

PHILADELPHIA ELECTRIC COMPANY

NUCLEAR GROUP HEADQUARTERS

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D. M. SMITH

SENIOR VICE PRESIDENT - NUCLEAR

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U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555

Subject: Peach Bottom Atomic Power Station, Units 2 and 3
Limerick Generating Station, Units 1 and 2
Request for Approval to Change the Quality Assurance
Program Description by Eliminating the Description
of the Performance Assessment Section

Dear Sir:

This letter is submitted in accordance with 10CFR50.54(a)(3) which requires prior NRC approval for any change which reduces the commitments in a previously accepted Quality Assurance Program description. Philadelphia Electric Company (PECO) is proposing to eliminate the Performance Assessment Section (PAS), formerly the Performance Assessment Division (PAD), from the Nuclear Quality Assurance (NQA) organization. The activities performed by this Section are not needed to meet 10CFR50, Appendix B requirements. However, since a discussion of the PAS organization is contained in the NRC approved Quality Assurance Program description for both Peach Bottom Atomic Power Station (PBAPS), Units 2 and 3 and Limerick Generating Station (LGS), Units 1 and 2, we are requesting NRC approval of the change to eliminate the PAS organization prior to implementing the change. The PAS is specifically discussed in Appendix D of the PBAPS Updated Final Safety Analysis Report (UFSAR) and Chapter 17.2 of the LGS UFSAR.

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The PAD was created in 1988, during the time that the March 31, 1987 Order to Shutdown was in effect for PBAPS, Units 2 and 3. During that time, significant organizational changes were being implemented and many new programs and procedures were being developed. Many of these initiatives were corrective actions associated with the root causes of conditions that led to the Order. The function of the PAD was to evaluate these new organizations, programs, and procedures. The intent of the PAD evaluations was to focus on the effectiveness of these organizations, programs, and procedures, while using compliance with regulations as the minimum criteria for acceptable performance.

This emphasis on effectiveness and raising performance standards above minimum requirements, rather than solely on compliance, is consistent with the approach used by the Institute of Nuclear Power Operations (INPO). In fact, many of the current PAS assessment techniques are based on INPO guidelines. Our intent was for the PAD to perform functions beyond what was required by NRC regulations and, by design, the functional responsibilities of the PAS are not part of the Quality Assurance Program that is in place at PECO to comply with 10CFR50, Appendix B. The NRC acknowledged, in Section 2.3.4 of the Safety Evaluation Report dated October 19, 1988 for the PBAPS, Units 2 and 3 Plan for Restart, that the PAD is not relied upon for compliance with NRC regulations.

After careful consideration, we have concluded that elimination of the PAS will allow more efficient expenditure of PECO Nuclear Group resources. We recognize the benefits of continuing to perform the basic functions currently assigned to PAS. As a result of efforts to continually improve Nuclear Group performance, these basic functions are being and will continue to be performed by other organizations within the Nuclear Group. This conclusion is based on our observations of activities related to both PBAPS and LGS, and on an evaluation which identified the basic functions currently attributed to the PAS and a determination of where, if anywhere, in the Nuclear Group each basic function is being performed. A summary of this evaluation is provided as an Enclosure to this letter.


As shown in the Enclosure, the PAS basic functions are imbedded in Technical Specifications or UFSAR descriptions related to other NQA organizations. The primary PAS functions of assessing performance and raising performance standards are also being performed by line organizations outside of NQA through the self assessment process; whereas, previously, these initiatives came from sources external to the line organizations. In many cases, the self assessments conducted by line organizations are modeled after the same INPO guidelines used by the PAS.

In addition to self assessments being performed by line organizations, other changes within the Nuclear Group have evolved since the creation of the PAD. One change is the improved audit and assessment capabilities of other groups within the NQA organization. These improvements are a result of the increased experience and expertise of the personnel performing the assessments and audits, and the improved assessment and audit techniques (i.e., vertical slice, process or performance based approaches). Another change that has occurred since the creation of the PAD is the commitment to Nuclear Group cultural values. These values include: accountability, supervisory strengths, management involvement, procedure use and compliance, and teamwork. We consider that these changes further justify the elimination of the PAS.

In conclusion, the PAD was created to perform functions beyond those required by regulations. Consequently, elimination of PAS does not result in any failure to satisfy regulatory requirements. In addition, the basic PAS functions will continue to be performed by other organizations within the Nuclear Group. Further, PAD was created during a time when a significant number of changes were being implemented within the Nuclear Group and the effectiveness of these changes needed to be evaluated. While change and improvements will continue to be part of the Nuclear Group, we do not expect the level of corrective action type changes to reach that which was experienced around the time of the creation of the PAD. Consequently, we no longer see the need for the PAS functions to be performed by a single organization. In addition, the PAD was created before formalized self assessment was being practiced extensively in the line organizations. As indicated in previous discussions and correspondence with the NRC, self assessment by line organizations is occurring and is strongly encouraged by PECO senior management. The other changes to the Nuclear Group discussed above that have evolved since the creation of the PAD further justify the elimination of the PAS.

If you have any questions concerning our request to change the Quality Assurance Program description by eliminating the PAS please do not hesitate to contact us.

Sincerely,



Enclosure

cc: T. T. Martin, Administrator, Region I, USNRC
J. J. Lyash, USNRC Senior Resident Inspector, PBAPS
T. J. Kenny, USNRC Senior Resident Inspector, LGS

Peach Bottom Atomic Power Station, Units 2 and 3
Limerick Generating Station, Units 1 and 2
Comparison Summary of Performance Assessment
Section Key Functions

The following key functions have been identified as being assigned currently to the Performance Assessment Section (PAS) (formerly the Performance Assessment Division (PAD)).

- [1] Independently evaluating nuclear activities with particular emphasis on assessing and improving plant performance
- [2] Assessing nuclear programs
- [3] Monitoring of plant performance
- [4] Trending analysis
- [5] Observing plant conditions and activities
- [6] Conducting internal evaluations
- [7] Performing special assignments and reviews
- [8] Reporting results of activities to Nuclear Review Board (NRB), Senior Vice President - Nuclear and Nuclear Group Vice Presidents through the General Manager, Nuclear Quality Assurance
- [9] Documenting status of activities
- [10] Providing technical support to NRB

This list of key functions is based on a review of the Peach Bottom Atomic Power Station (PBAPS), Units 2 and 3 Updated Final Safety Analysis Report (UFSAR), the Limerick Generating Station (LGS), Units 1 and 2 UFSAR and the PBAPS Plan for Restart. It is recognized that the PBAPS Plan for Restart is not part of the Quality Assurance Program description and, therefore, not subject to 10CFR50.54(a)(3). The Plan for Restart was considered when performing this comparison summary to allow for compilation of a complete list of functions assigned to PAS or the former PAD.

The following two pages provide excerpts of PAS or the former PAD descriptions from these source documents. Each excerpt is annotated with bracketed numbers. These bracketed numbers refer to the key functions listed above.

Excerpts from Descriptions of PAS or the former PAD

<u>DOCUMENT/ REFERENCE</u>	<u>FUNCTION DESCRIPTION</u>
<p>PBAPS UFSAR, App. D, 17.2.1.2.3.3, page D11-9, and</p> <p>LGS UFSAR 17.2.1.2.3.3, page 17.2-12</p>	<p>The Performance Assessment Section is under the supervision of a Manager, who reports to the General Manager, Nuclear Quality Assurance (NQA).</p> <p>Performance Assessment is responsible for independently evaluating PECO's nuclear activities with particular emphasis on assessing and improving plant performance. [1]</p> <p>The assessments will be conducted to determine if appropriate nuclear programs have been developed, implemented, and are functioning in a manner to achieve excellence. [2]</p> <p>These assessments shall be based on sources of information such as monitoring of plant performance trends, QA and Quality Control reports, reports from the Independent Safety Engineering Groups, [3]</p> <p>trend analysis, [4]</p> <p>observation of plant condition and activities, [5]</p> <p>the conduct of internal evaluations [6]</p> <p>and special assignments, and reviews. [7]</p> <p>The Superintendent will report on these subjects to the Nuclear Review Board, the Senior Vice President, Nuclear, and the three Vice Presidents through the General Manager, NQA. [8]</p>
<p>PBAPS UFSAR, App. D, 17.2.2.10, page D.11-20, and</p> <p>LGS UFSAR 17.2.2.16, page 17.2-26</p>	<p>The Superintendent, Performance Assessment Section, is responsible for</p> <p>assuring that appropriate programs are in place to evaluate organizational performance, [2]</p> <p>inputting and closure of PAD recommendations in the PIMS database, [9]</p> <p>and providing independent assessment of the effectiveness of Nuclear organizations. [1]</p> <p>The Superintendent will report on these assessments to the Nuclear Review Board, the Senior Vice President, Nuclear, and the three Vice Presidents through the General Manager, NQA. [8]</p>

Excerpts from Descriptions of PAS or the former PAD (Cont.)

<p>PBAPS Restart Plan, Section I, (Corporate Action) Page 41.</p>	<p>A Performance Assessment Section (PAS) will be added to Nuclear QA.</p> <p>The Manager, Performance Assessment will be responsible for assessing organizational performance and providing independent evaluations of the effectiveness of the Company's Nuclear program. [1]</p> <p>These assessments will be based on sources of information, such as monitoring of plant performance trends, QA and Quality Control reports, reports from the Independent Safety Engineering Group (ISEG), [3]</p> <p>trend analysis, [4]</p> <p>observation of plant condition and activities, [5]</p> <p>the conduct of internal evaluations similar to those performed by INPO, [6]</p> <p>and special investigations and reviews. [7]</p> <p>The Manager, PAS, will report on these subjects to the NRB, the Executive Vice President-Nuclear and the five Vice Presidents through the General Manager-NQA. [8]</p>
<p>PBAPS Restart Plan, Section I, (Corporate Action), page 3.</p>	<p>PAS will be added to Nuclear QA with responsibility for assessing organizational performance and providing independent evaluation of the effectiveness of the Company's nuclear program. [1]</p>
<p>PBAPS Restart Plan, Section I, (Corporate Action), Figure 6, page 39; and Section II (PBAPS Action), App. D, page 164</p>	<ul style="list-style-type: none"> - Independent assessment of Nuclear Operational performance. [1] - Independent evaluations of Nuclear organization effectiveness. [1] - Monitoring effectiveness of Nuclear Performance Management Program. [4] - Trend analysis of performance. [4] - Technical support for the NRB. [10]

The following table identifies other organizations within the Nuclear Group which are also responsible for performing the PAS/PAD key functions listed on page 1 of this Enclosure.

<u>PAS/PAD Key Function</u>	<u>Organization</u>
[1]	Nuclear Quality Assurance (NQA) Independent Safety Engineering Groups, NQA
[2]	NQA Corporate Nuclear Quality Division, NQA Peach Bottom Quality Division, NQA Limerick Quality Division, NQA
[3]	NQA Peach Bottom Quality Division, NQA Limerick Quality Division, NQA Independent Safety Engineering Groups, NQA
[4]	NQA Corporate Nuclear Quality Division, NQA Peach Bottom Quality Division, NQA Limerick Quality Division, NQA
[5]	NQA Peach Bottom Quality Division, NQA Limerick Quality Division, NQA Independent Safety Engineering Groups, NQA
[6]	NQA Corporate Nuclear Quality Division, NQA Peach Bottom Quality Division, NQA Limerick Quality Division, NQA
[7]	Any Nuclear Group organization, upon request
[8]	NQA Peach Bottom Quality Division, NQA Limerick Quality Division, NQA Independent Safety Engineering Groups, NQA
[9]	NQA Corporate Nuclear Quality Division, NQA Peach Bottom Quality Division, NQA Limerick Quality Division, NQA

[10]

NQA

Any Nuclear Group organization, upon request

The following pages provide excerpts of function descriptions for each organization listed above. Each excerpt is annotated with bracketed numbers. These bracketed numbers refer to the PAS or the former PAD key functions listed on page 1 of this Enclosure.

Excerpts from Descriptions of Nuclear Quality Assurance (NQA)

<u>DOCUMENT/ REFERENCE</u>	<u>FUNCTION DESCRIPTION</u>
PBAPS UFSAR, 13.8.4, pages 13.8-7 and 13.8-8	<p>Audits of plant activities in the following areas shall be performed under the cognizance of the NRB:</p> <p>m. Any other area of unit operation considered appropriate by the NRB or the Executive Vice President-Nuclear. [10]</p> <p>Audits shall include verification of compliance and effectiveness of implementation of programs, procedures, regulations, and license provisions in the areas audited. [2]</p> <p>Written reports of such audits shall be transmitted for appropriate action to supervisors having responsibility in the areas audited. [8]</p>
PBAPS UFSAR, App. D, 17.2.1.2.3, pages D.11-2 and D.11-3	<p>The General Manager, NQA, has the following responsibilities and authorities.</p> <p>7. Determine the on-going status and adequacy of the QA Program through regular review of QA Audits, Surveillances, Monitorings and Inspections, identification and investigation of problem areas, determination of timely and effective steps taken to correct deficiencies, and the evaluation of general plant QA/QV performance through such other inputs as are available or are deemed necessary to make a reasonably objective and confident judgment. [1], [3], [5] and [6].</p> <p>8. Apprise the Senior Vice President, Nuclear; the Vice President, Nuclear Engineering and Services; the Vice President, Peach Bottom Atomic Power Station; and the Nuclear Review Board periodically of the status of the Quality Assurance aspects of Peach Bottom Atomic Power Station operations, and immediately of significant problems affecting quality. [8]</p>
PBAPS UFSAR App. D, 17.2.18.1.2 page D.11-47	<p>The Audit Program will involve compliance-based, performance-based and/or technical-based audits or a combination thereof as appropriate. Where it is practical and appropriate (e.g., operational audits), the audits will be primarily performance-based and/or technical-based audits. [1]</p>
PBAPS UFSAR App. D, 17.2.18.4 page D.11-48	<p>The results of these audits and surveillances shall be documented by the General Manager, NQA, or an appointed designee and reviewed by management having responsibility in the area audited, and distributed to appropriate Nuclear management and other concerned supervision. [8], [9]</p>

Excerpts from Descriptions of NQA (Cont.)

<p>LGS UFSAR 13.4.4, pages 13.4-6 and 13.4-7</p>	<p>Audits of plant activities in the following areas shall be performed under the cognizance of the NRB:</p> <p>m. Any other area of unit operation considered appropriate by the NRB or the Senior Vice President, Nuclear. [10]</p> <p>Audits shall include verification of compliance and effectiveness of implementation of programs, procedures, regulations, and license provisions in the areas audited. [2]</p> <p>Written reports of such audits shall be transmitted for appropriate action to corporate officers and management positions responsible for the areas audited within 30 days after completion of the audit by the auditing organization. [8]</p>
<p>LGS UFSAR 17.2.1.2.3, pages 17.2-6 and 17.2-7</p>	<p>The General Manager, NQA, has the following responsibilities and authorities:</p> <p>g. Determine the on-going status and adequacy of the QA Program through regular review of QA Audits, Surveillances, Monitorings and Inspections, identification and investigation of problem areas, determination of timely and effective steps taken to correct deficiencies, and the evaluation of general plant QA/QV performance through such other inputs as are available or are deemed necessary to make a reasonably objective and confident judgment. [1], [3], [5], and [6].</p> <p>h. Apprise the Senior Vice President, Nuclear; the Vice President, Nuclear Engineering and Services; the Vice President, Limerick Generating Station; and the Nuclear Review Board periodically of the status of the Quality Assurance aspects of Limerick Generating Station's operations, and immediately of significant problems affecting quality. [8]</p>

Excerpts from Descriptions of NQA (Cont.)

LGS UFSAR 17.2.18.2, page 17.2-62	<p>The NQA auditing program shall consist of:</p> <ul style="list-style-type: none">a. Audits - Documented activities performed in accordance with ANSI N45.2.12 as described in Appendix 17.2.II.b. Surveillances - Documented activities identical to Audits except that no formal audit plan and audit checklist are generated and no exit interview is conducted if no noncompliances are identified. Surveillances are normally initiated on short notice based on plant conditions and may include observation of work in process. [1], [5]
LGS UFSAR 17.2.18.10, page 17.2-65	<p>The results of the auditing program shall be documented by NQA and distributed to the appropriate levels of management including the management of the audited area. [8], [9]</p>
PBAPS Restart Plan, Section II (PBAPS Action), App. C, page 157	<p>The General Manager-NQA is accountable to the Executive Vice President-Nuclear for:</p> <ul style="list-style-type: none">• Monitoring and assessing the effectiveness of the Nuclear Performance Management Program for Excellence and providing independent feedback to line management and the Executive Vice President-Nuclear. [4]• Conducting independent evaluations of the effectiveness of the Company's nuclear performance and providing feedback for line and senior Nuclear management's use. [1]• Providing technical support to the Nuclear Review Board. [10]

Excerpts from Descriptions of Corporate Nuclear Quality Division

<u>DOCUMENT/ REFERENCE</u>	<u>FUNCTION DESCRIPTION</u>
PBAPS UFSAR Appendix D 17.2.1.2.3.4 pages D.11-9 and D.11-10 and	The Corporate Nuclear Quality Division is under the supervision of a Manager who reports to the General Manager, Nuclear Quality Assurance... The Manager, Corporate Nuclear Quality is responsible for all Corporate Nuclear Quality Division activities. This includes:
LGS UFSAR 17.2.1.2.3.4 page 17.2-2	Identification of specific and programmatic deficiencies and tracking of these items until they are fully resolved. [2] and [9] Performing trend analysis [4] Conducting internal audits at the corporate offices. [6]

Excerpts from Descriptions of Peach Bottom Quality Division, NQA

<u>DOCUMENT/ REFERENCE</u>	<u>FUNCTION DESCRIPTION</u>
PRAPS UFSAR App. D 17.2.1.2.3.1 pages D.11-4 and D.11-5	<p>The Peach Bottom Quality Division is under the supervision of a Manager, who reports to the General Manager, Nuclear Quality Assurance. . . The Manager is responsible for:</p> <ol style="list-style-type: none">5. Conducting on-site audits, surveillances, inspections, and monitorings; [3], [5] and [6]6. Identifying specific and programmatic deficiencies and tracking these items until they are fully resolved, in accordance with Administrative Procedures; [2], [6] and [9]7. Performing trend analysis; [4]8. Providing periodic reports to the General Manager, NQA, on the status and adequacy of the Nuclear Quality Assurance Program and advising of any problems requiring special attention; [8]

Excerpts from Descriptions of Limerick Quality Division, NQA

<u>DOCUMENT/ REFERENCE</u>	<u>FUNCTION DESCRIPTION</u>
LGS UFSAR 17.2.1.2.3.1 page 17.2-7	<p>The Limerick Quality Division is under the supervision of a Manager who reports to the General Manager, Nuclear Quality Assurance. . . The Manager, who meets the requirements of ANSI/ANS-3.1-1978, is responsible for:</p> <ul style="list-style-type: none">e. Conducting audits, surveillances, inspections and monitorings. [3], [5] and [6]f. Identifying specific and programmatic deficiencies, and tracking these items until they are fully resolved, in accordance with Administrative Procedures. [2], [6] and [9]g. Performing trend analysis. [4]h. Providing periodic reports to the General Manger, NQA, on the status and adequacy of the nuclear facility Quality Assurance Program and advising of any problems requiring special attention. [8]

Excerpts from Descriptions of Independent Safety Engineering Groups (ISEG), NQA

DOCUMENT/ REFERENCE	FUNCTION DESCRIPTION
<p>PBAPS UFSAR 13.8.6, pages 13.8-9 and 13.8-10 and</p> <p>LGS UFSAR, 13.4.5, pages 13.4-8 and 13.4-9</p>	<p>The ISEG is responsible for performing independent reviews of plant operations, reviewing operating experiences which may indicate the need for improvements, recommending needed improvements, and advising management on the overall quality and safety of operations. [1], [3]</p>
<p>Limerick Technical Specification, 6.2.3.1, and 6.2.3.3, page 6-6, and</p> <p>PBAPS Technical Specification, 6.2.3.1, and 6.2.3.3, page 245b</p>	<p>The ISEG shall make detailed recommendations for revised procedures, equipment modifications, maintenance activities, operations activities, or other means of improving unit safety. [1]</p> <p>Such recommendations shall be submitted through the General Manager-Nuclear Quality Assurance to the Executive Vice President-Nuclear." [8]</p> <p>The ISEG shall be responsible for maintaining surveillance of unit activities to provide independent verification that these activities are performed correctly... [5]</p>