

# Florida Power

CORPORATION

Crystal River Unit 3

Docket No. 50-302

September 11, 1996  
3F0996-06

U. S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington, D. C. 20555-0001

Subject: Concerns Relating to License Amendment Request for Alternate Repair  
Criteria for Steam Generator Tubing

References: 1. NRC to FPC letter, 3N0696-05, dated June 7, 1996  
2. Meeting Between NRC and FPC held August 21, 1996

Dear Sir:

Reference 1 requested Florida Power Corporation (FPC) to provide a written response to describe our assessment of the issues raised in the letter and any proposed corrective actions with a schedule for their implementation. That response was requested within thirty days of our receipt of the letter. With prior approval from NRR project management, the written response to the referenced letter was rescheduled to follow a meeting between senior managers from FPC and NRC to discuss the issues further. That meeting was held on August 21, 1996 (Reference 2). This correspondence provides the written response requested in the June 7, 1996 letter.

FPC appreciates the opportunity to have discussed the issues raised in the referenced letter in person with NRC management. We agree that the subject license amendment request involved numerous interactions with the NRC staff, some of which were ineffective in resolving problems necessary to assure continuing progress in the overall process. We have summarized the issues into four areas of concern as shown below. Each area of concern will be briefly discussed followed by the overall root causes, corrective actions and the schedules for implementation.

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The areas of concern are:

- Timeliness of Submittals
- Technical Specification Change Request (TSCR) Scope Expansion
- Quality of Submittals
- Engineering Support

#### Timeliness of Submittals

FPC researched the docketed correspondence from the time the Confirmatory Action Letter (CAL) was issued on April 26, 1994 until Amendment 154 was issued on April 30, 1996. For those submittals where a formal due date was established, FPC issued the response on or before the due date. Where no specific schedule was established and the expectations were less clear, there was a breakdown in the ability of both FPC and NRC to respond in a timely manner. When these issues were clarified, FPC and NRC worked together to complete the amendment within approximately 45 days. For this reason, we believe the issue was lack of established and committed schedule dates rather than timeliness of submittals.

#### Technical Specification Scope Expansion

The scope of TSCRN 203 matched the scope of TSCRN 198 issued in 1993 and the 1994 CAL. FPC's understanding of the failure of TSCRN 198 was that insufficient technical justification existed at that time to approve the proposed alternate plugging criteria for any low signal-to-noise (S/N) indications anywhere in the Once-Through Steam Generators (OTSGs). In addition, tube pulls mandated by the CAL included evaluating flaws at the seventh and ninth tube support plates. With the additional technical information available from the 9R tube pulls and eddy current testing, FPC believed including non-first span IGA indications in TSCRN 203 was technically justifiable. We believe this approach was consistent with our understanding of conversations with the NRC staff in the 1990-94 time frame and consistent with the tube pull scope mandated by the CAL. We did not perceive the firmness of the NRC's position on limiting the scope to first span IGA indications until the review process was already in jeopardy.

#### Quality of Submittals

FPC agrees that some inconsistencies and conflicting data existed in the submittals. In some cases, these were explainable and did not constitute errors. We acknowledge that an error in one of the five key data correlations being used by the staff to develop the safety evaluation is of concern. In response to your comments regarding what type of quality assurance was applied to the data provided in the submittals, FPC is investigating this question through our corrective action program and will make changes to applicable processes as appropriate. Overall, we believe the number of errors were not large enough to characterize as numerous nor the general quality of the submittals as inadequate.

### Engineering Support

FPC used a combination of direct engineering resources and specialized contractor support in developing the technical basis for TSCRN 203. The contractors were generally recognized as industry experts in the area of steam generator tube degradation and evaluation of flaws. Although there were some areas of differing technical opinion between FPC and the NRC staff, regarding the use of Generic Letter (GL) 95-05 guidance, the draft and final versions were reviewed by FPC and its consultants prior to the GL being issued. Those portions we believed to be applicable were incorporated into the amendment request. The final GL was reviewed and considered again in our December 5, 1995 response to the October 24, 1995 Request for Additional Information (RAI).

An in-house NDE Level III-qualified individual would have been beneficial to improve FPC's technical review and response capability for the submittals. We also agree that resources were strained beginning in the fourth quarter of 1995 and this affected the availability of engineering support for this project. We acknowledge that although FPC addressed what we thought was appropriate from GL 95-05, we did not proactively discuss the impact of the GL on TSCRN 203 with the NRC staff.

### Root Causes

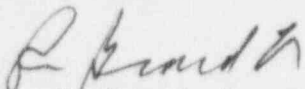
1. The failure to establish an integrated project schedule with NRC and FPC milestones resulted in unclear expectations regarding the completion of the review process in time to support the OTSG inspections.
2. Insufficient management oversight resulted in FPC being overly persistent in attempting to justify the "full scope" TSCRN.
  - a. FPC was insensitive to the NRC suggestion to reduce the scope of TSCRN 203 contained in the October 24, 1995 Request for Additional Information (RAI).
  - b. FPC staff believed the initial approach was technically justifiable.
  - c. FPC staff believed the initial approach was critical to maintaining the forty-year design life of the OTSGs.
3. FPC did not sufficiently consider the changing regulatory expectations regarding steam generators as reflected in Generic Letter 95-05 and steam generator rulemaking. This resulted in the failure of FPC to fully address all of the NRC's concerns until the schedule was significantly impacted.
4. The lack of full-time FPC eddy current expertise hampered our technical review and response capability. Errors that occurred in our submittals were also partly due to the compressed time schedules at the end of the process.

Corrective Actions and Schedule for Implementation

1. Effective immediately, significant regulatory interactions will include an integrated schedule with FPC and NRC milestones.
2. Effective immediately, FPC will increase early and consistent management oversight of significant regulatory issues.
  - a. Significant regulatory issues will be designated as "key issues" and have an issue manager and issue sponsor (senior manager) assigned.
  - b. The engineering organization now includes a new Engineering Programs section, the manager of which reports directly to the Director, Nuclear Engineering and Projects. The ISI/IST/OTSG group supervisor reports to this manager. Separating this function from Nuclear Plant Technical Support will allow more management resources to be dedicated to the OTSG inspection program.
  - c. Management will apply a more questioning attitude to validate FPC staff positions with NRC project management.
3. Effective immediately, FPC will work proactively with the NRC to assess new or in-process regulatory actions for impact on plant-specific work in progress.
4. FPC will hire permanent in-house NDE expertise by December 31, 1996.
5. FPC will evaluate the quality assurance program used for technical information provided in submittals to the NRC and make process changes, if appropriate. This evaluation will be completed by February 28, 1997.

Please contact me at (352) 563-4660 if you require additional information.

Sincerely,



P. M. Beard, Jr.  
Senior Vice President  
Nuclear Operations

PMB/BG:ff

xc: Regional Administrator, RII  
Senior Resident Inspector  
NRR Project Manager