION

B. L. Griffin, P. E.
Senior Vice President
Engineering & Construction

July 13, 1981
File: 3-0-3-a-2
3-071-12



Mr. Victor Stello, Jr., Director
Office of Inspection and Enforcement
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

Subject: Crystal River Unit 3
Docket No. 50-302
Operating License No. DPR-72
Management Appraisal 50-302/81-1 (PAS)

Reference: (1) Letter, Stello to Griffin, Management
Appraisal 50-302/81-1 (PAS), dated
June 3, 1981.
(2) Letter, Baynard to O'Reilly, OIE Inspection
81-06, dated June 19, 1981.

Dear Mr. Stello:

In reference to the NRC's management inspection, as reported in Management Appraisal 50-302/81-1 (PAS) for Crystal River Unit 3 (Reference 1), Florida Power Corporation hereby provides information on the management controls implemented to improve identified weaknesses, as well as further enhance the effectiveness of other programs. While the Nuclear Operations organization within Florida Power Corporation is a relatively new organization, we have made significant strides in improving the management of our nuclear program. Your appraisal is of tremendous value in gauging our progress in achieving the goals which we, as an organization, have established for ourselves. Many of the weaknesses identified by the Performance Appraisal Team had previously been identified, and work was and is in progress to correct deficiencies.

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In addition to addressing the improvements Florida Power Corporation has taken or plans to take in improving management controls in areas where there are identified significant weaknesses, we will also address management's attention toward further enhancing our nuclear program by responding to the program areas which are average or above average. Our response is as follows:

1. Committee Activities: Average (Section 2). Both the Nuclear General Review Committee (NGRC) and Plant Review Committee (PRC) were active committees composed of qualified and capable individuals. The committees appeared to be effective in their review of most safety-related issues. The principal deficiencies found in this area were: the NGRC's repeated use of one person subcommittees for review of potential safety issues, a practice that forecloses the benefit of multi-discipline, independent review, and examples which indicated that some Technical Specification violations were not receiving PRC review.

Response:

The Nuclear General Review Committee is strengthening its use of subcommittees by including additional members on subcommittees, thereby providing expertise in multi-discipline areas and by employing improved subcommittee reports that present sufficient information, conclusions, and recommendations that allow other members to perform an adequate review of the subcommittee report. This will enhance the multi-discipline independent review process by the entire Committee while still retaining the detailed technical review performed by the subcommittee members. Full implementation will be completed by September 9, 1981.

The Plant Review Committee will modify its procedures to assure the review of all Technical Specification violations that may be identified in audits. Full implementation of this change will be achieved by August 10, 1981.

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2. Quality Assurance Audits: Average (Section 3). The existence of an auditing function under the site management, separate from the corporate audit program, was a positive indication of the licensee's commitment to quality assurance. The corporate or Quality Programs audit function was an effective program for resolving substantial safety concerns. Weaknesses, however, existed as follows: audit checklists lacked, in most cases, scope and depth, did not require management review, and were not specific with regard to sample size; auditors failed to assess the effectiveness of various program elements; and there were inadequacies in reviews of audits by management outside the Quality Programs Department (QPD).

Response:

In May, 1981, QPD began the development of a Quality Assurance (QA) program control system. This computerized system will provide improvements to the Quality program in several areas identified by the PAS team.

A. Audit Scope

The system will be used to assist audit teams in preparing for audits. The scope and depth of audit checklists will evolve from a computerized system which searches FPC commitments in the area to be audited, and the Quality Assurance program control system has been implemented for the area of training and qualification and will continue to be developed for all quality program areas. It is our intent to have the entire data base complete and functional by January 1, 1983. The system will permit a systematic assessment of the completeness of the audit program and should enable a more effective use of manpower devoted to the audit function.

B. Management Review

The new QA program control system will be used to assist management in evaluating the adequacy of each audit as well as the overall program. Program summaries in each QA functional area will be developed to indicate the periodicity of quality requirements and the completeness of the audit program with regard to these requirements.

C. Effectiveness of Program Elements

In addition to improvements in this area that should evolve from using the QA system described above, an effort will be made to upgrade the composition of future audit teams to include technical expertise in the functional area to be audited. To meet this objective, QPD management intends to utilize other FPC departments and contractors and to upgrade technical capabilities of department personnel through a comprehensive technical training program. This effort is currently being implemented.

D. Audit Review by Management Outside Quality Programs Department

QPD will, in the future, secure the services of a qualified, independent consultant to perform periodic audits of the overall Quality Program, including the QPD audit function.

E. Expand or Improve Training

QPD has developed a detailed report on technical training for 1981. This document provides the training needs and priority for each person in the department. A program is underway to identify technical course material and courses to meet these needs. This program will begin implementation during the second half of 1981.

F. Audit Program Implementation versus Program Adequacy & Effectiveness

QPD management recognizes the need for corrective action to improve the audit program. The steps outlined above should produce the desired results. These steps are:

1. Implement a computerized QA program control system for all Quality areas;
2. Increase management review of audit scope, content, and effectiveness;

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3. Enhance technical expertise on each audit team;
and
4. Implement a technical training program for QPD
in 1981.

3. Design Changes and Modifications: Average (Section 4).

Although significant weaknesses were discovered in the handling of two modifications, these weaknesses did not appear to be generic to the management controls for this area.

Response:

The areas of weakness identified by the inspector involved isolated problems concerning two Modification Approval Records (MAR) packages that were issued in May, 1980. Generic program deficiencies do not exist in the design control process as evidenced by his review of additional MAR packages which were found acceptable.

The Nuclear Operations Engineering procedures were revised extensively in August, 1980, to provide better guidance to the engineers and to insure that our design program met the requirements of ANSI N45.2.11, Quality Assurance Requirements for the Design of Nuclear Power Plants. These changes involved the addition of design and verification checklists to insure uniform consideration by the engineers of the design and safety requirements for Crystal River Unit 3.

In addition, by August 15, 1981, Nuclear Operations Engineering procedures will be revised to be consistent with in-plant procedures, to respond to several Quality Programs Department audits concerning the design process, and to include other changes which will improve the design control process.

4. Maintenance: Below Average (Section 5). This area contained numerous significant weaknesses. Work Requests had several deficient areas, such as a lack of trending, inadequate reviews, and poor corrective actions; maintenance histories and the preventive maintenance system were inadequate; training was weak; and uncontrolled vendor manuals were used.

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Response:

The Maintenance Department at Crystal River Unit 3 is dedicated to the achievement of excellence in its employee training, preventive maintenance, equipment history data collection, the proper writing of work requests, and the trending of all these activities in such a way that the system will build on lessons learned and enhance equipment performance. The Maintenance Department is currently developing a computerized preventive maintenance (PM) program along with other computerized systems to coordinate the information for trending, identifying problems, and assuring more comprehensive reviews.

Data is currently being gathered utilizing work requests for the development of the PM program. A building process is involved to provide sufficient data for trending. By February 1, 1982, there should be sufficient data to begin trending these frequent failures to assure that corrective actions better address generic corrective action, as well as the remedial corrective actions. In addition, to enhance these activities, a concentrated "craft" training program has been implemented. However, there is a learning curve for each new employee at Crystal River Unit 3 relative to site specific requirements.

The control of vendor manuals continues to be a problem which should be alleviated by the responsibility for the maintenance of vendor manuals by Nuclear Operations Administrative Services, Document Control. The staff has been instructed to assure they are utilizing controlled manuals.

We feel that the changes to the maintenance program, that have been accomplished subsequent to the inspection and those changes that are impending, will not only improve the Maintenance Department but will strengthen weak areas.

5. Plant Operations: Above Average (Section 6). The written procedures for plant operations were well written, understood, and effectively controlled. The shift complement maintained an extra licensed operator over the TS requirement, and all operations personnel interviewed displayed high morale and a positive attitude toward safety. Significant weaknesses included a misinterpretation of Technical Specification requirements regarding AC power supplies and improper authorization of a safety-related equipment clearance, both of which appeared to be isolated problems. There was also a need for a program to ensure timely elimination of jumpers.

Response:

Safe plant operations is at the top of management's priority list for accomplishing our work and is closely followed by our commitment to operate it within the requirements of our license. The proper interpretation of Technical Specifications requirements has been aided by the NRC's Resident Inspector Program and our increased on-site presence of nuclear licensing support. Increased emphasis has been placed on contacting Nuclear Licensing when there is a question over the interpretation of Technical Specifications.

With the experience our nuclear organization has gained in the past few months working as a team, we anticipate further gains in the coming months in assuring our management controls are implemented and further improved, as appropriate. The jumper program is an example of such a management control.

6. Corrective Active Systems: Below Average (Section 7). The management controls for corrective action systems exhibited numerous significant weaknesses. Both work requests and nonconforming operations reports were found to be inadequately trended, not reviewed for their generic implications, poorly tracked and followed up, contained descriptions that lacked detail, received token reviews, and contained corrective action proposals that seldom specified actions to prevent recurrence. Work Requests that reported discrepant conditions were not considered a part of the corrective action system as required. Some work had been performed without a Work Request. Failure history analysis was cumbersome using the existing system, and therefore, was seldom accomplished. Nonconforming and corrective action reports had historically been used in very limited situations, and had not been an effective system, although this showed recent signs of improving.

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Licensee Event Reports received only limited trending. Aside from corrective actions, another weakness was the lack of a current, comprehensive list of regulatory commitments.

Response:

The effectiveness of our corrective action program will be greatly enhanced by the system for trending equipment performance and failures that is currently being implemented by the Maintenance Department. From the data base that is being compiled, access will be provided to easily extract information that can be used to trend and track non-conformances and corrective actions. This information will be utilized to trend generic performance and failure history and will ensure a much closer control on both short and long-term corrective actions. The administrative controls for this program will be in place by February 1, 1982.

Management is studying the possibility of creating a new organizational unit dedicated to reliability/risk assessment as a support function to the plant staff, engineering, and others. Decisions on this organizational strategy will be developed by January 1, 1982.

All Non-Conforming Operating Reports (NCOR's), regardless of their reportability, are reviewed by the Plant Review Committee (PRC), the Nuclear Plant Manager, and the Nuclear General Review Committee (NGRC). Corrective actions required to close out the non-reportable NCOR's are assigned responsibility to take action by the Nuclear Plant Manager, and the assigned corrective action is tracked by the Nuclear Compliance Section until resolution. Both Licensee Event Reports (LER's) and NCOR's will be trended as information tools in evaluating management controls; however, their trending will not be relied upon to control the Corrective Action System for equipment problems. This control will be provided by the utilization of the maintenance performance and history data base.

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LER's are reviewed by an "LER Board", comprised of the Nuclear Plant Manager and Nuclear Plant Department Heads. This board comprehensively reviews the LER for both accuracy and the appropriate corrective action to be taken. Following the in-plant review, Nuclear Support Services reviews LER's for an independent generic review, appropriateness of correction, and conformance to Nuclear Licensing philosophy and commitments prior to submittal to the NRC. Once the corrective action has been formulated, responsibility for it is assigned by the Nuclear Plant Manager, and it is tracked by the Nuclear Compliance Section until the LER is closed out by NRC Region II. Since all LER's are generated as a result of a NCOR, all NCOR's evaluated as "reportable" fall into this review.

A continuing training program to insure that plant personnel are aware of the available Corrective Action Systems is part of the general employee training. This aspect of general employee training is currently being reevaluated and will be revised, as appropriate, by January 15, 1982, to ensure that the maximum attention feasible is applied to this critical area.

Those instances pointing out the performance of work without work requests are isolated cases and are not indicative of a major breakdown in procedural control. The performance of work without a work request is not procedurally allowed except for the performance of scheduled Surveillance Procedures (SP's) and during times of "Emergency". The Shift Supervisor on duty is notified at the commencement and completion of the SP, and work that is performed during emergency conditions will be documented, and complete work packages will be generated as soon as the plant condition will allow. The concerned personnel have been reinstructed as to the procedural controls on the performance of work.

A comprehensive commitment tracking system is currently being developed by Nuclear Licensing. The data will be identified for tracking purposes by February 1, 1982, and will be automated by January 1, 1983.

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7. Licensed Training: Average (Section 8). Recent reorganization changes, growth of the Department, and management support has made the training program for licensed personnel effective. Weaknesses existed in meeting records storage requirements and the absence of security briefings for licensed personnel.

Response:

General Employee Training which incorporates the security briefing will be conducted for all licensed personnel by July 15, 1981. It will become a part of the licensed training program and the requalification program.

Nuclear Operations Training is presently in the process of a complete documentation system update. The records will be updated biweekly for all training conducted. Nuclear Operations Administration will maintain these records in accordance with ANSI 45.2.9-1974.

8. Non-Licensed Training: Below Average (Section 8). This area had significant weaknesses throughout the licensee's organization. It appeared to be a generic weakness affecting all areas inspected. Beyond the limited initial General Employee Training there was minimal formal training.

Response:

Florida Power Corporation management recognized this generic weakness in non-licensed training some time ago. Consequently the Nuclear Operations Training Group was reorganized early in 1980 to include non-licensed training for the balance of Nuclear Operations. Additional personnel were allocated to effect this task, and an intensive development effort is currently under way.

A repetitive training cycle for non-licensed personnel is well under development and is currently being presented as developed. Plant specific systems training for "craft" and "engineering" personnel has been ongoing since February, 1981.

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In addition, all technical areas are developing technical training requirements and schedules for implementation. The program will be established by May 1, 1982, and implementation will begin by January 1, 1983. This program is a skills level type program and will be an evolving progression toward documented and specified training requirements. FPC Management is and has been dedicated to full development of this program as a key means toward meeting both safety and reliability objectives.

9. Physical Protection: Below Average (Section 9). There were numerous problems in the implementation of the programs for physical protection. Such areas as visitor escort, meeting guardforce qualification requirements, training, and retraining all exhibited significant weaknesses. Security management failed to audit the implementation of their program and gave only limited support to Quality Program audits of security.

Response:

Florida Power Corporation is concerned over the effectiveness of the Management of the Security Program at Crystal River Unit 3, as commented on in the NRC OIE Inspection 81-06, Reference (2), as well as identified by us in our visit with the Region II OIE staff on June 5, 1981. Prior to the NRC inspection, FPC has formulated a plan to improve FPC security management. Based on the finding of the PAT visit, the Vital Area Assessment Team, OIE Inspection 81-06, and an independent assessment by FPC management, a number of actions were immediately implemented to correct obvious problems. Some of these immediate steps taken were as follows:

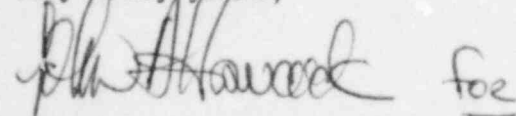
- A. On April 1, a full time Security Training Officer was appointed and the FPC Training and Qualification Program was implemented.
- B. On April 28, 1981, a group was formulated including corporate, plant staff, and nuclear licensing personnel to study the entire Security Program and to make short and long-term solution recommendations of security problems. Included in the efforts of this group will be (a) to provide 10 CFR 50.54p changes to assure compliance with the current Security Plan August 3, 1981; and (b) complete rewrite of the Security Plan to submit to the NRC by September 1, 1981, for NRC approval.

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- C. A reevaluation of Crystal River Unit 3 Security Management and reassignment of reporting responsibility was accomplished. In June, 1981 Plant Security was assigned to the Technical Support Superintendent reporting directly to the Plant Manager, whose primary responsibility is the management of the Security Program. In addition, the management of the guardforce contract is the responsibility of the Technical Support Superintendent. The details of the administration of other security changes will be addressed by September 1, 1981, since we are currently evaluating problem areas to assure that corrective actions will enhance the overall effectiveness of the Security Program. During this period, a representative from Corporate Security is assigned to the Plant site to aid in formulation of revised plans and procedures.
- D. A program was instituted for the reorganization of the Security Force that includes the following:
- a. Upgrading and adding supervisory positions, and
 - b. Reassignment of responsibilities.
- E. Guardforce management is currently being reevaluated from both the day-to-day on-shift supervision and the redefinition of Corporate Security and Plant Security's roles and responsibilities to further enhance the effective management of these personnel and the Security Program. This change will be provided in the September 1, 1981, submittal on the revised Security Plan for NRC approval.

The management of Florida Power Corporation is committed to excellence in performing our jobs. Although we have identified management weaknesses, we are striving to correct these weaknesses. Our goal is to meet the ever changing demands of the nuclear industry in a safe, legal, and efficient manner with a keen interest in personal and professional needs of our employees. We intend to continue to progress toward the achievement of our goals and objectives.

Very truly yours,

A handwritten signature in dark ink, appearing to read "E. L. Griffin", followed by the word "for" written in a similar cursive style.

E. L. Griffin