

The responsibility and authority for the establishment and execution of the Operational Quality Assurance Program for the operation of the DAEC will be retained by IES Utilities Inc.

17.2.1.2 Manager, Regulatory Performance

The Manager, Regulatory Performance reports to the Vice President - Nuclear and is responsible for quality assurance, emergency planning and nuclear licensing functions. Reporting to the Manager, Regulatory Performance are the Manager, Corporate Quality Assurance, Manager, Emergency Planning and Supervising Engineer, Licensing.

17.2.1.3 Manager, Corporate Quality Assurance

The Manager, Corporate Quality Assurance reports to the Manager, Regulatory Performance and is assigned the primary responsibility for ensuring that quality requirements relative to the safe operation of the DAEC are identified and met. The Manager, Corporate Quality Assurance also has the authority and organizational freedom to directly access the Vice President - Nuclear regarding quality matters.

Fulfilling the responsibilities of the Corporate Quality Assurance Department requires significant communication with the DAEC, the Nuclear Licensing Department, the Emergency Planning Department, the Nuclear Business Unit, the Engineering Department, the Training Department, and the Purchasing Department.

The Manager, Corporate Quality Assurance is responsible for preparing, approving and maintaining the Operational Quality Assurance Program and the Quality Assurance Department implementing procedures.

The Manager, Corporate Quality Assurance is also responsible for evaluating the effectiveness of the Operational Quality Assurance Program and issuing periodic reports to the appropriate levels of management. Effectiveness of the Operational Quality Assurance Program at the DAEC is determined through internal audits and surveillances and through analysis and trending of reported conditions adverse to quality. The Manager, Corporate Quality Assurance also provides support for the procurement of materials and equipment through audits, surveillances, and evaluations of suppliers and contractors for quality capabilities and performance and maintains the list of approved suppliers for nuclear procurements.

Training responsibilities include the training of Quality Assurance Department personnel and Nuclear Generation Division personnel relative to the Operational Quality Assurance Program.

The Manager, Corporate Quality Assurance provides direct support to the nuclear Safety Committee and assures that Quality Assurance Department personnel are designated to support the Operations Committee.

Identification of the Change 17.2.1.2:

Responsibilities for the new position of Manager, Regulatory Performance have been added. These new responsibilities are:

"The Manager, Regulatory Performance reports to the Vice President - Nuclear and is responsible for quality assurance, emergency planning and nuclear licensing functions. Reporting to the Manager, Regulatory Performance are the Manager, Corporate Quality Assurance, Manager, Emergency Planning and Supervising Engineer, Licensing."

Identification of Changes for Paragraph 17.2.1.3 (formerly 17.2.1.2):

The Manager, Corporate Quality Assurance now reports to the Manager, Regulatory Performance (formerly reported to the Vice President - Nuclear) and is provided the authority for direct access to the Vice President - Nuclear. The first paragraph 17.2.1.3 (formerly 17.2.1.2) has been revised to state the following:

"The Manager, Corporate Quality Assurance reports to the Manager, Regulatory Performance and is assigned the primary responsibility for ensuring that quality requirements relative to the safe operation of the DAEC are identified and met. The Manager, Corporate Quality Assurance also has the authority and organizational freedom to directly access the Vice President - Nuclear regarding quality matters."

In addition, the word "approving" is added to the third paragraph: "The Manager, Corporate Quality Assurance is responsible for preparing, **approving** and maintaining the Operational Quality Assurance Program and the Quality Assurance Department implementing procedures."

Reason for the Change:

Combining the Nuclear Licensing, Emergency Planning and Quality Assurance organizations under one manager provides a more efficient organizational structure. The addition of the Manager, Regulatory Performance will increase management attention to quality assurance issues. In this structure the Manager, Regulatory Performance will be knowledgeable of activities occurring in the regulatory arena including new regulatory requirements and NRC communications, and will be able to provide for the flow of such information to the Manager, Corporate Quality Assurance creating a more effective communications structure.

Basis for Concluding that Change Continues to Satisfy 10 CFR 50 Appendix B and Previous QA Program Commitments

10CFR50 Appendix B, Criterion I states:

"The quality assurance functions are those of (a) assuring that an appropriate quality assurance program is established and effectively executed and (b) verifying such as by checking, auditing, and inspection, that activities affecting the safety-related functions have been correctly performed. The persons and organizations performing the quality assurance functions shall have sufficient authority and organizational freedom to identify quality problems, to initiate, recommend, or provide solutions; and to verify implementation of solutions. Such persons and organizations performing quality assurance functions shall report to a management level such that this required authority and organizational freedom, including sufficient independence from cost and schedule when opposed to safety considerations, are provided. Because of the many variables involved, such as the number of personnel, the type of activity being performed, and the location or locations where activities are performed, the organizational structure for executing the quality assurance program may take various forms provided that persons and organizations assigned the quality assurance functions have this required authority and organizational freedom. Irrespective of the organizational structure, the individual(s) assigned the responsibility for assuring effective execution of any portion of the quality assurance program at any location where activities subject to this appendix are being performed shall have direct access to such levels of management as may be necessary to perform this function."

The Manager, Regulatory Performance will report to the Vice President - Nuclear on quality assurance, emergency planning and licensing activities. These activities are not directly associated with the operation of the facility. The Manager, Regulatory Performance, through the Manager, Corporate Quality Assurance will sponsor the quality assurance program.

The Manager, Corporate Quality Assurance will continue to be responsible for the conduct of audits, surveillances, and inspections to verify that activities affecting safety-related functions have been performed correctly. The Manager, Corporate Quality Assurance will continue to have no other assigned duties or responsibilities other than quality assurance matters. The Manager, Corporate Quality Assurance is provided direct access to the Vice President - Nuclear to provide additional assurance that sufficient organizational freedom for the identification of quality problems is maintained. The routine communication channels for the Manager, Corporate Quality Assurance with other senior management positions are not affected. The Manager, Corporate Quality Assurance will continue to interface with the senior management team in the conduct of quality assurance activities and as noted above is provided direct access to the Vice President - Nuclear on quality matters.

The Manager, Corporate Quality Assurance will retain responsibility for the preparation, review and approval of the Operational Quality Assurance Program.

In conclusion, this change continues to satisfy the provisions of 10 CFR 50 Appendix B, Criterion I for providing sufficient authority and organizational freedom for the quality assurance function to identify and correct quality problems. However, the reporting responsibilities of the Manager, Corporate Quality Assurance will change from reporting to the Vice President - Nuclear to having direct access to the Vice President - Nuclear while reporting to the Manager, Regulatory Performance. This change is classified as a reduction in commitment from that previously specified in Revision 16 of the Quality Assurance Program Description and requires NRC review and approval prior to implementation.