

Florida Power

CORPORATION

Crystal River Unit 3

Docket No. 50-302

December 20, 1996
3F1296-16

U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20055-0001

Subject: Systematic Assessment of Licensee Performance (SALP)

Reference: NRC Letter to FPC 3N1196-15, dated November 25, 1996

Dear Sir:

In the referenced letter and during the Crystal River site public meeting of December 2, 1996, the Nuclear Regulatory Commission (NRC) presented the results of the SALP evaluation for Florida Power Corporation's (FPC) Crystal River Unit 3 (CR-3). The purpose of this letter is to describe our improvement efforts for the issues identified by the NRC.

OVERALL PLAN FOR IMPROVEMENT

We acknowledge that substantial improvement in our performance is needed and that sustained performance improvement will require effective, long-lasting inter-departmental support and teamwork. As a result, we are implementing an integrated approach to achieving improved performance. This approach consists of the following:

- With my upcoming retirement as Senior Vice President, Nuclear Operations, FPC is seeking a highly qualified successor with demonstrated experience in achieving improvements in performance.
- In September 1996, we shut down the plant to make repairs in the turbine lube oil system, and voluntarily extended the outage to address design issues identified in NRC inspections and FPC self-identified program reviews. To govern restart from this outage, we established a comprehensive restart action program. Under this program, we conducted extensive reviews to identify any further issues to

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be corrected as a prerequisite to restart. Additionally, we will be conducting assessments of department readiness, system readiness, and operational readiness for safe and reliable operation.

- In a broader sense, we established Phase II of the Management Corrective Action Plan (MCAP II). Based upon numerous internal and external assessments, MCAP II identifies the root and contributing causes of performance problems and barriers to achieving excellence, describes actions to address those causes and barriers, and assigns responsibilities and due dates for completing these actions. In particular, MCAP II describes improvements to be made in the following five major areas: Leadership Oversight and Involvement, Configuration Management/Design Basis, Regulatory Compliance, Engineering Performance, and Operations Performance. These areas encompass the principal issues identified in the NRC's SALP report for CR-3.

In total, FPC's new management team, restart action program, and MCAP II provide the basis for achieving the required improvement in performance at CR-3.

PLANT OPERATIONS (Category 3)

The SALP Report identified concerns in the areas of management standards, management oversight and involvement, interfaces between Operations and other organizations, and quality assurance and self-assessments. Our actions to achieve improvements in each of these areas are described below.

We have taken several initiatives to reinforce our focus on safety and procedure adherence from senior management throughout the entire Nuclear Operations organization. Our mission statement has been revised to reinforce safety as our top priority. All-hands meetings have been conducted, and the operators have been given special safety culture training by their management. We have observed noticeable improvement in our safety culture, as exhibited, for example, by a substantial increase in the number of precursor cards being initiated by our operators.

Consistency of standards in operator rounds and conduct of surveillances is also being improved. Our safety culture training using the Event Free Operations tools is being re-emphasized. Concurrent verification is now being utilized by plant operators. The result is only one component found out of its expected position during the last sixty days.

Management oversight and involvement in plant operations has been increased and personnel are being held more accountable for their actions. A new management observation program involving vice presidents, directors, and managers from Engineering, Licensing, Work Controls, and Maintenance is being developed to include weekly observations of control room, plant operator, and clearance desk activities. Currently, a total of eleven people are in training to receive Senior Reactor Operator (SRO) licenses. This includes four Reactor Operator (RO) upgrades and seven Instant SRO candidates. These personnel are scheduled to complete training and receive their SRO licenses in June 1998. Several SROs have been removed from shift, and two have had their licenses removed due to inadequate management oversight and involvement. Further, senior management has established clear expectations for line management accountability regarding their involvement in plant activities. The shift supervisor mentoring program is continuing with vice presidents, directors, and managers from various organizations in Nuclear Operations observing supervisors on shift and meeting

one-on-one with them to discuss safety culture, management expectations, and current issues of concern.

Interfaces between Operations and other organizations is being improved, particularly in the engineering area. Engineering management attends the daily Operations turnover meetings and, periodically, attends operator requalification training classes. Operations is heavily involved with the design of modifications through their participation on Design Review Boards. Operations experience has been added to the Engineering organization through the transfer of an experienced former shift supervisor into Engineering as a consultant. While this does not replace Operations department input into design work, it enhances the engineers' ability to incorporate operational considerations into design packages early in the design process.

A new self-assessment program also has been developed and will be implemented in January 1997. This program includes incorporation of a methodology guideline into the site directive governing self assessments as well as development of a training program for site management.

To address problems noted in Quality Assurance and self assessment, the Quality Programs Department recently conducted a detailed self assessment which resulted in a week-long stand-down to restructure audit techniques, schedule, and audit team composition. Increased emphasis has been placed on assessing audit results to provide management with meaningful insights regarding organizational performance as opposed to the checklist or question-oriented auditing noted in the SALP report.

We appreciate the acknowledgment of significant improvement with respect to operator identification of problems. Operations management has placed increased emphasis on the importance to overall improved performance of being self-critical. We feel that we understand our performance shortfalls and are well on the way to reaching improved performance levels with the changes already implemented and those scheduled for implementation in MCAP II.

MAINTENANCE (Category 2)

The SALP Report identified concerns in the areas of management oversight; maintenance backlogs; procedure adherence, attention to detail, and work practices; communications with Operations; and self-assessments. Our actions to achieve improvements in each of these areas are discussed below.

Management oversight is being enhanced primarily through increased involvement in day-to-day maintenance activities in the field. Maintenance management has held all-hands meetings with craft personnel to emphasize the requirement for and importance of following procedures during performance of work in the plant. In addition, management expectations regarding safety, teamwork, personal accountability and the ability to be self-critical have been clarified and communicated to all levels of the Maintenance organization.

FPC is aggressively pursuing the reduction of equipment deficiency backlogs. The plant has set a goal to maintain less than 200 non-outage maintenance deficiencies. Additional resources have been added to reduce the number of control board deficiencies including a dedicated planner, engineer, and Operations representative. A goal has been established to fix all control board deficiencies not requiring the unit to be at power to repair prior to startup from the current outage. Progress on achieving this

goal is being monitored weekly by Maintenance management to ensure adequate resources are applied. Presently, there are approximately 20 control board deficiencies.

Our expectations for following procedures and the proper actions to take if a procedure is incorrect continue to be reinforced by management with craft personnel. For example, a special workshop was provided on teamwork and communication for Maintenance Department craft personnel and supervisors. Additionally, Maintenance management is developing a document that will be issued to every contract person that performs maintenance work at CR-3. This document will address the requirements expected of the work force and management as it relates to how they perform work while at CR-3. This will address the violations received at CR-3 relating to procedure adherence, safeguards information protection, and the work practices of contract workers.

Further, after Refuel 10, a number of personnel changes were made in the Work Controls organization. This included a new Work Controls manager responsible for daily planning and scheduling, and a new outage manager who was brought in from outside FPC to handle the current forced outage and future refueling outages. Contract planners and schedulers have been added to address the non-outage backlog of unplanned work requests. Work Controls also is being reorganized to provide improved support for Maintenance and Operations. A 13-week rolling schedule is being developed and should be implemented during the second quarter of 1997. We also plan to use previously licensed Senior Reactor Operators to fill key roles in the Work Controls organization. This will enhance the accuracy of the schedule and improve overall efficiency in both Maintenance and Operations.

Several issues in the Inservice Inspection (ISI) area, including the lack of category B-K-1 welds in the Non-Destructive Examination (NDE) program, prompted the initiation of a self-assessment of the program by the newly assigned responsible engineer. That assessment is in progress and will be completed in early 1997. To enhance FPC's in-house expertise, the ISI department has added three new NDE personnel to the permanent plant staff.

With respect to communications issues, Maintenance management has held all-hands meetings with personnel to emphasize the importance of communications between Operations and Maintenance. A set of expectations for communications between Operations and Maintenance will be developed by management. These expectations will be discussed and reinforced with craft personnel. A plan is also being developed that will enhance the conduct and follow-up of future self-assessments. This plan will be formalized in 1997 to ensure better self-assessments and more meaningful implementation of the results of these assessments.

Finally, Maintenance management has made a commitment to achieve superior performance. Continued involvement by managers and supervisors in the day-to-day work activities performed by craft personnel is the key to achieving this goal.

ENGINEERING (Category 3)

The SALP report identified concerns in the areas of management oversight and involvement, human performance and organizational effectiveness, understanding of the design bases, and sensitivity to regulatory requirements. Our actions to achieve improvements in each of these areas are discussed below.

First, following completion of Refuel 10, a number of organizational and personnel changes were made at the director, manager and supervisor level positions to strengthen management oversight and involvement in Engineering. Key roles were filled with managers who have previously held SRO licenses or who have SRO certification to improve engineering support for the plant, particularly of Operations. The position of Director, Nuclear Engineering and Projects is currently being filled by the Vice President, Nuclear Production to strengthen senior management involvement in engineering issues.

Improvement in communication and implementation of management expectations and standards has been addressed by:

- Expectations and standards being clearly established,
- Expectations and standards being communicated to the organization via:
 - All-hands meetings and work stand-downs,
 - Written memoranda,
 - Incorporation of management expectations into written procedures (currently in development), and
- Personnel being held accountable for meeting the expectations and standards.

Additional management positions, oversight, and training have been, and will continue to be, provided to improve 10CFR50.59 evaluations, root cause evaluations and event investigations, and to monitor and reduce work backlogs. The 10CFR50.59 program is being upgraded to improve procedural guidance and to increase the training and qualification elements. The corrective action program has been upgraded including a four-day root cause training course for approximately thirty personnel and a one-day apparent cause training course for sixty additional personnel. The monitoring of REA and precursor backlogs against established goals allows Engineering management to identify adverse trends so they can be addressed in a timely and proactive manner.

Second, the effectiveness of the Engineering organization has also been addressed through the evaluation of human resource needs. This has resulted in the restructuring of the design organization, the rotation of supervisory personnel from other departments into design engineering, and the addition of permanent and contract design engineering personnel. Specifically, engineering resources have been expanded with the creation of 12 additional FPC engineering positions and by partnering with Parsons Power (formerly Gilbert/Commonwealth, CR-3's original architect/engineer) to provide 23 supplemental engineers at the Crystal River site. Resources being added to the permanent FPC staff have been primarily selected from outside FPC and for their background and expertise in design engineering specialties. Other contract support has been provided on a task basis.

Third, to improve knowledge and understanding of the CR-3 design basis, procedures are being enhanced to clearly define the term "design basis" and the classification of documents which contain plant-specific design basis information. The existing CR-3 Enhanced Design Basis Documents (EDBD's) will form the foundation for establishing system-specific design bases. Ownership for the overall plant design basis has been assigned to the Manager, Nuclear Operations Engineering. Ownership for the design basis of individual systems has been assigned to specific design engineers and expectations, including accountability for accuracy, for design basis owners are being

prepared. The system DBD will become the top tier document for design basis control.

Fourth, performance in the area of regulatory compliance is being addressed through improvement in safety culture and attitude, starting at the senior management level. As a clear demonstration of their commitment to safety, Engineering management approached senior plant management with a recommendation to extend the unit shutdown to increase design margins in critical safety systems. This effort was strongly supported by the senior nuclear officer, corporate executives, and the FPC Board of Directors. This decision has had significant positive impact on underscoring the need for strong regulatory compliance and an improved safety culture.

Fifth, expectations regarding the role of line management and line department personnel in preparation of, and accountability for, the accuracy and completeness of licensing submittals has been clearly established by the senior nuclear officer. A self assessment (facilitated by outside contractors) of the CR-3 Licensing organization and processes is nearly complete and has identified several areas for improvement, including the process for submittal management. A final report will be complete in January 1997. Benchmarking of other nuclear plant regulatory organizations and processes will take place in early 1997. The self-assessment and benchmarking efforts will result in a Regulatory Process Improvement Plan to prioritize, resource load, and schedule the changes needed to implement the recommendations.

Finally, to enhance problem identification and root cause determination, the site recently implemented a revised corrective action process which includes a single, graded precursor (problem identification) system with root or apparent cause determination for the majority of problems cited. This process is providing management with improved tracking and trending of events to allow timely identification of program and process breakdowns before more significant events occur.

We appreciate the recognition given in the SALP report of FPC's acknowledgment of the need for improved performance and the many changes initiated during the SALP period to address the problems identified. We understand that our improvement plans must produce positive results to be effective. Our efforts to achieve superior performance in engineering are addressed further in MCAP II which includes the disposition of the findings and recommendations of the Independent Design Review Panel (IDRP).

PLANT SUPPORT (Category 2)

Regarding the radiological control program, we concur with the two areas noted in the SALP report which require additional management attention. They are non-compliance with Radiation Work Permit (RWP) requirements and source term reduction.

First, with respect to RWP compliance issues, FPC formed a task force to determine the root cause for the non-compliances and develop the necessary corrective action plan. The root cause was determined to be inadequate or ineffective training of radiation workers. FPC implemented a corrective action plan which began with the Manager, Radiation Protection, issuing a series of memoranda detailing management expectations in this area. Additional corrective actions, involving the training program, included:

- Modifications made to the initial and requalification General Employee Training (GET) program for radiation workers, including specific case studies.
- Health physics technicians assigned the responsibility for conducting dress-out and frisk training and serving as classroom instructors for the Radiological

Practical Factors Walk-Through required by all radiation workers prior to TLD issue.

- A training video produced detailing the proper use of the electronic alarming dosimeter (EAD) and the required actions to be taken when alarms are received.

In addition, the Health Physics staff has begun conducting in-plant interviews of our radiation workers in an attempt to determine whether individuals working in the Radiological Control Area (RCA) have read and understand the protective measures and special instructions specified by their RWP. Instances of non-compliance result in prompt corrective actions ranging from coaching to removal of the individual from the RCA with the generation of a precursor card and a follow-up interview with the Radiation Protection Manager.

The second area of NRC concern dealt with management's commitment to source term reduction. Our current plan for addressing this concern and other dose reduction issues involves developing a new charter for the Dose Reduction Steering Committee. This charter covers the development, planning, and scheduling of source term reduction activities for Refuel 11. The Dose Reduction Steering Committee will be modelled after the successful Team Safety program recently implemented.

The challenges noted in the chemistry and radiological effluent programs area include better documentation of corrective actions and strict adherence to regulatory requirements. The concerns related to documentation of corrective actions apply across the Nuclear Operations organization, and we believe they have been addressed through the new corrective action program discussed above. To improve compliance with regulatory requirements, Chemistry Department management has reinforced the need to comply with all procedural and regulatory requirements through clear communication of management's expectations. The requirement to identify and change inadequate procedures using appropriate processes has been emphasized.

The SALP report also identified issues related to management oversight, assessment, and corrective action for security issues. A new manager's position and a new support specialist position have been added to the security staff. These two positions will improve management oversight and administrative support for the group. An outside security assist visit was completed in early December and a security self-assessment with outside utility involvement is scheduled for early 1997. The information gained from these assessments will be used to improve the security program.

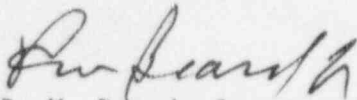
Corrective actions have been taken to address recent security issues, such as:

- Strengthening of the visitor/escort process to require reading and signoff of material describing the responsibilities of both parties before entry into the protected area.
- Emphasizing at the all-hands meetings the importance of nuclear security and the proper handling of safeguards material.
- Requiring all Nuclear Operations personnel to complete the computer-based training module on identification and control of security safeguards information. This training is in addition to that received in the GET program.

CONCLUSION

In summary, FPC is committed to achieving significant improvements in performance at Crystal River Unit 3. We believe MCAP II provides the path to making the necessary culture and process changes to ensure the improvements made are long-lasting and organization-wide. In addition to taking actions to address the concerns identified in the SALP report, we have established a comprehensive restart action plan to ensure safe and reliable operation on completion of the current outage.

Sincerely,



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

PMB/BG

xc: Regional Administrator, Region II
Senior Resident Inspector
NRR Project Manager