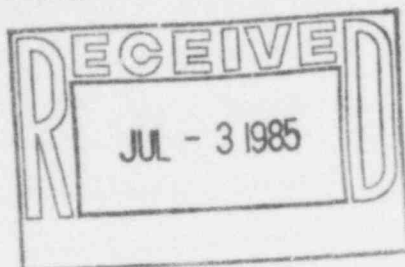




Public Service  
Company of Colorado  
P.O. Box 840  
Denver, CO 80201-0840



OSCAR R. LEE  
VICE PRESIDENT

June 25, 1985  
Fort St. Vrain  
Unit No. 1  
P-85216

Regional Administrator  
Region IV  
U.S. Nuclear Regulatory Commission  
611 Ryan Plaza Drive, Suite 1000  
Arlington, TX 76011

Attention: Mr. Eric H. Johnson

Docket No. 50-267

SUBJECT: Response to Systematic Assessment  
of Licensee Performance

REFERENCE: NRC Letter from Mr. R. D. Martin  
to Mr. O. R. Lee dated  
May 7, 1985 (G-85171)

Dear Mr. Johnson:

This letter formally transmits our response to the Systematic Assessment of Licensee Performance (SALP) report for the period October 1, 1984 through February 28, 1985. At our meeting at Fort St. Vrain on May 29, 1985, we provided each NRC attendee a binder which summarizes our response and describes the Performance Enhancement Program (PEP) which was initiated in early April, 1985. It is our view that the programs defined in the PEP and other recent organizational changes address those areas requiring improvement per the SALP evaluation.

Based upon the SALP report and several other recent audits and evaluations, we have accepted that changes in our operations are necessary to strengthen our performance. We have already taken corrective action in most areas and have made several organizational changes. In addition, seventy-nine new personnel have been approved for the nuclear organization.

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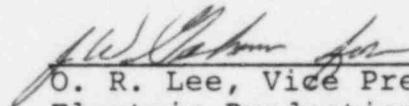
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Enclosed is the Nuclear Performance Enhancement Program that was provided at the SALP meeting. It includes an outline of our SALP meeting discussions, organizational changes, the PEP Schedule, key materials from our PEP Project Manager's Binder, and activities in progress division-by-division.

At the SALP meeting, PSC agreed to provide the NRC with quarterly updates, as desired, on our Performance Enhancement Program activities. The first status report covering the period of April and May 1985 is being provided by separate correspondence.

We trust that this information more than adequately responds to the SALP findings.

Sincerely,

  
O. R. Lee, Vice President  
Electric Production

smc

PUBLIC SERVICE COMPANY OF COLORADO  
SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE

MAY 29, 1985

AGENDA

- |  |                               |
|--|-------------------------------|
| A. DISCUSSION OF FINDINGS  | NUCLEAR REGULATORY COMMISSION |
| B. OVERVIEW OF PSC POSITION                                      | R. F. WALKER, PRESIDENT       |
| C. ORGANIZATIONAL CHANGES AND<br>PERFORMANCE ENHANCEMENT PROGRAM | O. R. LEE, VICE PRESIDENT     |

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- I. Discussion Outline
  - \* Overview of PSC Position
  - \* Organizational Changes and Performance Enhancement Program
- II. Nuclear Organization Charts
  - \* Organization Charts by Division
  - \* Summary of Additional Personnel
- III. Performance Enhancement Program Schedule
  - \* Bar Chart Schedule
- IV. PEP Manager's Binders - Key Materials
  - \* Mission Statement and Introduction
  - \* Performance Enhancement Program Manual
  - \* Performance Enhancement Program Organization and Key Individuals
  - \* Project Manager's Responsibility
  - \* Project Status Report Format
  - \* Specific Project Manager Instructions and Guidelines
- V. Divisional Activities
  - A. Quality Assurance Division
  - B. Nuclear Production Division
  - C. Nuclear Licensing and Fuels Division
  - D. Nuclear Engineering Division

PUBLIC SERVICE COMPANY OF COLORADO

FORT ST. VRAIN

SYSTEMATIC ASSESSMENT OF LICENSEE

PERFORMANCE

DISCUSSION OUTLINE

MAY 29, 1985

### Overview of PSC Position

- \* SALP represents a summary assessment over a seventeen month period, ending February 28, 1985.
- \* At the end of this period, we have initiated many changes that obviously would not have impacted our performance assessment evaluation.
- \* These changes are responsive to SALP findings, the NRC Audit Report, and the Management Assessment Report.
- \* We have accepted that changes in our operation are necessary.
- \* The cornerstone of our change is The Performance Enhancement Program.
- \* We have made improvements in our organization.

## Organizational Changes

- \* You may refer to Section II, Nuclear Organization Charts for details of our organization and the additional personnel being added.
- \* The key point is that the changes have been identified and are being implemented (or have been in the last six months).
- \* Mr. Oscar Lee now reports to R. F. Walker, President and Chief Executive Officer.
- \* A Nuclear Licensing and Fuels Division has been established. This group is the focal point for all NRC interface matters and licensing issues. Regular bi-weekly meetings with the NRC staff are being held.
- \* Management of the divisions has been strengthened through a reorganization that capitalizes on individual's strengths.
- \* A General Manager for the Fossil Production Divisions was created to consolidate this function under one person.
- \* Many other divisional organization changes have or are being made. These are described in more detail in Section V, Divisional Activities.

### Additional Personnel

- \* A deliberate and conservative approach was taken in approving this substantial increase.
- \* They will enhance the capabilities of all divisions.
- \* A major commitment has been made to training in general and achieving full INPO accreditation for the Nuclear Production staff.
- \* Key Licensing personnel are being obtained that have light water reactor experience to assist in relating regulations to our HTGR.
- \* Plant Engineering staff is being added to increase attention to preventive maintenance and engineering analysis of plant equipment.
- \* Design Engineering staff is being increased to provide more effective control and coordination of change and modifications as well as provide a more effective response time for plant support.
- \* A Master Planning and Scheduling function will assist Management in prioritizing and directing the nuclear activities.
- \* Quality Assurance staff is increased to provide greater coverage to audits, training and inspections.
- \* Greater detail of these additions are in Section II, Nuclear Organization Charts.
- \* Naturally, it will take time for this organization to be brought on board and become an integral, productive part of our organization.



### Performance Enhancement Program

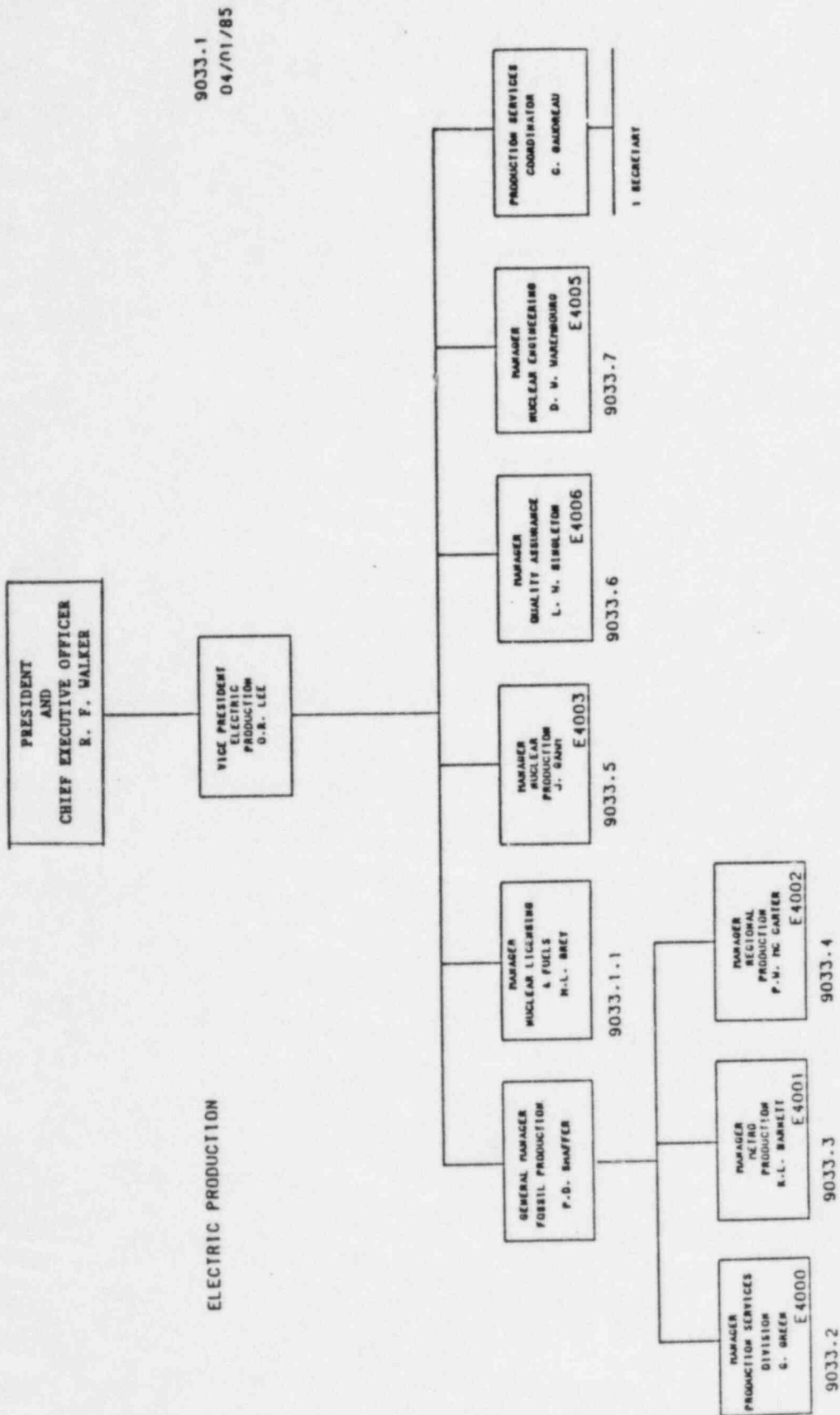
- \* A program of this magnitude and scope is a new approach for Public Service Company.
- \* Our approach to managing this effort is also new.
- \* A special consulting organization has been established to specifically monitor and guide our progress and identify problems.
- \* Individual Project Managers have been assigned to lead each project.
- \* The Project Managers can task persons in other divisions.
- \* A Matrix organization has been established with these Project Managers.
- \* Each Project Manager has been issued a binder to use to organize his project and lay out the ground rules for this important program. Key materials from this binder are included in Section IV, PEP Project Manager's Binder.
- \* Progress is reported against each project at least monthly.
- \* Quarterly status reports will be provided to the NRC, if desired.
- \* There are six major projects with 34 sub-projects.
- \* All six of these projects are described in more detail in the text in Section IV, PEP Project Managers Binder - Key Materials.
- \* All 34 sub-projects are shown in Section III, PEP Schedule. It shows the Project Manager and the planned timetable. The entire program is scheduled to be finished in late 1986.
- \* It is a dynamic program to which new projects will be added.
- \* Project I deals with organizational issues such as establishing the Performance Enhancement Program, defining organizational responsibilities, missions, charters, and the location of our staff.

Performance Enhancement Program (Continued)

- \* Project II establishes a Master Planning and Scheduling organization to assist in prioritizing our workload. Divisional planning and scheduling methods will identify realistic resource requirements for major projects.
- \* Project III will establish a preventive maintenance planning and scheduling organization to prioritize the work and issue to maintenance personnel do-able job packets. In addition, the engineering analysis and feedback procedures will be established.
- \* Project IV deals with a substantial upgrade in procedures and policies throughout our organization.
- \* Project V will improve the training in all divisions. A key objective is INPO accreditation.
- \* Project VI will strengthen our conduct of operations at the plant.
- \* We're excited about the potential for major improvements.

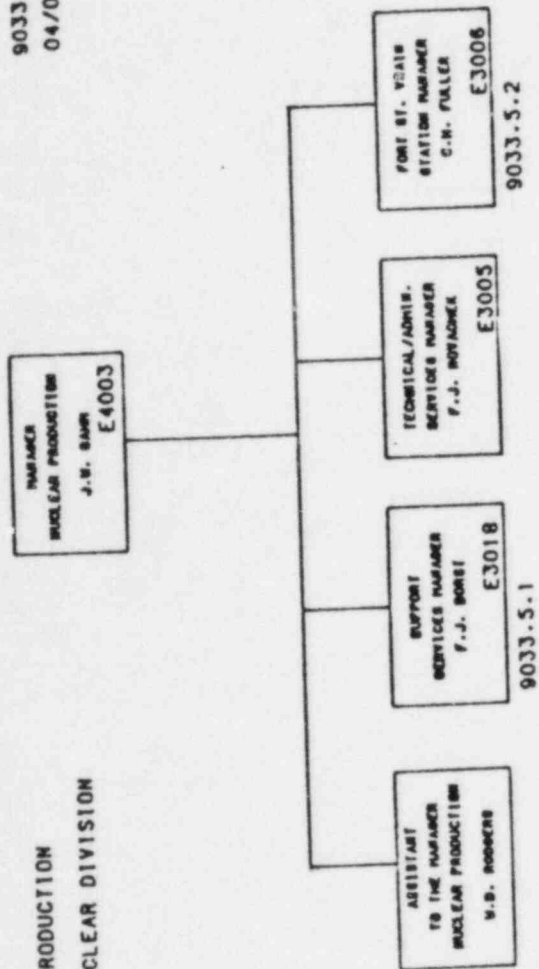
## II. Organization Charts

This section contains the current organization charts for the Electric Production organization and a more detailed list of the additional personnel being added by division.



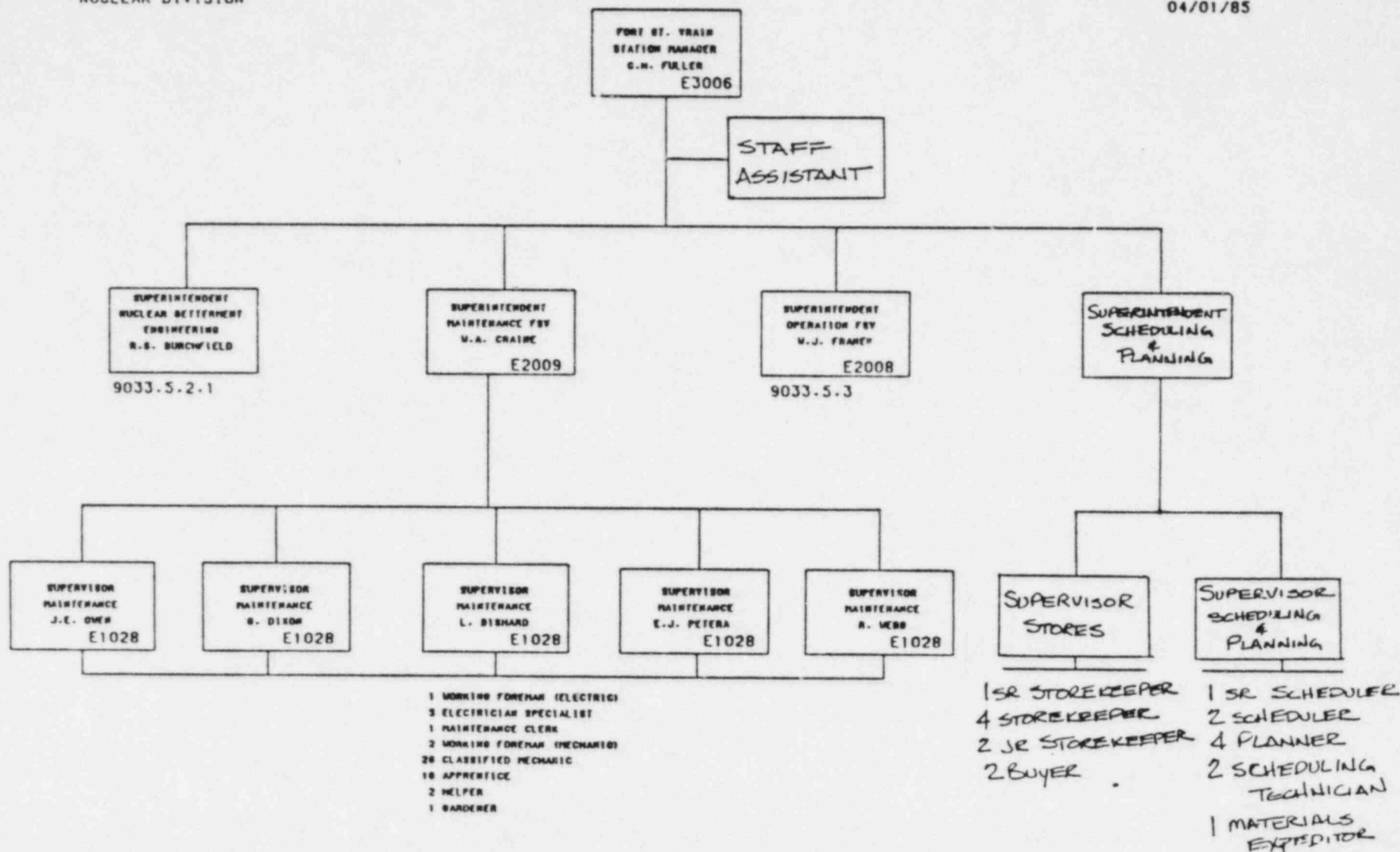
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NUCLEAR DIVISION

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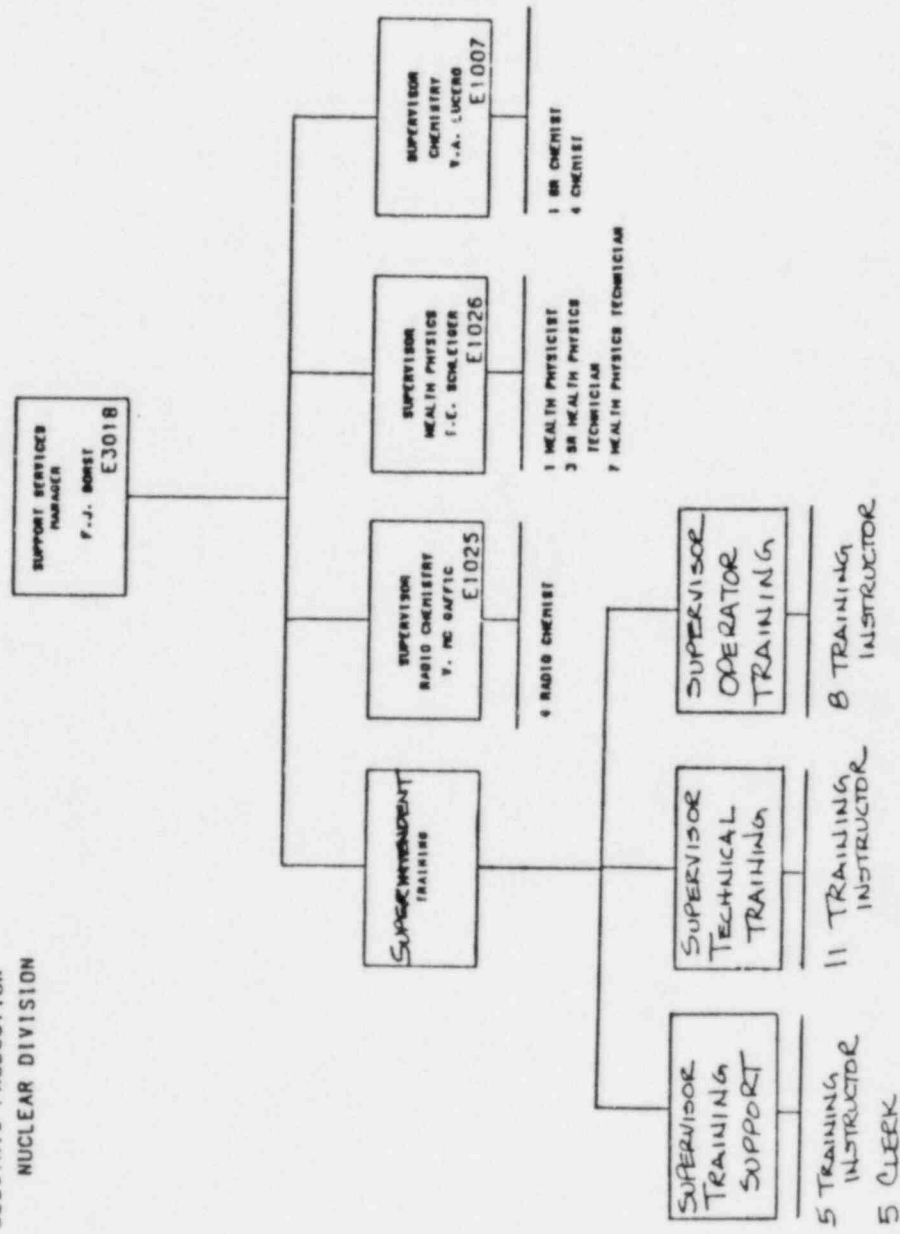
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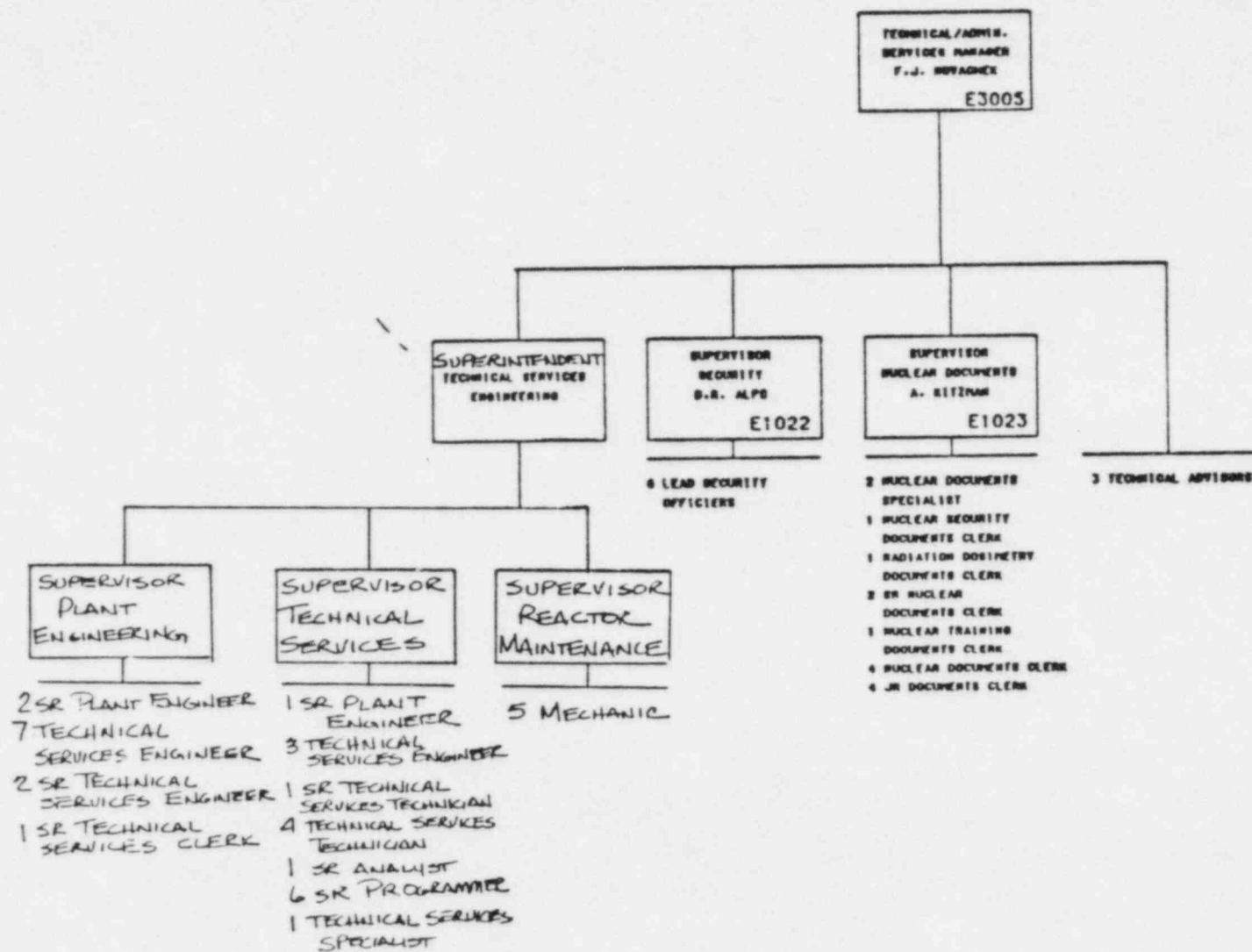
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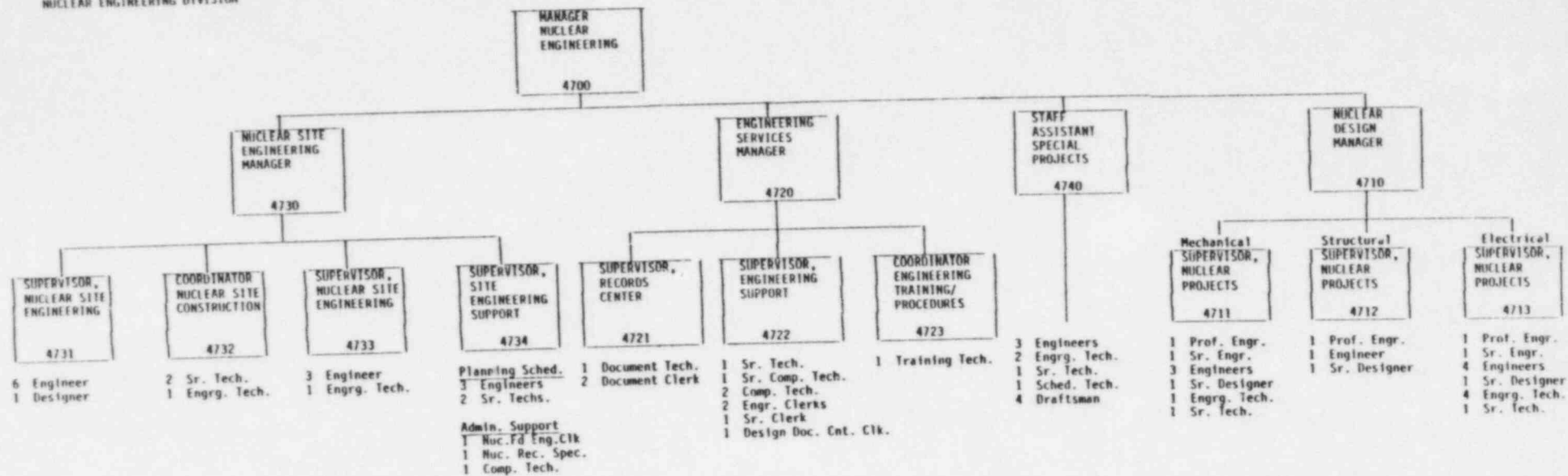
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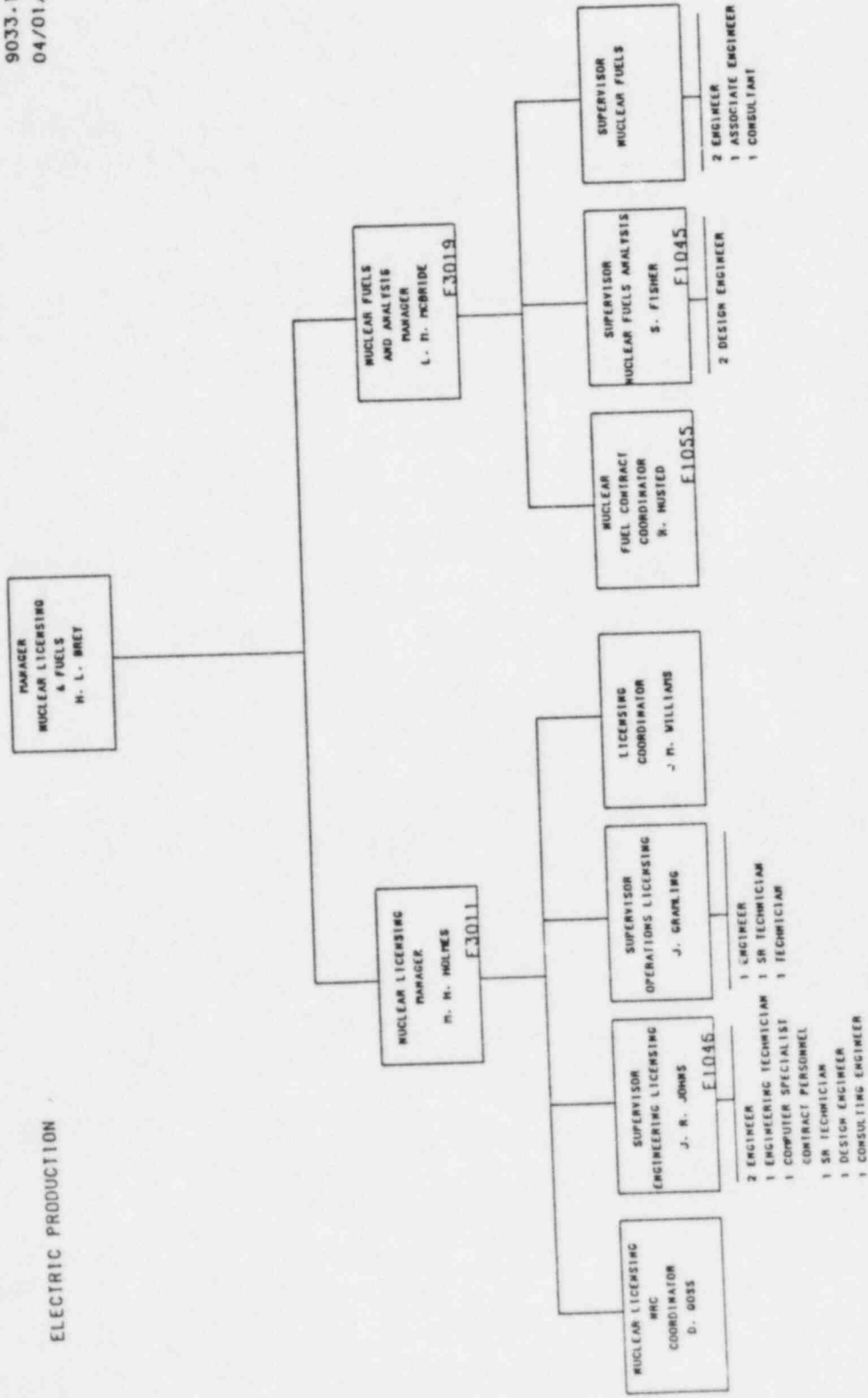




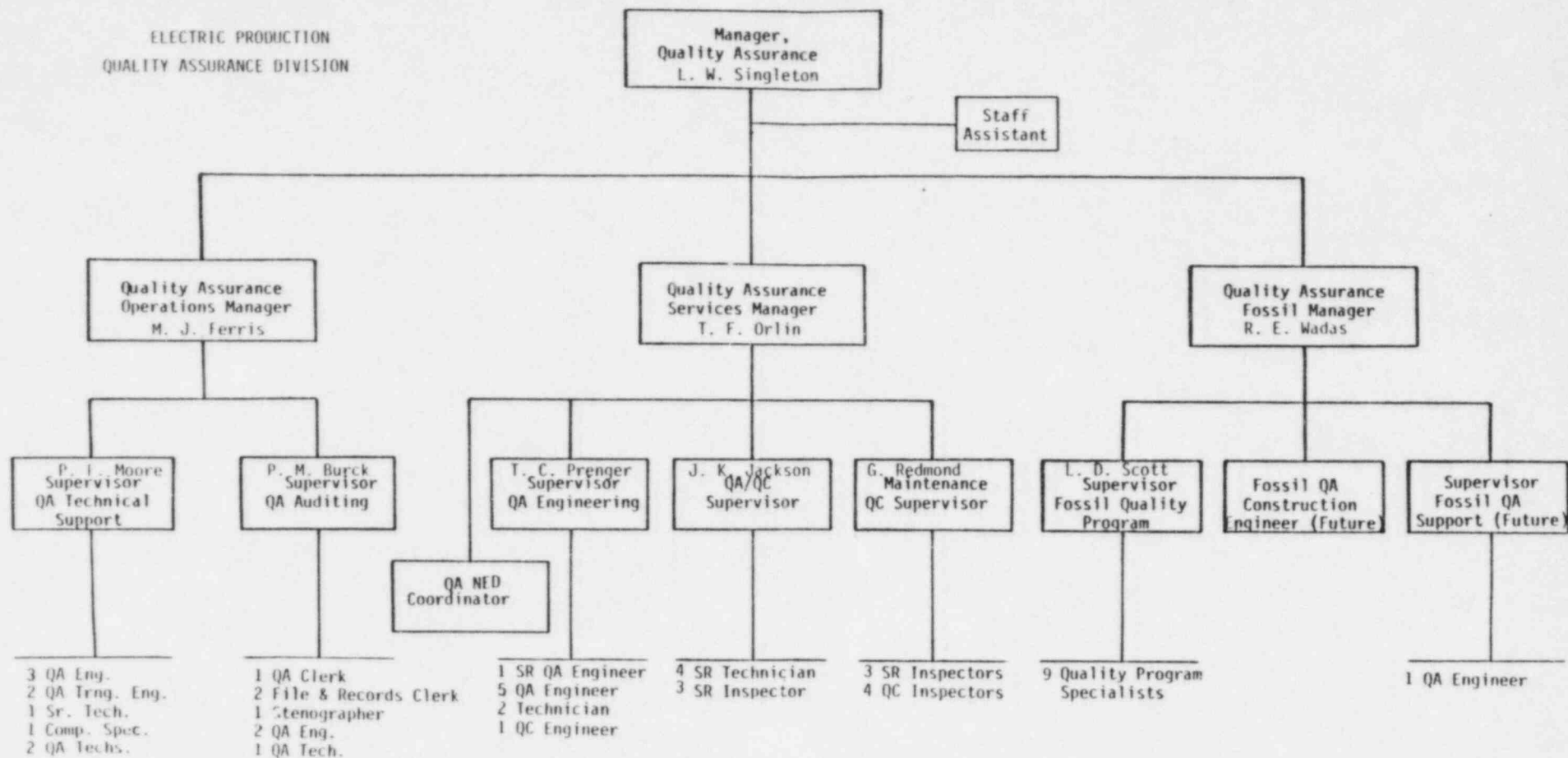
ORGANIZATION CHART  
NUCLEAR ENGINEERING DIVISION



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ELECTRIC PRODUCTION  
QUALITY ASSURANCE DIVISION



### Summary of Additional Personnel

#### Nuclear Production Division

- 12 - Training personnel to meet INPO Accreditation requirements.
- 9 - Engineers and Technical Services personnel to help maintain and develop an effective preventive maintenance and failure trending program.
- 19 - Operations personnel to meet goals in the areas of Scheduling, Planning and Stores.
- 5 - Programmers and Clerical personnel to support existing staff in these areas.

#### Nuclear Engineering Division

- 4 - Engineering Services Group Personnel to reduce time engineers spend on administrative/clerical activities.
- 7 - Engineers and Technicians to provide an overall planning and scheduling function and coordinate NED Diamond Hill and NED Site work with plant operational needs and the overall Priority System.
- 6 - Supervisor Engineering Personnel to help in backlog of the Nuclear Design groups and the Construction Group.
- 2 - Engineering supervisors to decrease backlog and coordinate site projects.

#### Nuclear Licensing and Fuels Division

- 4 - Clerical personnel to support licensing activities.
- 3 - Licensing Engineering Personnel to provide direction and guidance in the resolution of complex licensing issues that arise and also to prepare the Technical Specification changes and preparation and independent review of licensing correspondence.
- 2 - Nuclear Licensing Specialist personnel for procedure review and preparation of written safety evaluations and environmental evaluations.
- 1 - Nuclear Licensing NRC Coordinator to support the enhanced NRC Commitment Control activities.

#### Quality Assurance Division

- 3 - Quality Assurance Operations Department personnel to develop, implement, and maintain a Quality Assurance Division Training program commensurate with commitments contained in FSAR Appendix B.
- 2 - Quality Assurance Engineering personnel to administer and implement the Vendor Evaluation Program, Quality Control Training, and accreditation, Inspection Planning and Scheduling, and Quality Engineering functions.

#### Outside Consulting Assistance

- \* Industrial Engineers for plant maintenance and scheduling activities.
- \* Management Consultants for Master Planning and Scheduling.
- \* Nuclear Engineers for developing Change Notices and Controlled Work Procedures.
- \* Management Consultants for evaluation of work force location studies.
- \* Scheduling Consultants for divisional planning and scheduling activities.
- \* Training Consultants for development of divisional and departmental training functions.
- \* Maintenance Engineers for development of Preventive Maintenance programs.

### III Performance Enhancement Program Schedule

The following schedule summarizes the Performance Enhancement Program sub-projects. It reflects the status as of April 30, 1985. A revised schedule will be prepared at the end of May.

PUBLIC SERVICE COMPANY OF COLORADO  
PERFORMANCE ENHANCEMENT PROGRAM  
SUMMARY SCHEDULE

PRO- JECT	NUS REF.	DESCRIPTION	RESPONSIBLE	EST. MAN- DAYS	PROJECT TIMETABLE																	
					SCHEDULED		1985												1986			
					START	COMPLETE	A	M	J	J	A	S	O	N	D	Q1	Q2	Q3	Q4			

**I. ORGANIZATIONAL CONCERNS**

1.1	E.2	Formalize Action Plan, Reor- ganization and Performance Enhancement Program	D. Picard		Apr 1	Jun 30	FFFFFFFFFFXX														
1.2	A.1	Document Charters, Missions and Function Statements Part 1, Develop Charters Part 2, Update Procedures	D. Picard D. Picard		Apr 1 Jun 1	May 31 Jun 28	FFFFXXXX XXXX														
1.3	A.9	Document Policy on Communi- cation and Staff Meetings	M. Zachary		Apr 1	May 17	FFFFXX														
1.4	E.1	Evaluate Staffing Levels	C. Gaudreau		Apr 1	Apr 26	FFFF														
1.5	E.6	Complete Nuclear Production Organizational Changes	J. Gahn		May 1	Jul 25	XXXXXXXXXX														
1.6	E.3 E.4	Evaluate Engineering and Licensing and Fuels at Fort St. Vrain	D. Warembourg		Apr 15	Aug 30	FFFXXXXXXXXX-----														

**II. MASTER PLANNING AND SCHEDULING**

11.1	A.2	Establish Nuclear Master Planning and Scheduling Function	D. Picard		Apr 1	Aug 30	FFFXXXXXXXXXXXXXXXXXXX														
11.2	A.4	Develop Annual and Long- Range Schedules Part 1, Initial Schedule Part 2, Complete Schedule	C. Fuller		Apr 1	Jun 14 Dependent-11.3	FFXXXXXXXXXX														
11.3	A.2	Implement Planning and Scheduling Methods & Procedures Part 1, Initial Definition Part 2, Implementation	D. Picard		Apr 15 Jul 1	Jun 14 Determined in Part 1	FXXXXXXXXXEE XXXXXXXXXX(EST)XXXXXXXXX0														

**III. ESTABLISH PREVENTIVE MAINTENANCE  
PLANNING AND SCHEDULING**

111.1	B.2	Establish Maintenance Planning Group	D. Miller		Apr 1	Sep 27	FFFFXXXXXXXXXXXXXXXXXX														
111.2	B.3	Define Maintenance Planning and Scheduling Function Part 1, Initial Definition Part 2, Implementation	D. Miller		Apr 1 Jul 1	Jun 30 Determined in Part 1	FFFFXXXXXXXXXX XXXXXXXXXX(EST)XXXXXXXXX0														

Legend	
XXX	= Scheduled Timetable
XXXO	= Scheduled Timetable with undefined completion date established at a later time.
FFXX	= Finished work within this schedule.
XXEE	= Extended schedule beyond original timetable.
XXX---	= Schedule has float time to meet original schedule. Either project starts or finishes later than earlier planned.

0XX(EST)XXO



PUBLIC SERVICE COMPANY OF COLORADO  
PERFORMANCE ENHANCEMENT PROGRAM  
SUMMARY SCHEDULE

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PUBLIC SERVICE COMPANY OF COLORADO  
PERFORMANCE ENHANCEMENT PROGRAM  
SUMMARY SCHEDULE

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## SUMMARY SCHEDULE

#### IV Performance Enhancement Program Project Manager's Binder

The following materials are excerpts from this binder. The sections describe the program's organization and structure and the responsibilities of each project manager in the program. This binder was issued to each project manager on April 26, 1985 during key organizational meetings held at Diamond Hill and Fort St. Vrain. These materials are provided for information purposes.