

Mailing Address
Alabama Power Company
600 North 18th Street
Post Office Box 2641
Birmingham, Alabama 35291
Telephone 205 783-6081

F. L. Clayton, Jr.
Senior Vice President
Flintridge Building

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November 28, 1983

Docket Nos. 50-348
50-364

U. S. Nuclear Regulatory Commission
Region II, Suite 3100
101 Marietta Street N. W.
Atlanta, GA 30303

Attention: Mr. J. P. O'Reilly

Systematic Assessment of Licensee Performance (SALP) for the
Period 08-01-82 through 07-31-83
NRC Report Nos. 50-348/83-24 and 50-364/83-22 Dated October 18, 1983

Gentlemen:

The subject SALP report was reviewed with Alabama Power Company in a meeting in Birmingham on November 10, 1983. As stated in that meeting, the conclusions of Section 9, "Licensing Activities," of the SALP report necessitate that Alabama Power Company make a formal response.

Concerning Section 9 of the SALP Board Assessment, it is the opinion of Alabama Power Company that the NRC's statement and treatment of the bases for the evaluation contain inaccuracies of fact, inadequate and/or inconsistent application of good licensing principles, and, in one case, an unfounded judgement. It is also perceived that simply the number of licensing requests related to the Farley Nuclear Plant has negatively prejudiced the NRC evaluation. Alabama Power Company has held informal discussions with the Director, Division of Licensing and the Region II Administrator concerning this section of the Assessment.

Your forwarding letter invites comments on the SALP Board Assessment. It provides for enclosure of such comments and the SALP Board Assessment under an NRC cover letter to the NRC Public Document Room. Your forwarding letter also states that the NRC cover letter would include, if appropriate, the NRC's position on matters relating to the status of our safety programs. Currently, there appear to be no

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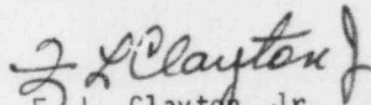
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provisions for rectifying problems involving the bases used for this SALP evaluation. It is therefore requested that the NRC review Section 9 of the SALP Board Assessment with respect to our comments as stated above and advise us of an appropriate course of action.

If you have any questions, please advise.

Yours very truly,


F. L. Clayton, Jr.

FLCJr/RLG:grs-D15

cc: Mr. R. A. Thomas
Mr. G. F. Trowbridge
Mr. D. G. Eisenhut
Mr. S. A. Varga
Mr. E. A. Reeves
Mr. W. H. Bradford

SUPPLEMENTAL LICENSING ACTIVITIES ANALYSIS9. Licensing Activities

a. Analysis

Licensee management continued, by detailed involvement and control, to assure quality performance in the area of licensing activities. Corporation management was frequently involved in site activities. As noted in the previous SALP evaluation relating to NUREG-0737, licensee management performance was excellent in the post-TMI effort. Management continued in this excellent manner using an integrated implementation schedule for Supplement 1 to NUREG-0737 items; however, the licensee's planning for final completion of these items thru 1988 does not appear to be timely. The final schedule is still being negotiated.

The licensee appeared to have a clear understanding of the technical and legal issues involved. He has been responsive to generic regulatory issues and in only a few instances are delays in resolution of generic issues attributable to the licensee.

Activities during this report period included the following issues:

- Responses to NUREG 0737 items
- Several one-time Technical Specification (TS) changes
- Masonry wall modifications extension
- Deletion of boron injection system
- Increase in spent fuel storage capacity
- Two license condition changes
- One emergency authorization

In several instances, the initial submittal did not contain sufficient information or justification to support the requested actions. Because of this, significant staff review time and supplemental submittals were required to obtain acceptable resolution.

The licensee has continued to improve its headquarters-to-plant coordination, planning and communications related to licensing activities. Licensee planning has shown a definite improvement over the previous year. Since January 1983, the licensee issued a monthly report identifying the status of licensing actions and the needs of the licensee. This has been helpful. However, we were not able to agree with the licensee's assignment of priorities and schedular needs in all cases. Accordingly, the licensee was requested to further characterize and prioritize his requests for staff review. The licensee's responses and cooperation to this initiative have been excellent and periodic meetings to discuss the overall status of all licensing items have been scheduled. It is anticipated that this effort will result in a mutual understanding of priorities and schedules and allow both the licensee and the staff to utilize their resources in the most effective manner possible.