



ENTERGY

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Vice President
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May 12, 1995

U.S. Nuclear Regulatory Commission
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Washington, DC 20555

Subject: River Bend Station - Unit 1
Docket No. 50-458
Response to NRC Letter EA 95-023 -
NRC Investigation Report 4-93-021

File No.: G9.5, G9.25.1.4

RBEXEC-95-074
RBF1-95-0100
RBG-41427

Gentlemen:

In your letter dated March 22, 1995, the staff requested a written response be provided in accordance with 10CFR50.54(f) regarding NRC Investigation Report 4-93-021. This investigation focused on a July 1992 audit of the River Bend Station (RBS) security program by quality assurance personnel, and the allegation of harassment and intimidation of QA auditors. This audit occurred prior to the December 31, 1993 merger that resulted in Entergy Operations, Inc., replacing Gulf States Utilities as the NRC licensed operator of RBS.

The attachment to this letter provides an Entergy Operations, Inc. response to each of the three questions to provide assurances that the lessons learned from this event have been addressed.

In general, it is important to emphasize the changes that have taken place as a direct result of the shift in management philosophy between pre-merger Gulf States Utilities management and post-merger Entergy Operations, Inc. management. The Entergy management team aggressively assessed the underlying causes for significant performance issues at the Station at the time of the merger and developed two plans for improving Station performance; the Near-Term Performance Improvement Plan (NTPIP) and the Long-Term Performance Improvement Plan (LTPIP). Both plans identified specific work activities, schedules for

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implementation, responsibilities and performance measures focused on improving the material condition, processes, procedures and culture at River Bend. These work activities were developed to address and resolve the root causes to past performance issues prior to the merger. These root causes were (1) management skills had not kept pace with the level of change required, (2) planning, goal setting, performance monitoring, and management feedback had not been effective, (3) problem identification and problem solving methods were not consistently applied to improve performance, and (4) critical Station work processes were inefficient. The existence of these root causes had a direct impact on the GSU management culture and the overall safety culture at the Station.

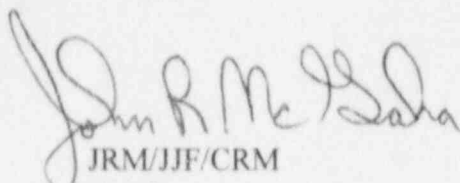
Since the merger in December 1993, the new management team has focused on reinforcing a culture where personnel feel free to identify problems without fear of retaliation, harassment or intimidation. This expectation and continued management focus on the identification of problems and issues at all levels of the organization has helped to make personnel and organizations more self-critical. The work activities within the NTPIP and LTPIP reflect this cultural shift and have had a positive impact. Material condition of the Station is improving, resulting in less equipment problems and greater plant reliability. The processes for problem identification and root cause evaluation have improved along with the establishment of clear management expectations. These improvements are resulting in a lower threshold for documenting problems, are improving the quality of root cause analyses, and are involving management in resolution of significant issues. The Employee Concerns Program has been reengineered based on input from plant personnel and provides an alternative process for raising concerns. Initiatives have been implemented to improve leadership and management skills through training and clear management expectations. Teamwork across departmental and organizational lines has been established with a focus on common Station goals. These cultural changes are fostered by clear management direction and support, and through the use of the Total Quality principles being taught to all levels of the organization.

All of the improvements that are being realized through the implementation of the NTPIP and LTPIP have a direct impact on the role of QA and the way auditors interface with line organizations. The safety culture at River Bend has improved through a combined approach of behavioral modification through training, upgrade of programs through Total Quality methodologies, and organizational restructuring. Emphasis has been placed on the importance of creating an atmosphere, through training and encouragement, where employees are expected to pro-actively identify problems as part of their job at River Bend.

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If there are any questions concerning this issue, please contact J.J. Fisicaro, Director - Nuclear Safety, at (504) 336-6225.

Sincerely,



JRM/JJF/CRM
attachment

cc: U.S. Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 400
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NRC Sr. Resident Inspector
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BEFORE THE
UNITED STATES NUCLEAR REGULATORY COMMISSION

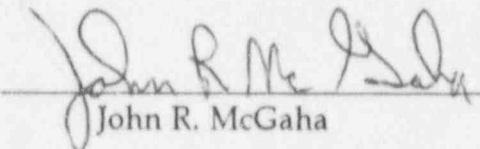
LICENSE NO. NPF-47

DOCKET NO. 50-458

IN THE MATTER OF
GULF STATES UTILITIES COMPANY
CAJUN ELECTRIC POWER COOPERATIVE AND
ENTERGY OPERATIONS, INC.

AFFIRMATION


I, John R. McGaha, state that I am Vice President-Operations of Entergy Operations, Inc., at River Bend Station; that on behalf of Entergy Operations, Inc., I am authorized by Entergy Operations, Inc., to sign and file with the Nuclear Regulatory Commission, this response provided in accordance with 10 CFR 50.54(f) to NRC Letter EA 95-023, NRC Investigation Report 4-93-021; that I signed this letter as Vice President-Operations at River Bend Station of Entergy Operations, Inc.; and that the statements made and the matters set forth therein are true and correct to the best of my knowledge, information, and belief.


John R. McGaha

STATE OF LOUISIANA
PARISH OF WEST FELICIANA

SUBSCRIBED AND SWORN TO before me, a Notary Public, in and for the Parish and State above named, this 12th day of May, 1995.

(SEAL)


Claudia F. Hurst
Notary Public

My commission expires with life

This attachment provides Entergy Operations, Inc.'s response to the three questions raised in NRC Letter EA 95-023, dated March 22, 1995 concerning lessons learned from the issues arising from the July 1992 QA audit of the security group.

1) Describe any specific corrective actions that were taken in response to the independent investigation that was completed in December 1992.

RBS Response (GSU / Pre-Merger).

As a result of the independent investigation which was completed in December, 1992, the Senior Vice President - River Bend Nuclear Group (VP-RBNG) initiated specific actions to address the incident that resulted in the independent investigation. Personal actions were taken against key management personnel in certain organizations. These actions ranged from written letters of reprimand, to time off without pay. Further, as part of Station reorganizations in 1994, the QA organization and structure were changed and all director and manager level personnel involved with the incident have either relocated to new positions or are no longer working at River Bend Station. However, all of these organizational and management changes were not related to the results of the independent investigation.

The VP-RBNG personally held meetings with all foremen and above to reiterate his expectations on the role of QA and how management and plant personnel should interface and interact with QA personnel. A meeting was also held with all QA personnel to discuss what was covered in the supervisory meetings. During this meeting the VP-RBNG reinforced and supported QA's role. The VP-RBNG also met with the 1992 Security Audit Team to discuss the concerns raised during the audit, to receive team comments and feedback, and to reinforce his expectations. In addition, prior to the 1993 Security Audit, the VP-RBNG met with the Security management personnel and the audit team to discuss his expectations on the conduct of the 1993 Security Audit.

These actions, except as noted above, were taken in response to the independent investigation and reinforced management's expectations with regard to the role of the Quality Assurance Organization and interactions with QA personnel.

- 2) **Describe measures in place today and any additional steps taken or planned to assure that quality assurance personnel have absolute freedom to complete their audits without interference and without fear of harassment or intimidation as a result of identifying concerns in the areas they audit.**

RBS Response (EOI / Post-Merger):

Since the merger between GSU and Entergy Operations, Inc., the new management team has focused on changing the culture at River Bend to one where personnel feel free to identify problems without fear of retaliation, harassment or intimidation. Management has been pro-active and visible in establishing the expectation, that in order to improve, it is imperative that all plant personnel identify problems so that they may be evaluated and resolved. This has resulted in a lowered threshold for problem reporting, is improving plant condition, is driving the initiatives to improve processes and procedures, is resulting in the correction of long standing issues, and has instilled a questioning attitude in River Bend's work force. This change of philosophy and expectations between pre-merger and post-merger management has provided a cultural shift where personnel and organizations are more self-critical in identifying and resolving problems in their own areas.

The role of QA has changed to compliment this shift by performing more performance based audits and by combining audit activities with corporate and self-assessment initiatives. QA management places emphasis on a culture shift within QA to move away from what once was an adversarial relationship, to one that focuses on teamwork and a customer-supplier relationship with the audited organization. The standards by which audits are performed and documented continue to rise. Examples of some of these standards are the quality of written and verbal communications with management and the audited organization; the ability to backup audit findings with factual examples; the ability to discover, analyze and communicate important quality problems; the ability to determine and communicate the safety significance of issues; and the ability to work with the audited organization for the purpose of ensuring that effective corrective actions result from identified issues.

Implementation of these standards and process improvements are seen by some QA personnel as disconcerting and an infringement of their independence, however, these standards are a necessary element in improving the effectiveness of the QA program. As the role of QA evolves, there is continual communication between the QA staff and their management through QA Supervisor Peer Meetings and QA Group Meetings. These meetings between QA staff and QA management focus on providing an open forum where problems and concerns are discussed and addressed. As an example of the positive interaction between QA staff and their management, a recent QA Group meeting included discussions on QA process improvements; the future role of the QA Program and organization; and the uneasiness that such changes can have on the personnel involved. Even though uneasiness was expressed by some QA staff concerning the rate of change within the QA organization, without exception, all QA personnel indicated that in the audits they performed, they felt free to complete their audits without interference and were encouraged to identify safety issues by their supervision and by senior management.

3) Describe measures in place today to assure that RBS managers respond appropriately to expressed concerns about harassment or intimidation of individuals who identify problems.

RBS Response (EOI Post-Merger):

In addition to the initiatives described above, which are impetus for the cultural shift toward a self-critical environment, focus has been placed on changing the behavior of foremen level personnel and above through improving management and leadership skills. For example, Leadership Skills Review (LSR) training educates the supervisors and managers on the roles, functions, and challenges of other organizations and programs. LSR modules are taught by a representative of the department or process being presented. There are specific modules for Quality Assurance, the Condition Report Process and the Employee Concerns Program. Other training programs tailored for supervisors include Behavioral Interviewing, Professional Supervisor Program, Total Quality, Supervisory Assessment Center and Management Skills Review. Throughout this training, managers are instructed on how to respond to concerns raised by employees and how to appropriately respond to concerns about harassment and intimidation of individuals who identify problems at River Bend. Particular emphasis is placed on this issue in LSR training.

Supervisors are held accountable for their actions through the "Performance Planning and Review" (PP&R) Process and through Individual Work Plans. These processes are used to reward those supervisors with the traits and characteristics necessary to foster a self-critical atmosphere, to strive for continuous improvement, and use total quality principles and teamwork to achieve department, Station and corporate goals.

River Bend Station management expects QA personnel to identify problems and concerns during the conduct of their audits and to have absolute freedom to complete their audits without fear of harassment or intimidation. This expectation has been conveyed to the QA organization and to plant personnel. Processes are in place for any employee to identify any kind of harassment or intimidation concern. Examples of these processes include a condition reporting process that provides a way for employees to identify issues or concerns (anonymously if desired); an Employee Concerns Program that provides a confidential alternative for identifying concerns if an individual feels inhibited by normal problem reporting processes; training and reinforcement encouraging employees to raise concerns to their supervision; and an "open door" philosophy by senior management to assure that issues are raised and evaluated.