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John P. Stetz
Vice President - Nuclear
Davis-Besse

February 6, 1995

Docket Number 50-346

License Number NPF-3

Serial Number 2272

United States Nuclear Regulatory Commission
Document Control Desk
Washington, D.C. 20555

Gentlemen:

Subject: Request for Nuclear Regulatory Commission (NRC) Approval
Pursuant to 10 CFR 50.54(a)(3)

The Toledo Edison Company is planning changes to the Davis-Besse Nuclear Power Station Unit Number 1 (DBNPS) organization. These changes are being proposed under the Company's overall efforts to continue to streamline the organization, realign groups into a more effective organization to improve communications, work flow and effectiveness.

Reporting to the Vice President - Nuclear will be: 1) the Plant Manager, responsible for operations, maintenance, radiation protection and planning; 2) the Director - Engineering and Services, responsible for design engineering, plant engineering, nuclear engineering, materials management, and regulatory affairs; and 3) the Director - Nuclear Assurance, responsible for quality control, quality services, security, training and quality assessment. Quality Assessment will report to the Director - Nuclear Assurance but be authorized direct access to the Vice President - Nuclear and higher corporate management for quality assurance matters, and have independence from the Director as described in the Updated Safety Analysis Report (USAR). Activities currently being performed at DBNPS will be maintained in the new organization.

These proposed organizational changes include a reduction in commitment as described in the Davis-Besse USAR Section 17, Quality Assurance Program for Station Operation. Specifically, the Manager - Quality Assessment will be given the authority and responsibility for the 10 CFR 50, Appendix B, Criterion I quality assurance functions and as stated in the USAR will be "the individual who is independent from cost and scheduling considerations when opposed to safety considerations and is free of non-QA related duties."

Operating Companies
Cleveland Electric Illuminating
Toledo Edison

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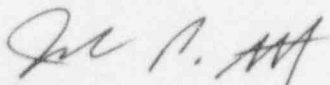
This empowerment of the Manager - Quality Assessment, with the authority and responsibility for these quality assurance functions and giving him direct access to the Vice President - Nuclear and corporate management, allows the organization to be streamlined from the existing four directors arrangement to three directors with the associated realignment of activities.

Toledo Edison has evaluated this proposed program reduction as described in the attachment to this letter and concluded that, with their implementation, the Quality Assurance Program will continue to satisfy the criteria of 10 CFR Part 50, Appendix B.

It is Toledo Edison's desire to expeditiously implement these organization changes. Accordingly, Toledo Edison requests an expedited NRC review and approval of these two proposed Quality Assurance Program reductions.

Should you have any questions or require additional information, please contact Mr. William T. O'Connor, Manager - Regulatory Affairs, at (419) 249-2366.

Very truly yours,



JCS/lkg

Attachments

cc: L. L. Gundrum, NRC Project Manager
J. B. Martin, Regional Administrator, NRC Region III
S. Stasek, DB-1 NRC Senior Resident Inspector
Utility Radiological Safety Board

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Attachment 1
Page 1

Listing of Submittal Contents

- Attachment 2 Davis-Besse Unit 1 USAR 17.2, Quality Assurance Program
for Station Operation, Pages Affected By Proposed Change
- Attachment 3 Evaluation of Proposed Quality Assurance Program
Reductions

17.2 QUALITY ASSURANCE DURING THE OPERATIONS PHASE

17.2.0 Policy



6200 Oak Tree Boulevard
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216-447-3100

Mail Address:
P.O. Box 94661
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Robert J. Farling
Chairman and
Chief Executive Officer

NUCLEAR QUALITY ASSURANCE PROGRAM POLICY

It is the policy of Centerior Energy Corporation and its subsidiaries to provide an adequate and reliable source of electric power on demand to customers within its service territory.

Implementation of this policy at the Davis-Besse Nuclear Power Station requires station management to assure the highest feasible degree of functional integrity and reliability of those systems, equipment, and structures that are essential to the prevention of nuclear incidents and could adversely affect the health and safety of the public and company employees or the mitigation of the consequences of such incidents in the unlikely event they should occur.

This policy shall be incorporated into the development and implementation of a Davis-Besse Nuclear Quality Assurance Program which fully complies with the requirements of the Code of Federal Regulations - Title 10 Part 50, Appendix B; applicable NRC Regulatory Guides, ANSI Standards and ASME Boiler and Pressure Vessel Code sections. The Davis-Besse Nuclear Quality Assurance Program shall be established as one means to achieve the objectives of this policy. The program shall have specific applicability to those structures, systems, and components classified as Nuclear Safety Related (Q) and Augmented Quality (AQ), and activities affecting the quality of these systems, structures, and components. This Nuclear Quality Assurance Program shall define specific individual and organizational responsibility and authority. Further, it shall prescribe procedures for compliance with regulatory requirements and establish appropriate guidelines for implementation of these procedures.

It is the policy of executive management that the responsibility for the implementation of the Nuclear Quality Assurance Program is interdisciplinary and not the sole responsibility of any one organization or group. It shall be the responsibility of each company and contractor employee working under the scope of this Nuclear Quality Assurance Program to reflect the attitude of executive management on quality assurance and to implement the contents of this Nuclear Quality Assurance Program rigorously in the execution of their duties.

The Vice President - Nuclear - Davis-Besse is assigned the responsibility for assuring that the Nuclear Quality Assurance Program is established and implemented. Periodically, he shall review the overall effectiveness of the Nuclear Quality Assurance Program and assure that I am kept informed of the program's overall effectiveness.

NUCLEAR QUALITY ASSURANCE PROGRAM POLICY (Continued)

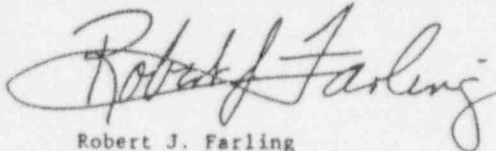
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The Director - Nuclear Assurance, reporting to the Vice President - Nuclear - Davis-Besse, is responsible for development, including revision and updating, of the Nuclear Quality Assurance Program.

The Director - Nuclear Assurance is responsible for assuring the adequacy and the effectiveness of implementation of the approved Nuclear Quality Assurance Program. The Director - Nuclear Assurance has the responsibility and authority for the interpretation of the Nuclear Quality Assurance Manual requirements and of codes, standards and regulatory commitments as they pertain to quality assurance requirements, and to stop nonconforming activities and the processing of nonconforming materials. The Director - Nuclear Assurance has the authority and organizational freedom necessary to adequately fulfill assigned responsibilities. The Director - Nuclear Assurance is authorized direct access to the Chairman, President and Chief Executive Officer, keeping the Vice President - Nuclear - Davis-Besse informed, if the need for such access exists.

Any employee who believes that the Nuclear Quality Assurance Program is not being followed, has the right, and indeed the obligation, to so inform his or her management of such deviations, including the right of direct appeal to the Chairman, President and Chief Executive Officer.



Robert J. Farling

NUCLEAR QUALITY ASSURANCE PROGRAM POLICY

INSERT "A"

[Page 17.2-2; Replace the First and Second Paragraphs with the following]

The Director - Nuclear Assurance, reporting to the Vice President - Nuclear - Davis-Besse, is responsible for the development, including revision and updating, of the Nuclear Quality Assurance Manual and ASME Quality Assurance Manual. The Director - Nuclear Assurance has the responsibility and authority for the processing of nonconforming materials.

The Manager - Quality Assessment, reporting to the Director - Nuclear Assurance, is responsible for assuring the adequacy and effectiveness of implementation of the approved Nuclear Quality Assurance Program. The Manager - Quality Assessment has the responsibility and authority for the interpretation of the Nuclear Quality Assurance Manual requirements and of codes, standards and regulatory commitments as they pertain to quality assurance requirements, and to stop nonconforming activities. The Manager - Quality Assessment has the authority and organizational freedom necessary to adequately fulfill assigned responsibilities. The Manager - Quality Assessment is authorized direct access to the Chairman, President and Chief Executive Officer, keeping the Director - Nuclear Assurance and Vice President - Nuclear - Davis-Besse informed, if the need for such access exists.

SENIOR VICE PRESIDENT - NUCLEAR

Senior Vice President - Nuclear - CSC. The Senior Vice President - Nuclear reports to the Chairman, President and Chief Executive Officer and is responsible for directing the operation of the Davis-Besse Nuclear Power Station.

VICE PRESIDENT - NUCLEAR - DAVIS-BESSE

The Vice President - Nuclear reports directly to the Senior Vice President - Nuclear and is responsible for all matters relating to the engineering, design, operations, maintenance and modification of the Davis-Besse Nuclear Power Station. The Vice President - Nuclear exercises responsibility over the Toledo Edison Nuclear Group. He reserves the authority to conduct or order the auditing of any activity at any time to determine compliance to the requirements specified in the Nuclear Quality Assurance Manual (NQAM). He is also responsible for conducting periodic review of the overall effectiveness of the Quality Assurance Program.

17.2.1.4 Toledo Edison Nuclear Group

DIRECTOR - NUCLEAR ASSURANCE

← Add INSERT "B"

The Director - Nuclear Assurance reports to the Vice President - Nuclear and is responsible for the development, maintenance, and monitoring of the Nuclear Quality Assurance Program. The Director is also responsible for advising the Plant Manager and Cognizant corporate management of the Quality Assurance Program's effectiveness. The Director - Nuclear Assurance is independent from cost and scheduling considerations when opposed to safety considerations, and is free of non-QA related duties except for those non-quality assurance related functions of the Manager - Quality Services. He is authorized to identify quality problems; initiate, recommend, or provide solutions, through designated channels; verify implementation of solutions; and verify conformance to established quality requirements. The Director - Nuclear Assurance has the authority to suspend (stop work) any activity, except reactor operation, not in conformance with specified requirements and/or provisions of the NQAM. Conditions adverse to quality that appear to warrant suspension of reactor operation, including startup or power generation are immediately reported to the Plant Manager. The Director - Nuclear Assurance is responsible for the adequate staffing of the Nuclear Assurance Department to ensure that the requirements of the NQAM are effectively implemented. The Director - Nuclear Assurance is responsible for managing the activities of independent safety engineering, engineering assurance and the review of external information and plant operations assessments. The Director - Nuclear Assurance is also responsible for managing support services associated with procedure control, records management and document control.

17.2.1.4 Toledo Edison Nuclear Group

INSERT "B"

[Page 17.2-4; Replace the paragraph under DIRECTOR - NUCLEAR ASSURANCE with the following]

The Director - Nuclear Assurance reports to the Vice President - Nuclear. The Director is responsible for advising the Plant Manager and cognizant corporate management of the Quality Assurance Program effectiveness. He is authorized to identify quality problems; initiate, recommend or provide solutions, through designated channels; and verify implementation of solutions. Conditions adverse to quality that appear to warrant suspension of reactor operation, including startup or power generation are immediately reported to the Plant Manager. The Director - Nuclear Assurance is responsible for the development and maintenance of the Nuclear Quality Assurance Manual (NQAM) and the ASME Quality Assurance Manual (AQAM). The Director - Nuclear Assurance is responsible for adequate staffing of the Nuclear Assurance Department. The Director is responsible for managing the activities of independent safety engineering, and the review of external information and plant operations assessments. The Director - Nuclear Assurance is responsible for managing support services associated with procedural control, records management and document control. The Director - Nuclear Assurance is responsible for nuclear training and providing direction for the Nuclear Training Program to support the needs of site personnel in accordance with laws, regulations, standards and commitments. The Director - Nuclear Assurance is also responsible for security to ensure the security requirements are maintained in accordance with the Industrial Security Plan.

MANAGER - QUALITY CONTROL

The Manager - Quality Control reports to the Director - Nuclear Assurance and is responsible for managing the Quality Control staff in the quality review, inspection, and examination of plant structures, systems, and components within the scope of the Nuclear Quality Assurance Program to assure compliance to procedural, drawing, and engineering specification requirements. This responsibility includes the inspection of welding to verify it meets ASME, National Board, and State of Ohio requirements in addition to coordinating the activities of the Authorized Inspection Agency to ensure Code compliance. The Manager - Quality Control is also responsible for development and maintenance of the ASME Quality Assurance Manual and Quality Control and selected Nuclear Assurance Department Procedures. The Manager - Quality Control is also responsible for review of all corrective action documents for close-out, review of selected site procedures, receipt inspections, vendor surveillances and review of vendor supplied documentation, and Quality Control Staff training. The Manager - Quality Control is also responsible for directing the activities of the independent safety engineering group in providing technical expertise onsite to allow for systematic and independent assessment of plant activities, surveillance of plant operations and maintenance activities to provide independent technical verification that these activities are performed correctly, and investigation of plant incidents which may affect the underlying assumptions in the USAR Accident Analysis. The Manager - Quality Control is also responsible for the review of all external information received in support of improved performance and reliability and for plant operations assessments.

◀ Add INSERT "C"

MANAGER - QUALITY ASSESSMENT

The Manager - Quality Assessment reports directly to the Director - Nuclear Assurance and is responsible for managing the Quality Assessment staff in the performance of internal and external QA audits, and for QA surveillance of station operations. The Manager - Quality Assessment is also responsible for development and maintenance of Quality Assessment and selected Nuclear Assurance Department Procedures, review of inter-department procedures, selected site procedures, the review and approval of Vendor Quality Assurance Programs and Procedures, performance of vendor audits, review of selected procurement documents, and control of the approved vendors list. The Manager - Quality Assessment is also responsible for the development, maintenance and implementation of the trending and analysis program and Quality Assessment staff training. The Manager - Quality Assessment is also responsible for the independent assessment of engineering activities and products, and for assessment of the plant chemistry and radiochemistry programs.

INSERT "C"

[PAGE 17.2-5; Replace the paragraph under MANAGER - QUALITY ASSESSMENT with the following]

The Manager - Quality Assessment reports to the Director - Nuclear Assurance, but is authorized direct access to the Vice President - Nuclear or higher Corporate management for quality assurance matters if such a need exists. The Manager - Quality Assessment is free of non-QA related duties. He is independent from cost and scheduling considerations when opposed to safety considerations. He has the authority and organizational freedom necessary to adequately fulfill assigned responsibilities. The Manager - Quality Assessment is responsible for assuring the adequacy and effectiveness of implementation of the approved Nuclear Quality Assurance Program. He is responsible for the development, maintenance, and approval of the Nuclear Quality Assurance Manual, and has the responsibility and authority for the interpretation of the Nuclear Quality Assurance Manual requirements, and codes, standards and regulatory commitments as they pertain to quality assurance requirements. The Manager - Quality Assessment has the authority to identify quality problems; initiate, recommend, or provide solutions, through designated channels; verify implementation of solutions; and verify conformance to established quality requirements. The Manager - Quality Assessment has the responsibility and authority to suspend (stop work) any activity except reactor operation not in conformance with requirements. He is responsible for the adequate staffing of the Quality Assessment Section to ensure that the requirements of the NQAM are effectively implemented. The Manager - Quality Assessment is responsible for managing the Quality Assessment staff in the performance of internal and external (vendor) QA audits, and for QA surveillance of station operations. He is also responsible for the development and maintenance of Quality Assessment Section and selected Nuclear Group and Nuclear Assurance Department Procedures, review of inter-department procedures, selected site procedures, the review and approval of the vendor quality assurance programs and procedures, review of selected procurement documents, and control of the approved vendors list. He is also responsible for the development, maintenance and implementation of the trending and analysis program and Quality Assessment staff training. The Manager - Quality Assessment is responsible for the independent assessment of engineering activities and products, and for assessment of the plant chemistry and radiochemistry programs.

MANAGER - QUALITY SERVICES

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The Manager - Quality Services reports to the Director - Nuclear Assurance and is responsible for ~~the development and maintenance of the Nuclear Quality Assurance Manual~~, managing support services associated with quality and non-quality records management, document control, site wide procedure control and administrative services.

MANAGER - SECURITY

Director - Nuclear Assurance

Add → The Manager - Security reports to the ~~Plant Manager~~ and is responsible for managing security related activities in accordance with the Industrial Security Plan.

MANAGER - NUCLEAR TRAINING

Add → The Manager - Nuclear Training reports directly to the Director - Nuclear ~~services~~ ^{Assurance} and is responsible for the development and implementation of nuclear training programs to ensure compliance with regulations, commitments and industry standards.

D-B

PLANT MANAGER

The Plant Manager reports directly to the Vice President - Nuclear and is responsible for administering and directing all operation, maintenance, ~~security~~, chemistry and radiological control activities in conjunction with the continuous, efficient operation of the Davis-Besse Nuclear Power Station.

MANAGER - OPERATIONS

The Manager - Operations reports to the Plant Manager and is responsible for directing the operation of the nuclear generating equipment and maintaining chemical/radiochemical parameters within specified limits to promote safe and efficient and operation of the plant by highly trained personnel in accordance with the provisions of the plant license and Technical Specifications. The Manager - Operations is also responsible for the formulation, implementation and periodic assessment of the effectiveness of the Fire Protection Program.

MANAGER - MAINTENANCE

The Manager - Maintenance reports to the Plant Manager and is responsible for directing and supervising the implementation of the Station maintenance and modification activities for all mechanical, electrical, metrology and instrumentation and control systems and equipment, and for plant structures and facilities. This responsibility also includes the welder qualification program.

MANAGER - RADIATION PROTECTION

The Manager - Radiation Protection reports to the Plant Manager and is responsible for maintaining the overall Radiological Control Programs controlling work or activities associated with radiation or radioactivity. Additionally, he has responsibility for the development and management of the Radwaste Management Program, including generation, segregation, processing, disposition, recording and reporting of all radioactive waste materials; the Davis-Besse ALARA program; the Radiological Environmental Monitoring Program and the Radiation Health Program.

MANAGER - SECURITY

The Manager - Security reports to the Plant Manager and is responsible for managing security related activities in accordance with the Industrial Security Plan.

[Moved under
Dir. Nuc.
Assurance]

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Engineering & Services
DIRECTOR ~~NUCLEAR SERVICES~~

Engineering & Services
The Director - ~~Nuclear Services~~ reports to the Vice President - Nuclear and is responsible for directing activities associated with planning, budget and cost control, procurement and material management activities, outage management, and project management. Additional responsibilities include coordinating procurement related services provided by the Centerior Service Company Procurement Department. The Director ~~Nuclear Services~~ is also responsible for directing all phases of interaction relating to regulating agencies to ensure compliance with laws, regulations, and commitments. This responsibility also includes providing direction for the Nuclear Training Program to support the needs of the site personnel in accordance with laws, regulations, commitments, and standards, and directs the Emergency Preparedness Program, Environmental Compliance Program and Industrial Safety Program to ensure compliance with Federal, state and local laws, regulations and commitments.

MANAGER - PLANNING

Plant Manager
The Manager - Planning reports to the ~~Director - Nuclear Services~~ and is responsible for the advance planning and overall conduct of scheduled and forced outages. This includes the responsibility for all planning, scheduling, and coordination of plant activities associated with refueling, preventive maintenance, corrective maintenance, equipment overhaul, technical specification surveillances and design change installations. Responsibilities also include managing the maintenance of the Davis-Besse Surveillance and Test Program, which includes review of Technical Specifications and the monitoring of all aspects of the program to ensure compliance of program requirements. The Manager - Planning is also responsible for managing the integration of planning and scheduling, project management, budgeting, and cost control functions as they relate to yearly and long range planning activities. The Manager - Planning also ensures that these functions are consistent with regulatory commitments.

MANAGER - MATERIALS MANAGEMENT

Engineering & Services
The Manager - Materials Management reports to the Director - ~~Nuclear Services~~ and is responsible for developing, coordinating and implementing materials management activities. This responsibility includes procurement engineering warehousing, spare parts control and coordination of Nuclear Group procurement related activities within the Nuclear Group and the Procurement Department.

MANAGER - REGULATORY AFFAIRS

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Directs and coordinates the section's activities in obtaining, maintaining, and revising licenses and permits required for the operation of the DBNPS, and coordinates any activities directly involving the NRC and other regulatory and enforcement agencies including determination of reportability. Also responsible for the implementation of the non-radiological environmental compliance program including mixed (hazardous and radiologically contaminated) waste in conjunction with the Manager - Radiation Protection, the industrial health and safety program, and technical support functions for corrective actions and resolutions of plant deficiencies and deviations. The Manager - Regulatory Affairs is also responsible for the general oversight and management of all planning, development, supervision, direction and coordination of emergency planning and preparedness activities in the Nuclear Group and Corporate support organizations. This includes providing direction on and approval of all priorities in this area to ensure a proactive posture on emergency planning and preparedness matters. The Manager - Regulatory Affairs reports directly to the Director - ~~Technical Services~~ Engineering & Services.

MANAGER - NUCLEAR TRAINING

The Manager - Nuclear Training reports directly to the Director - Nuclear Services and is responsible for the development and implementation of nuclear training programs to ensure compliance with regulations, commitments and industry standards.

[Moved under
Dir. - Nuclear
Assurance]

D-B

17.2.2.3 Program Documentation

Nuclear Group policies define the quality assurance policies established by executive management. The policies endorse the Nuclear Quality Assurance Program and other programs associated with the design, maintenance, modification and operation of Davis-Besse. Each policy is approved by the Vice-President - Nuclear.

The NQAM is the chief means of communicating and documenting the goals, objective and elements of the Nuclear Quality Assurance Program to all levels of management responsible for activities associated with the design, maintenance, modification and operation of the Davis-Besse Nuclear Power Station. The criteria for preparation of the NQAM has been taken from the Code of Federal Regulations and other committed Regulatory Guides, ANSI Standards and Industry Codes and the Nuclear Group policies. All sections of the NQAM are reviewed for concurrence by all affected Department Directors. The NQAM is approved by the Director - Nuclear Assurance and Vice President - Nuclear. Implementation of the Nuclear Quality Assurance Program is achieved through Nuclear Group Procedures, Department Procedures and Section Procedures and Instructions. (See Figure 17.2-2). An ASME Quality Assurance Manual (AQAM) has also been developed in addition to the NQAM. The AQAM is applied to the repair and replacement of ASME Sections I, III, IV, and VIII Code pressure boundary components and non-code items within the scope of ASME Section XI. When an item is both a Code pressure boundary and a Nuclear Safety Related (NSR) item, the requirements of both Quality Assurance Manuals are complied with. In addition to the approval requirements for the NQAM, the AQAM is also reviewed and approved by the Authorized Nuclear Inspection Supervisor.

Nuclear Group Procedures have been developed as interface procedures for those activities which are common to more than one department. These procedures reflect the Nuclear Group policies, the NQAM and applicable regulatory requirements and prescribe mandatory requirements associated with Nuclear Group interfacing activities. Nuclear Group Procedures are reviewed and approved by the Director - Nuclear Assurance and all Department Directors affected by the procedures. The Vice President - Nuclear has the final approval.

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With FINAL APPROVAL
by the MANAGER -
Quality Assessment

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17.2.2.5 Program Review

An assessment of the Nuclear Quality Assurance Program is conducted through scheduled audits performed under the cognizance of the Company Nuclear Review Board (CNRB), including periodic audit participation by CNRB members and periodic assessments performed by external organizations such as NRC, INPO, and the Joint Utility Management Assessment (JUMA) team. Audits are performed by the Nuclear Assurance Department in accordance with frequency specified in the Technical Specification to assure the performance of activities required by the Nuclear Quality Assurance Program. The results of these audits and assessments are provided to the Vice President - Nuclear, and the CNRB, thus enabling an on-going assessment to be provided for Davis-Besse operations. In addition to reviewing all audit reports, the CNRB provides audit follow-up actions on a selective basis.

The status, adequacy and effectiveness of the Quality Assurance Program is reviewed by the Vice President - Nuclear on an annual basis. Status reports furnished by the ~~Director - Nuclear Assurance~~ ^{Manager - Quality Assessment}, audit reports, various trend reports and staff meetings are utilized by the Vice President - Nuclear to assist in this review. The NQAM is also reviewed annually by the Director - Nuclear Assurance and revised as necessary.

Contract organizations participating in the Nuclear Quality Assurance Program are evaluated on an annual basis for the status and adequacy of the part of the program which they are implementing. Contracted organizations are also required by procurement documents to evaluate their lower-tier suppliers that supply items or services within the scope of the Nuclear Quality Assurance Program.

17.2.15 NONCONFORMING MATERIALS, PARTS, OR COMPONENTS

17.2.15.1 Nonconformance Identification

Items or activities which deviate from approved specifications, codes, drawings, procedures, or other applicable documents, or any or condition that affects the quality of items, services, or program, or prevent a structure, system or component from performing its intended function is considered to be a nonconformance and is identified as such and documented.

When nonconformances are found or suspected, an appropriate status identification such as the station tagging system, or hold tag is used to preclude further activity pending resolution of the adverse condition. Procedures contain provisions to ensure that nonconformances such as equipment malfunctions, procedure deviations, defective material and items, and deviations to regulatory requirements are promptly identified, documented, evaluated for impact on plant operability, reportability and significance, and corrected.

Nonconformances discovered by suppliers during the manufacturing of materials or items are reported to the Nuclear Group. The supplier's disposition is approved by the Engineering Department or their agent.

Whenever a condition adverse to quality is identified that may be detrimental to the safety of personnel or safe operation of the plant, immediate action is taken to notify the Shift Supervisor. If necessary, notification occurs prior to documenting the condition to ensure control of the condition or item.

MANAGER - Quality Assessment
The ~~Director~~ *Nuclear Assurance* has the authority to stop or delay work activities, except reactor operations, at any time after a condition adverse to quality is identified, if proceeding could jeopardize the quality of an item, adversely affect the quality of subsequent work, or degrade the condition. Conditions affecting reactor operations are reported to the Plant Manager for corrective measures. Hold tags are attached to non-installed nonconforming equipment that has been evaluated as non-operable and to nonconforming material and items found deficient during the receipt inspection process. Nonconforming plant installed equipment is identified through the normal station tagging program. When practical, nonconforming items are physically segregated from conforming items.

17.2.15.2 Review and Evaluation

Documented conditions adverse to quality are reviewed by the initiators supervisor to verify the reported condition. If the condition could affect plan operation, the Shift Supervisor evaluates the condition for impact on Technical Specification requirements and for determination of the reportability to the NRC or other regulatory agencies.

The audit program is reviewed semi-annually by the Company Nuclear Review Board or by a Management representative or subcommittee designated by the Vice President - Nuclear, to assure the audits are being conducted in accordance with the requirements of the Technical Specifications and the Nuclear Quality Assurance Manual.

17.2.18.2 Audit Personnel

Audit personnel are provided with appropriate training to ensure that they are competent to perform the required audits. Auditors and Audit Team Leaders are required to be qualified in accordance with the requirements of ANSI N45.2.23 as endorsed by NRC Regulatory Guide 1.146. Technical specialists, who occasionally act as audit team members, receive the required indoctrination and guidance during the audit.

17.2.18.3 Audit Scheduling and Planning

Audits are scheduled in a manner to provide coverage and coordination with ongoing quality assurance program activities, and at a frequency commensurate with the status and importance of the activity and, as specified, in the Technical Specifications.

The audit system has provisions for scheduling audits on short notice to respond to specific quality problems and for conducting unannounced audits. Regularly scheduled audits are supplemented by additional audits for one or more of the following conditions:

- a. When significant changes are made in the Nuclear Quality Assurance Program or an approved Supplier's Quality Assurance Program.
- b. When the scope of an approved supplier's activities is significantly increased.
- c. When it is suspected that safety, performance, or reliability may be in jeopardy due to deficiencies in the Nuclear Quality Assurance Program or an approved supplier's Quality Assurance Program.
- d. When a systematic independent assessment of program effectiveness or item quality or both is considered necessary.
- e. To verify implementation of completed corrective actions to previously identified audit findings which require audit follow-up.

The audit schedules for both the internal and external audits are approved by the ~~Director - Nuclear Assurance~~

MANAGER - Quality Assessment

An audit plan is prepared for each audit that identifies the organization and functional activities or projects to be audited, the scope of the audit and requirements or documents to which the audit will be performed, the time frame of the audit and names of audit team members. Checklists are also considered to be part of the audit plan.

17.2.18.4 Audit Performance

Procedures have been developed by Nuclear Assurance that contain provisions for audit performance activities. These activities include the conduct of the pre-audit conference, conduct of the audit, and conduct of the post-audit conference.

Audit performance activities include an objective evaluation of quality related practices, procedures, and instructions for compliance with applicable Code requirements the requirements of the Nuclear Quality Assurance Manual and the Technical Specifications. Audits also verify that activities comply with the requirements of the quality related practices, and procedures, and that records reflect that the Nuclear Quality Assurance Program and its implementing procedures are effective and are being properly implemented.

Conditions adverse to quality discovered during an audit that may affect the safe operation of the plant are immediately brought to the attention of the ~~Director - Nuclear Assurance~~ and the Shift Supervisor.

MANAGER - Quality Assessment

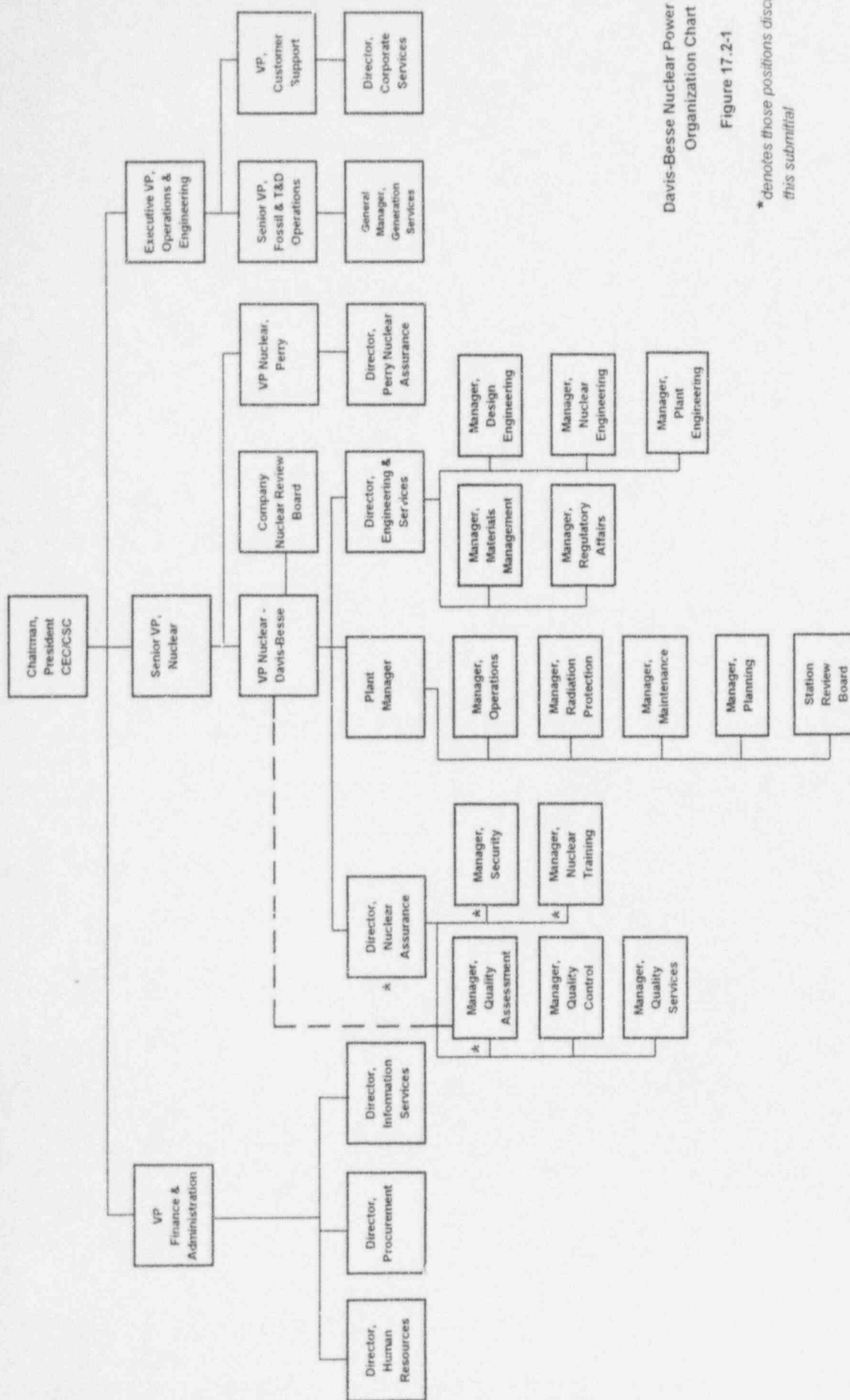
17.2.18.5 Audit Reporting

Upon completion of the audit, an audit report is signed by the Audit Team Leader and approved by the ~~Director - Nuclear Assurance~~. The content of the audit report complies with ANSI N45.2.12 and is distributed to management of the audited organization; the Vice President - Nuclear; Company Nuclear Review Board, and the Station Review Board if the audit findings involve station activities. The audit report is required to be issued within thirty (30) days of the post-audit conference. For external audits and audits of contractors, the audit report transmittal also includes the responsible management of the contractor and the department responsible for administration and technical control of the project.

A written response to each audit finding is required from the audited organization within thirty (30) days following issuance of the audit finding, except when a shorter period is specified on the audit finding. Each response is required to clearly identify the remedial corrective action, and the corrective action taken to prevent recurrence. In the event that corrective action cannot be completed within thirty days, the reason and the scheduled date for completion is required in the response.

17.2.18.6 Follow-up

Upon notification the remedial/corrective action to prevent recurrence has been completed, appropriate follow-up measures such as reading is



Davis-Besse Nuclear Power Station
 Organization Chart

Figure 17.2-1

* denotes those positions discussed in this submittal

10CFR50.54 for UCN 95-006
Evaluation of Proposed Quality Assurance Program Reductions

1. AFFECTED PARAGRAPHS

The proposed changes to the Updated Safety Analysis Report (USAR) Chapter 17.2 are shown on the attached marked-up pages of Sections 17.2 Policy statement (page 17.2-2); 17.2.1.4 (pages 17.2-4, 17.2-5, 17.2-6, 17.2-7, 17.2-9, 17.2-10); 17.2.2.3 (page 17.2-13); 17.2.2.5 (page 17.2-15); 17.2.15.1 (page 17.2-42); 17.2.18.3 (page 17.2-48); 17.2.18.4 (page 17.2-49); 17.2.18.5 (page 17.2-49); and Figure 17.2-1.

2. DESCRIPTION OF CHANGE:

The overall purpose for this evaluation is the realignment of the Davis-Besse organization under three directorships. This 10CFR50.54 evaluation for UCN 95-006 evaluates the reductions in commitment specific to the responsibilities for the Nuclear Quality Assurance Program.

Briefly stated, the changes being evaluated are transferring overall management responsibility of Davis-Besse Security and Nuclear Training organizations, respectively from the Plant Manager and Director - Nuclear Services to the Director - Nuclear Assurance. To maintain adequate organizational freedom and independence, and sufficient authority to fulfill the Nuclear Quality Assurance Program responsibilities, many program responsibilities are transferred from the Director - Nuclear Assurance to the Manager - Quality Assessment. Under this change the Manager - Quality Assessment will have the authority given by the President, Chairman and CEO of Centerior Corporation, to directly access the Vice President - Nuclear and higher Corporation management for quality assurance matters if such access is needed.

3. REASON FOR CHANGE:

To streamline the Davis-Besse organization and minimize the direct reporting organizations to the Vice President - Davis-Besse.

To realign functional groups into more a effective organization

To reduce inter-department barriers improving communications, work flow and effectiveness.

4. EFFECT OF CHANGE:

Refer to Attachment 1 for a listing of the major changes of responsibilities in the USAR Chapter 17.2, including a brief justification.

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The proposed change is a reduction in commitment as described in the Davis-Besse Updated Safety Analysis Report (USAR) Section 17.2 Quality Assurance During The Operating Phase. Section 17.2.1.4, first paragraph states, "The Director - Nuclear Assurance is independent from cost and scheduling considerations when opposed to safety considerations, and is free of non-QA related duties except for those non-quality assurance related functions of the Manager - Quality Services." Transferring the responsibilities for the Nuclear Quality Assurance Program to the Manager - Quality Assessment will allow the realignment of non-QA functions such as Security and Nuclear Training under the Director - Nuclear Assurance.

The basis for concluding that the transfer of Quality Assurance Program responsibilities to the Manager - Quality Assessment will continue to satisfy the requirements of 10CFR50 Appendix B follows:

10CFR50 Appendix B, Criterion I defines quality assurance functions as those of:

- a. Assuring that an appropriate quality assurance program is established and effectively executed and,
- b. Verifying, such as by checking and auditing that activities affecting the safety-related functions have been correctly performed.

The Manager - Quality Assessment will assume the authority and responsibility for those quality assurance functions. The Manager - Quality Assessment will be mandated through Corporate Policy the required authority and organizational freedom to execute the quality assurance functions. The Manager - Quality Assessment will have sufficient independence from cost and schedule when opposed to safety considerations to execute the quality assurance functions. The Manager - Quality Assessment will have direct access to corporate management up to and including the President, Chairman and CEO for quality matters if needed. Therefore, the requirements of 10CFR50 Appendix B will be met.

Though the Manager - Quality Assessment reports to the Director - Nuclear Assurance, he will be authorized direct access to the Vice President - Nuclear or higher Corporate management for quality assurance matters if such a need exists. The Manager - Quality Assessment will be free of non-QA related duties. He will be independent from cost and scheduling considerations when opposed to safety considerations. He will have the authority and organizational freedom necessary to adequately fulfill assigned responsibilities. The Manager - Quality Assessment will be responsible for assuring the adequacy and effectiveness of implementation of the approved Nuclear Quality Assurance Program. He will be responsible for the approval of the Nuclear Quality Assurance Manual, and have the responsibility and authority for the interpretation of the Nuclear Quality Assurance Manual requirements, and codes, standards and regulatory

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commitments as they pertain to quality assurance requirements. The Manager - Quality Assessment will have the responsibility and authority to suspend (stop work) any activity except reactor operation not in conformance with requirements. He will be responsible for the adequate staffing of the Quality Assessment Section to ensure that the requirements of the NQAM are effectively implemented. The Manager - Quality Assessment is responsible for managing the Quality Assessment staff in the performance of internal and external QA audits, and for QA surveillance of station operations.

ATTACHMENT 1

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TRANSFER OF RESPONSIBILITIES AND DUTIES
FROM THE DIRECTOR - NUCLEAR ASSURANCE
TO THE MANAGER - QUALITY

DIR = Director - Nuclear Assurance
QAM = Manager - Quality Assessment

CUR- RENT	PRO- POSED	USAR PARAG	RESPONSIBILITY
DIR	DIR- & QAM	Policy	<p>Responsible for assuring the adequacy and the effectiveness of implementation of the approved Nuclear Quality Assurance Program</p> <p>The responsibility for assuring the adequacy and effectiveness of implementation of the Nuclear Quality Assurance Program will be shared by the Director - Nuclear Assurance and the Manager - Quality Assessment. The Director must retain responsibility because of quality control activities. The Manager - Quality Assessment will be the final authority for assuring the effectiveness of the Nuclear Quality Assurance Program. Even though the Manager reports to the Director, the Manager has the freedom and authority to directly access the Vice President - Nuclear Davis-Besse, Senior Vice President - Nuclear or the President - CEO of the Company if needed.</p>
DIR	QAM	Policy	<p>Has responsibility and authority for the interpretation of the Nuclear Quality Assurance Manual requirements and codes, standards and regulatory commitments as they pertain to quality assurance requirements</p> <p>The Manager - Quality Assessment will accept the responsibility and authority for the interpretation of the NQAM, codes, standards and regulatory commitments. This is to assure that the Director may not overrule the Manager on a quality issue by authority of interpretation.</p>
DIR	QAM	Policy	<p>Has responsibility and authority to stop nonconforming activities</p> <p>The authority to stop nonconforming activities will become the responsibility of the Manager - Quality Assessment. This is to prevent a conflict of interest between quality issues and the Director's non-quality assurance responsibilities.</p>

DIR	QAM	Policy	<p>Has the authority and organizational freedom necessary to adequately fulfill assigned responsibilities</p> <p>The Manager - Quality Assessment assumes the role for assuring quality and verifying its implementation and effectiveness. Even though the Manager reports to the Director - Nuclear Assurance, the Manager has the authority and freedom to adequately fulfill those responsibilities. The Manager may directly access the Vice President - Nuclear, Davis-Besse, Senior V. P., or the President - CEO of the company for quality issues.</p>
DIR	QAM	Policy	<p>Is authorized direct access to the Chairman, President and CEO, keeping the V.P. - Nuclear - Davis-Besse informed, if the need for such access exists</p> <p>The Manager - Quality Assessment will have authority to directly access the Chairman, President and CEO keeping the V. P. - Nuclear - Davis-Besse and the Director - Nuclear Assurance informed, if the need for such access exists.</p>
DIR	QAM	17.2.1.4	<p>Responsible for the development, maintenance, and monitoring of the Nuclear Quality Assurance Program</p> <p>As stated in the Policy, the Vice President - Nuclear has the responsibility for the establishment and implementation of the overall Nuclear Quality Assurance Program.</p> <p>The Director - Nuclear Assurance has responsibility for the development and maintenance of the Nuclear Quality Assurance Manual and the ASME Quality Assurance Manual.</p> <p>The Manager - Quality Assessment will be responsible for the development and maintenance of the NQAM. He will have the responsibility for assuring the effectiveness of the Nuclear Quality Assurance Program.</p>
DIR	QAM	17.2.1.4	<p>Is independent from cost and scheduling considerations when opposed to safety considerations</p> <p>The Manager - Quality Assessment will be independent from cost and scheduling considerations when opposed to safety considerations.</p>
DIR	QAM	17.2.1.4	<p>Is free of non-QA related duties except for those non-quality assurance related functions of the Manager - Quality Services.</p>

The Manager - Quality Assessment will be free of non-QA related duties.

DIR QAM 17.2.1.4 Authorized to identify quality problems; initiate, recommend, or provide solutions, through designated channels; verify implementation of solutions; and verify conformance to established quality requirements.

The Manager - Quality Assessment will also be authorized to do all of these functions, plus the Manager will be authorized to verify conformance to established quality requirements.

DIR QAM 17.2.1.4 Has authority to suspend (stop work) any activity, except reactor operation, not in conformance with specified requirements and/or provisions of the NQAM.

The Manager - Quality Assessment will assume the responsibility and authority to suspend (stop work) any activity except reactor operation not in conformance with requirements. The Director - Nuclear Assurance will be relieved of this authority to prevent any conflict of interest with his non-Quality Assurance functions.

DIR QAM 17.2.1.4 Responsible for the adequate staffing of the Nuclear Assurance Department to ensure the requirements of the NQAM are effectively implemented.

The Manager - Quality Assessment will be responsible for the adequate staffing of the Quality Assessment Section to ensure the requirements of the NQAM are effectively implemented. This will eliminate the potential for the Director to affect or influence the Quality Assurance function through staffing levels.

DIR QAM 17.2.2.3 The NQAM is approved by the Director - Nuclear Assurance

The Manager - Quality Assessment will have final approval for the NQAM to assure the requirements of the Quality Assurance Program are adequately contained in the NQAM.

DIR QAM 17.2.2.5 The status, adequacy and effectiveness of the Quality Assurance Program is reviewed annually by the Vice President - Nuclear utilizing status reports furnished by the Director - Nuclear Assurance, audit reports, various trend reports and staff meetings.

The Vice President Nuclear will continue to review the status, adequacy and effectiveness of the Quality Assurance Program annually. The status reports, audit reports and various trend reports utilized by the Vice President will be furnished by the Manager - Quality Assessment.

DIR QAM 17.2.15.1 The Director - Nuclear Assurance has the authority to stop or delay work activities, except reactor operations, at any time after a condition adverse to quality is identified...

The Manager - Quality Assessment will have the authority to stop or delay work activities, except reactor operations, for conditions adverse to quality. It is the Manager who will have the authority and organizational freedom, including sufficient independence from cost and schedule when opposed to safety considerations.

DIR QAM 17.2.18.3 The audit schedules for both the internal and external audits are approved by the Director - Nuclear Assurance

Internal and external audit schedules will be approved by the Manager - Quality assessment. This will prevent influence by the Director on the audit schedule for those non-QA functions and activities under his responsibility.

DIR QAM 17.2.18.4 Conditions adverse to quality discovered during an audit that may affect the safe operation of the plant are immediately brought to the attention of the Director - Nuclear Assurance and Shift Supervisor

Conditions adverse to quality discovered during an audit that may affect the safe operation of the plant will be immediately brought to the attention of the Manager - Quality Assessment and the Shift Supervisor. This will ensure that those individuals performing quality assurance functions will have sufficient authority and organizational freedom to identify quality problems.

DIR QAM 17.2.18.5 Audit reports are approved by the Director - Nuclear Assurance

Audit and surveillance reports will be approved by the Manager - Quality Assessment. This will prevent the Director - Nuclear Assurance from affecting the content of reports in his non-QA areas of responsibility.