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November 23, 1992

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555

Gentlemen:

In the Matter of)	Docket Nos. 50-327
Tennessee Valley Authority)	50-328

SEQUOYAH NUCLEAR PLANT (SQN) UNITS 1 AND 2 - INSPECTION REPORT
NOS. 50-327, 328/92-26 - RESPONSE TO THE 1992 SYSTEMATIC ASSESSMENT OF
LICENSEE PERFORMANCE (SALP)

By letter dated October 19, 1992, the NRC staff transmitted to TVA the initial SQN SALP Report for the period of June 2, 1991, through August 1, 1992. Subsequently, on October 26, 1992, NRC and TVA representatives met to discuss the report findings. This letter provides TVA's response to that report.

TVA considers the report to constitute a fair assessment of SQN performance over the subject period and is consistent with our own self-assessment conclusions. Accomplishments, challenges, and improvement initiatives were discussed with the staff in our July 1, 1992, self-assessment meeting with NRC and addressed in the August 15, 1992, follow-up letter. While overall performance has been good and accomplishments realized, this effort is offset by declines or weaknesses in performance in the major functional areas of Plant Operations and Maintenance/Surveillance. Improvements in the two major functional areas have also been discussed with the staff on several occasions; while not complete, we believe that these initiatives are effecting improvements. We are clearly not satisfied with the level of performance over the past SALP period; the potential and expectations for SQN are substantially beyond "good" performance.

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We have examined the initial SALP report very closely to ensure that identified areas for improvement have been captured within our own self-assessment and performance improvement program initiatives. Detailed action plans have been developed for each functional area. We are working to make these programs ongoing, living efforts to ensure that long-term, continued improvement is achieved in all functional areas.

Even in the areas of Emergency Preparedness and Security for which SALP ratings of "1" were achieved, challenges lie ahead. The more general challenge includes sustaining program and implementation excellence, coincident with industry improvements and site facility changes. The ongoing major Site Security upgrade is an example of such change and is receiving careful management oversight to ensure Security program effectiveness is maintained during the transition period.

We are pleased with the improvements that have been realized in the Radiological Controls and Engineering/Technical Support areas and the staff's recognition of those improvements; however, we recognize the vital role that the associated organizations and activities play in supporting and contributing to the success of plant operations and are committed to further improvement. Proactive identification and resolution of system hardware and performance problems, and effective prioritization and support of hardware upgrades will remain the key areas of focus. Effective minimization of personnel dose will remain a primary objective in the Radiological Controls area with continued focus on worker radiological practices and careful planning and control over outage activities.

A number of ongoing process improvement initiatives are targeted to elevate organization effectiveness in both the Plant Operations and Maintenance/Surveillance areas. Key efforts in the Operations area include: overall upgrades in the configuration control and clearance processes; work control and control room environment improvements resulting from implementation of the new Operations Control Center adjacent to the main control room area for work authorization; nonlicensed operator qualification upgrades and development of additional guidance for conduct of assistant unit operator rounds; and personnel participation and ownership in improvement efforts through the A30S Improvement Plan and Operations Advisory Committee. Key Maintenance efforts include: completion of the ongoing supervisory development training; postmaintenance testing and verification program improvements including extensive training, augmented review and expanded application of end-device testing; and strengthening of the Reliability Centered Maintenance Program through integration with ongoing trip reduction and hardware reliability improvement efforts.

Significant effort is being applied at optimizing overall plant material condition and reliability. In addition to enhancements to the Reliability Centered Maintenance Program, a detailed analysis of secondary plant reliability is also being performed. This analysis will take into consideration component failure modes, preventive and predictive maintenance applications, corrective maintenance improvements, and design upgrades to effect an overall improvement in reliability. Prioritization and scheduling of outstanding hardware upgrades are being carefully examined. Existing hardware troubleshooting and problem investigation techniques are being reviewed for further strengthening. The resolution of outstanding fire protection hardware deficiencies is being aggressively pursued, which will lead to a significant reduction in compensatory measures over the current SALP period.

Performance weaknesses identified in the Maintenance/Surveillance and Operations functional areas are considered to be directly related to the principal observation noted in the Safety Assessment/Quality Verification functional areas; management has not been fully effective in communicating expectations for and bringing about consistent implementation of requisite high standards of personnel performance. We clearly consider this area to constitute the most significant challenge to SQN achieving its potential for overall operational excellence.

Extensive actions are being taken to clearly define and reinforce management expectations and performance standards; improve management and supervisory effectiveness; assess employee performance against those expectations on an ongoing basis; and establish consistent performance feedback and accountability. Expectations and accountability against those expectations have been established and communicated both verbally and in writing. Cascading and sitewide face-to-face communications sessions are being conducted by the Vice President, Nuclear Operations; Site Vice President; Plant Manager; and/or department heads to repeatedly reinforce expectations and standards and communicate performance assessment against those standards. Both management effectiveness and personnel performance are being closely monitored, actions have been taken, and will continue to be taken where necessary, to reinforce accountability against expectations and effect the desired change.

In summary, TVA appreciates the staff's assessment regarding SQN's performance and has verified that the SALP report's findings are being appropriately addressed within the SQN performance improvement program initiatives. While much has been accomplished at SQN, there are significant challenges remaining. TVA will schedule a meeting with the staff by March 15, 1993, to review SQN's progress in these efforts. We are committed to continued improvement and achievement of operational excellence. We, too, agree that effective management action is necessary to achieve this direction.

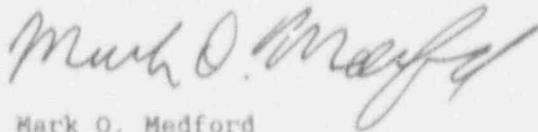
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If you have any questions concerning this submittal, please telephone
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Sincerely,



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