UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

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November 5, 1985

MEMORANDUM FOR: Those on Attached List

FROM: James M. Taylor, Director
Office of Inspection and Enforcement

SUBJECT: PROPOSED CHANGES TO THE SALP MANUAL CHAPTER (NRC 0516)

A November 15, 1984 memorandum from Richard C. DeYoung forwarded for interim guidance and implementation a revision to the SALP Manual Chapter (NRC 0516). Mr. DeYoung's memorandum also stated that a review group would be convened to address further changes to the SALP process. The review group developed additional proposed changes to NRC 0516 which were incorporated into a proposed revision to NRC 0516. That proposed revision was forwarded to you as an enclosure to my June 27, 1985 memorandum. Your comments on that proposed revision were considered and used as appropriate to prepare the enclosed revision to NRC 0516. The enclosed revision represents current NRC policy and practice and should therefore be implemented as soon as possible without interrupting SALPs currently in progress. Concurrently, I am also forwarding a copy of the enclosed NRC 0516 to the Office of Resource Management and requesting that they proceed with its issuance.

Based on comments received, the enclosed revision to NRC 0516 includes the following major changes from the proposed revision distributed on June 27, 1985:

- Deletion of the requirement to address trend for each functional area. The enclosed revision to NRC 0516 provides for the SALP Board to include, as a Board comment, an appraisal of the licensee's performance trend in a functional area when both a definite trend of performance is discernible to the Board and the Board believes that continuation of the trend may result in a change of performance level.

- The addition of Training and Qualification Effectiveness (those training programs covered by the Commission Policy Statement on Training and Qualification) as a regular functional area rather than treating it as a temporary functional area as proposed in my June 27, 1985 memorandum.

- The Fire Protection and Quality Programs and Administrative Controls Affecting Quality functional areas were revised to delete the options for addressing these functional areas as a separate evaluation criterion for all appropriate functions. The option still remains not to address a functional area but provide rationale of why the area was not observed during an evaluation period.

The enclosed revision contains "R" notations in its right hand margins to indicate where changes have been made between the November 15, 1984 revision and the enclosed revision.

We recognize that the SALP process is an evolving one and that future changes are likely. We welcome at any time comments on the SALP process and recommendations for improvements.

James M. Taylor, Director
Office of Inspection and Enforcement

Enclosure:
NRC 0516

Multiple Addressees, memo dated November 5, 1985.

Victor Stello, Jr., Deputy Executive Director for
Regional Operations and Generic Requirements
Office of the Executive Director for Operations

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

John G. Davis, Director
Office of Nuclear Material Safety and Safeguards

Clemens J. Heltemes, Jr., Director
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Thomas E. Murley, Regional Administrator, Region I

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John B. Martin, Regional Administrator, Region V

U.S. NUCLEAR REGULATORY COMMISSION

NRC MANUAL

Volume: 0000 General Administration
Part: 0500 Health and Safety IE

CHAPTER 0516 SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE

0516-01 COVERAGE

This Chapter and its appendix describe the basic structure and overall procedures for implementation of the NRC program to assess licensee performance. This program applies to all power reactors with operating licenses or construction permits (hereinafter referred to as licensees).

0516-02 OBJECTIVES

021 To improve the NRC regulatory program.

022 To permit sound decisions regarding NRC resource allocations.

023 To improve licensee performance.

024 To collect available observations on a periodic basis and evaluate licensee performance based on those observations, through the Systematic Assessment of Licensee Performance (SALP), an integrated NRC staff effort. Positive and negative attributes of licensee performance are considered. Emphasis is placed upon understanding the reasons for a licensee's performance in important functional areas, and sharing this understanding with the licensee. The SALP process is oriented toward furthering NRC's understanding of the manner in which: (a) licensee management directs, guides, and provides resources for assuring plant safety; and (b) such resources are used and applied. The integrated SALP assessment is intended to be sufficiently diagnostic to provide a rational basis for allocating NRC resources and to provide meaningful guidance to licensee management. R

0516-03 RESPONSIBILITIES AND AUTHORITIES

031 The Executive Director for Operations (EDO): Provides oversight for the activities described herein.

Approved:

032 The Director, Office of Inspection and Enforcement (IE):

a. Implements the requirements of this chapter within the Office of Inspection and Enforcement.

b. Monitors the SALP process; evaluates and develops SALP policy, criteria, and methodology; and assesses the uniformity and adequacy of the regions' implementation of the program.

033 The Directors, Offices of Nuclear Reactor Regulation (NRR), Analysis and Evaluation of Operational Data (AEOD), and Nuclear Materials Safety and Safeguards (NMSS): Implement the requirements of this chapter within their Offices.

034 Regional Administrators:

a. Implement the requirements of this chapter within the regions.

b. Ensure that assessments of licensee nuclear safety performance are conducted.

c. Determine when a meeting with the licensee is necessary to assure mutual understanding of the issues discussed in the SALP Board report.

d. Evaluate the SALP Board report and the licensee's comments; provide a characterization of overall safety performance; formally issue the NRC SALP report; follow up on licensee commitments; and reallocate region inspection resources as appropriate.

e. Provide to the Director, Office of Inspection and Enforcement, recommendations for improvements to the SALP program and comments on proposed changes to SALP policy.

0516-04 EVALUATION CRITERIA AND FUNCTIONAL AREAS

041 Evaluation. Licensees will be evaluated in the functional areas listed in Section 042 using the criteria provided herein and further amplified in the Appendix to this Chapter. Each functional area evaluated will be assigned a Category as defined in Section 043. Not all functional areas need be covered in a given review. If a functional area appropriate to a licensee is not covered, the reasons should be given in the report. The Appendix to this Chapter lists a number of attributes for each evaluation criterion. The functional area being evaluated may have some attributes that would place the evaluation in Category 1 and others that would place it in either Category 2 or 3. The final rating for each functional area will be a composite of the attributes tempered with judgment as to the significance of individual items. Departures from this guidance may sometimes be warranted. R

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In such cases, the rationale for such departures should be explained in the report.

042 Functional Areas. A grouping of similar activities.

a. Operating Phase Reactors

1. Plant Operations

Consists chiefly of the activities of the licensee's operational staff (e.g., licensed operators, shift technical advisors, and auxiliary operators). It is intended to be limited to operating activities such as: plant startup, power operation, plant shutdown, and system lineups. Thus, it includes activities such as reading and logging plant conditions; responding to off-normal conditions; manipulating the reactor and auxiliary controls; plant-wide housekeeping; and control room professionalism. R R R

2. Radiological Controls

Includes the following areas of activity which may be evaluated as separate subareas to arrive at a consensus rating for this functional area. R R R

(a) Occupational Radiation Safety - includes controls by licensees and contractors for occupational radiation protection, radioactive materials and contamination controls, radiological surveys and monitoring, and ALARA programs. R R R R R

(b) Radioactive Waste Management - includes processing and on-site storage of gaseous, liquid and solid wastes. R R R R

(c) Radiological Effluent Control and Monitoring - includes gaseous and liquid effluent controls and monitoring, offsite dose calculations and dose limits, radiological environmental monitoring, and the results of NRC's confirmatory measurements program. R R R R R R R

(d) Transportation of Radioactive Materials - includes procurement and selection of packages, preparation for shipment, selection and control of shippers delivery to carriers, receipt/acceptance of shipments by receiving facility, periodic maintenance of packagings and, for shipment of spent fuel, point of origin safeguards activities. R R R R R R R R

(e) LWR Water Chemistry Controls - includes primary and secondary systems affecting plant water chem- R R

istry, water chemistry control program and program implementation, chemistry facilities, equipment and procedures, and chemical analysis quality assurance. R R R R

3. Maintenance

Includes all licensee and contractor activities associated with preventive or corrective maintenance of instrumentation and control equipment and mechanical and electrical systems. R

4. Surveillance

Includes all surveillance testing activities as well as all inservice inspection and testing activities. Examples of activities included are: instrument calibrations, equipment operability tests, containment leak rate tests, special tests, inservice inspection and performance tests of pumps and valves, and all other inservice inspection activities.

5. Fire Protection

Includes routine housekeeping (combustibles, etc.) and fire protection/prevention program activities. Thus, it includes the storage of combustible material; fire brigade staffing and training; fire suppression system maintenance and operation; and those fire protection features provided for structures, systems, and components important to safe shutdown. R

6. Emergency Preparedness

Includes activities relating to the implementation of the emergency plan and implementing procedures. Thus, it includes such activities as licensee's performance during exercises which test the licensee, state, and local emergency plans; plan administration and implementation; notification; communications; facilities and equipment; staffing; training; assessment; emergency classification; medical treatment; radiological exposure control; recovery; protective actions; and interfaces with onsite and offsite emergency response organizations.

7. Security

Includes all activities whose purpose is to ensure the security of the plant. Specifically it includes all aspects of the licensee's security program (e.g. access control, security checks, safeguards). R R

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8. Outages R

Includes all licensee and contractor activities associated with major outages. Thus, it includes refueling, outage management, major plant modifications, repairs or restoration to major components (e.g., steam generator tube repairs or primary loop piping replacement), and all post-outage startup testing of systems prior to return to service.

9. Quality Programs and Administrative Controls Affecting Quality R

Includes all management control, verification and oversight activities which affect or assure the quality of plant activities, structures, systems, and components. This area may be viewed as a comprehensive management system for controlling the quality of work performed as well as the quality of verification activities that confirm that the work was performed correctly. The evaluation of the effectiveness of the quality assurance system should be based on the results of management actions to ensure that necessary people, procedures, facilities, and materials are provided and used during the operation of the nuclear power plant. Principal emphasis should be given to evaluating the effectiveness and involvement of management in establishing and assuring the effective implementation of the quality assurance program along with evaluating the history of licensee performance in the key areas of: committee activities, design and procurement control, control of design change processes, inspections, audits, corrective action systems, and records.

10. Licensing Activities

Includes the adequacy and timeliness of all licensing submittals, responsiveness to NRC licensing initiatives, and the licensee's approach to resolution of technical issues from a safety standpoint.

11. Training and Qualification Effectiveness R

Although this functional area is limited to the following categories of facility training/retraining so as to parallel those training programs covered by the Commission Policy Statement on Training and Qualification, this functional area includes all activities relating to the effectiveness of the training/retraining and qualifications program conducted by the licensee's staff and contractors for these categories of facility training. R

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Other categories of facility training/retraining should be treated as evaluation criteria for the other functional areas. R R R

(a) Non-licensed operators R

(b) Control room operators R

(c) Senior control room operators/shift supervisors R

(d) Shift technical advisors R

(e) Instrument and control technicians R

(f) Electrical maintenance personnel R

(g) Mechanical maintenance personnel R

(h) Radiological protection technicians R

(i) Chemistry technicians R

(j) Onsite technical staff and managers R

12. Others (As Needed)

b. Construction Phase Reactors

1. Soils and Foundations

Includes all soil and foundation activities related to the construction of the ultimate heat sink and safety-related structures. Specifically, this covers, as applicable, subgrade investigation and preparation, fill materials and compaction, embankments, foundations and associated laboratory testing, and instrumentation and monitoring systems.

2. Containment, Safety-Related Structures, and Major Steel Supports

Includes all activities related to the structural concrete and steel used in the containment (including the basemat) and safety-related structures, and major steel equipment supports. It includes all aspects of structural concrete (e.g., reinforcing steel; concrete batching, delivery, placement, in-process testing, and curing; liner plate erection and fabrication; and containment post-tensioning), structural steel used in safety-related structures (welded and bolted), and major steel equipment supports (for reactor vessel,

reactor coolant pumps, steam generators, pressurizer, polar crane, tanks, heat exchangers, etc.).

3. Piping Systems and Supports

Includes those safety-related piping systems described in 10 CFR 50.2(v) and R.G. 1.26, quality groups A, B and C. It is intended to be limited to the primary pressure boundary and other safety-related water, steam and radioactive waste containment piping systems. It includes those quality checks necessary to ensure compliance with the applicable codes and other requirements specified in the SAR for these systems. The primary inspection emphasis in this area is on piping systems and their supports/restraints.

4. Safety-Related Components - Mechanical

Covers mechanical components such as pressure vessels, pumps, and valves located in, and attached to, the piping systems described in 3 above. The primary emphasis here is on components rather than piping.

5. Auxiliary Systems

Includes those safety-related auxiliary systems included in the nuclear facility which are essential for the safe shutdown of the plant or the protection of the health and safety of the public. Included here are systems such as HVAC, radwaste, fire protection and fuel storage and handling.

6. Electrical Equipment and Cables

Includes safety-related electrical components, cables and associated items used in the electrical systems of the plant, such as: motors, transformers, batteries, emergency diesel generators, motor control centers, switchgear, electric raceways, cable (power, control, and instrument), circuit breakers, relays, and other interrupting and protective devices.

7. Instrumentation

Covers safety-related instrument components and systems that are designed to measure, transmit, display, record and/or control various plant variables and conditions. The Reactor Protection System and the Engineered Safety Features Actuation System are two plant systems utiliz-

ing such devices as: sensors, transmitters, signal conditioners, controllers and other actuating devices, recorders, alarms, logic devices, instrument air supplies, racks, and panels.

8. Quality Programs and Administrative Controls Affecting Quality

Includes all management control, verification and oversight activities which affect or assure the quality of plant structures, systems, and components. This area may be viewed as a comprehensive management system for controlling the quality of work performed as well as the quality of verification activities that confirm that the work was performed correctly. The evaluation of the effectiveness of the quality assurance system should be based on the results of management actions to ensure that necessary people, procedures, facilities, and materials are provided and used during the design and construction of the nuclear power plant. Principal emphasis should be given to evaluating the effectiveness and involvement of management in establishing and assuring the effective implementation of the quality assurance program along with evaluating the history of licensee/contractor performance in the key areas of: quality assurance program, design and procurement control, control of construction processes, inspections, audits, corrective action systems, and records. R

9. Licensing Activities R

Includes all activities supporting the NRC review of the application for and the issuance of the Construction Permit and Operating License, and amendments thereto. In addition, it includes the adequacy and timeliness of all licensing submittals, responsiveness to NRC licensing initiatives, and the applicant's or licensee's approach to resolution of technical issues from a safety standpoint. R

10. Others (As needed)

c. Preoperational Phase Reactors

1. Preoperational Testing

Covers the preparation, conduct, and evaluation of test results for preoperational tests performed by or under the direction of the licensee's staff to demonstrate the proper functioning and conformance to design requirements of components, systems, and structures.

2. Others (As Needed)

For reactors in the preoperational phase, functional areas from the listing for either operating phase reactors or construction phase reactors should be selected as appropriate.

d. Startup Phase Reactors

1. Startup Testing

Covers the preparation, conduct, and evaluation of test results for testing conducted following the issuance of the operating license. It starts with initial fuel loading and precritical tests, and continues until the plant reaches commercial operating status at or near its licensed power rating.

2. Others (As Needed)

For reactors in the startup phase, functional areas from the listing for operating phase reactors should be used.

043 Performance Categories. A rating of licensee performance in a given functional area.

a. Category 1

Reduced NRC attention may be appropriate. Licensee management attention and involvement are aggressive and oriented toward nuclear safety; licensee resources are ample and effectively used so that a high level of performance with respect to operational safety and construction quality is being achieved. R

b. Category 2

NRC attention should be maintained at normal levels. Licensee management attention and involvement are evident and are concerned with nuclear safety; licensee resources are adequate and reasonably effective so that satisfactory performance with respect to operational safety and construction quality is being achieved. R

c. Category 3

Both NRC and licensee attention should be increased. Licensee management attention or involvement is acceptable and

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considers nuclear safety, but weaknesses are evident; licensee resources appear to be strained or not effectively used so that minimally satisfactory performance with respect to operational safety and construction quality is being achieved. R

044 Trend. The SALP Board may determine to include an appraisal of the performance trend of a functional area. Normally, this performance trend should only be used where both a definite trend of performance is discernible to the Board and the Board believes that continuation of the trend may result in a change of performance level. The Board's appraisal of the performance trend, if used, should appear as a Board Comment. It should be used selectively and should be reserved for those instances where the Board believes that it is necessary to focus NRC and licensee attention on an area because of a declining performance trend, or to credit licensee performance because of an improving trend. R

The trend, if used, is defined as: R

a. Improving R

Licensee performance was determined to be improving near the close of the assessment period. R

b. Declining R

Licensee performance was determined to be declining near the close of the assessment period. R

045 Evaluation Criteria. Elements which must be considered when assessing a licensee's performance in a functional area.

a. The evaluation criteria are as follows:

1. Management involvement in assuring quality

2. Approach to the resolution of technical issues from a safety standpoint

3. Responsiveness to NRC initiatives

4. Enforcement history

5. Operational and Construction events (including response to, analysis of, and corrective actions for) R

6. Staffing (including management)

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b. Guidance for using these criteria to arrive at a category assignment is found in the Appendix to this Chapter.

0516-05 BASIC REQUIREMENTS

051 Applicability. This Chapter applies to and shall be followed by NRC Headquarters Offices and Regional Offices.

052 Appendix 0516. Procedures for implementation of these directives are presented in the Appendix to this Chapter.

END

Approved:

APPENDIX

SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE

UNITED STATES NUCLEAR REGULATORY COMMISSION
OFFICE OF INSPECTION AND ENFORCEMENT

CONTENTS

FIGURES

TABLES

EXHIBITS

PART I

GENERAL

A. The SALP program was established to improve the NRC Regulatory Program, to permit sound decisions regarding NRC resource allocations, and to better understand the reasons for the performance of each reactor licensee.

B. The NRC will conduct a review and evaluation of each power reactor licensee possessing an operating license or construction permit every 18 months except:

1. When the Regional Administrator determines that a particular utility or facility should be evaluated more frequently. Licensees which were assigned category Three performance in several functional areas during the previous evaluation period should be considered for evaluation on a annual basis; R R R R

2. When a SALP Report will be used as part of an evaluation of readiness for license issuance (IE 94300), a SALP evaluation should be scheduled approximately six months before the scheduled licensing date; or R

3. When a new operating license is issued, two SALP evaluations should be scheduled at approximately 12 months intervals. The first of these two evaluations should be scheduled for completion approximately 12 months after the SALP evaluation conducted during the preoperational phase just prior to issuance of the operating license. The second of these two evaluations should be completed approximately 12 months later. Following completion of these two evalualtions, it is expected that most facilities would then be placed on a normal schedule. R R R R R R R R R R

The individual facility assessments are intended to take place at an approximately uniform rate throughout the year within each Regional office.

C. The evaluation process is composed of (Figure 1, Part I):

1. A SALP Board assessment;

2. Issuance of the SALP report;

3. If requested by the licensee or if otherwise determined to be necessary by the Regional Administrator, a meeting with licensee management to discuss the assessment. A licensee managment meeting should be considered by the Regional Administrator in those R R

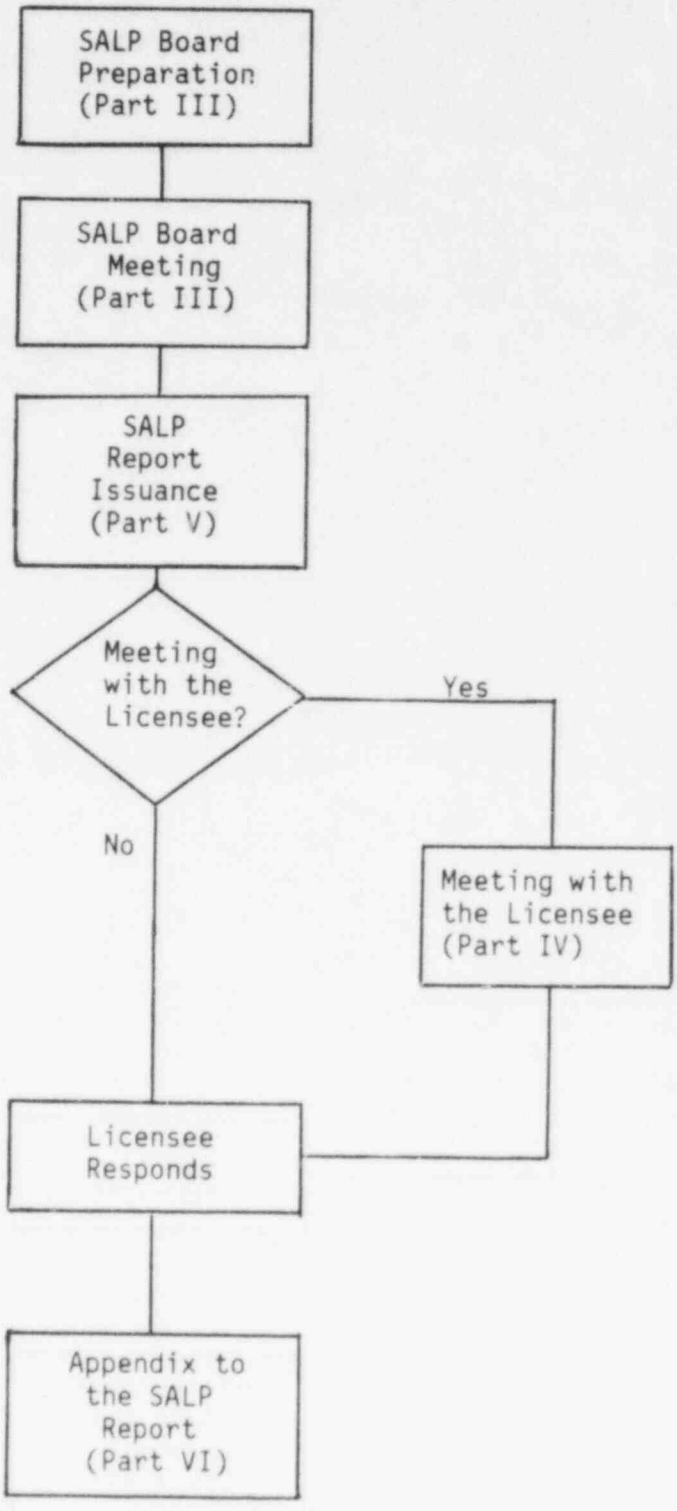
cases where it appears that licensee performance is such that an order imposing a Regulatory Improvement Program or other sanctions may be appropriate; R R R

4. Consideration of any written response received (or required) from the licensee and issuance of an appendix to the SALP report which is to include the verbatim written response received from the licensee and the conclusions of the Regional Administrator on the basis of his consideration of the response. R R R R R

D. Procedures for implementing the SALP program are provided in this Appendix. R R

FIGURE 1

SALP Evaluation Process



PART II

EVALUATION CRITERIA

The assessment of licensee performance is implemented through the use of six evaluation criteria. The criteria provide standard guidance that shall be applied to each functional area for the categorization of licensee performance. R

To provide consistent evaluation of licensee performance, several attributes associated with each criterion are listed to describe the characteristics applicable to the three categories.

The six criteria discussed in Chapter NRC-0516-045 are listed in Table 1 with their associated attributes. These form the guidance which aids in understanding and evaluating licensee performance by identifying the causes and factors appropriate for categorization. It is not intended that consideration of these attributes influence established programs of the agency. For example, it is not intended that specific inspections be performed to evaluate attributes. It is expected that during the implementation of established programs, many of the attributes which describe performance will be observed. Cognizance of these attributes should assist the staff in their observation of licensee performance during routine activities. R

All of the attributes of the evaluation criteria are not necessarily applicable. In some instances, the observed performance within a functional area may be insufficient to allow consideration in the evaluation. However, matters such as management involvement and staffing are criteria of each functional area and should be considered in the evaluation of the functional areas. R R R

It is emphasized that all available information should be analyzed by the SALP Board, and its significance, whether it be positive or negative, should be weighed. If information is scarce or nonexistent, a decision regarding the performance category as it relates to an attribute should not be forced. R

TABLE 1 EVALUATION CRITERIA WITH ATTRIBUTES FOR ASSESSMENT OF LICENSEE PERFORMANCE

Category 1	Category 2	Category 3	
1. Management Involvement in Assuring Quality			
consistent evidence of prior planning and assignment of priorities; well stated, controlled and explicit procedures for control of activities	evidence of prior planning and assignment of priorities; stated, defined procedures for control of activities	little evidence of prior planning and assignment of priorities; poorly stated or ill understood procedures for control of activities	
well stated, disseminated, and understandable policies	adequately stated and understood policies	poorly stated, poorly understood or nonexistent policies	
decisionmaking consistently at a level that ensures adequate management review	decisionmaking usually at a level that ensures adequate management review	decisionmaking seldom at a level that ensures adequate management review	
corporate management frequently involved in site activities	corporate management usually involved in site activities	corporate management seldom involved in site activities	
reviews timely, thorough, and technically sound	reviews generally timely, thorough, and technically sound	reviews not timely, thorough or technically sound	
records complete, well, maintained, and available	records generally complete, well maintained, and available	records not complete, not well maintained, or unavailable	
procedures and policies strictly adhered to	procedures and policies rarely violated	procedures and policies occasionally violated	
corrective action is effective, as indicated by lack of repetition	corrective action is usually taken but may not be effective at correcting the root cause of of the problem, as indicated by occasional repetition	corrective action is not timely or effective and generally addresses symptoms rather than root causes, events are repetitive	R R R R R

Category 1	Category 2	Category 3
2. Approach to the Resolution of Technical Issues from a Safety Standpoint		
clear understanding of issues demonstrated	understanding of issues generally apparent	understanding of issues frequently lacking
conservatism routinely exhibited when potential for safety significance exists	conservatism generally exhibited	meets minimum requirements
technically sound and thorough approaches in almost all cases	viable and generally sound and thorough approaches	often viable approaches; but lacking in thoroughness or depth
timely resolutions in almost all cases	generally timely resolutions	resolutions often delayed
3. Responsiveness to NRC Initiatives		
meets deadlines	generally timely responses	frequently requires extensions of time
timely resolution of issues	few longstanding regulatory issues attributable to licensee	longstanding regulatory issues attributable to licensee
technically sound and thorough responses in almost all cases	viable and generally sound and thorough responses	often viable responses, but lacking in thoroughness or depth
acceptable resolutions proposed initially in most cases	acceptable resolutions generally proposed	considerable NRC effort or repeated submittals needed to obtain acceptable resolutions
4. Enforcement History		
major violations are rare and are not indicative of programmatic breakdown	major violations are rare and may indicate minor programmatic breakdown	multiple major violations or programmatic breakdown indicated

Category 1	Category 2	Category 3	
4. Enforcement History (Continued)			
minor violations are not repetitive and not indicative of programmatic breakdown	multiple minor violations or minor programmatic breakdown indicated	minor violations are repetitive and indicative of programmatic breakdown	
corrective action is prompt and effective	corrective action is timely and effective in most cases	corrective action is delayed or not effective	
5. Operational and Construction Events			
few significant operational or construction events, attributable to causes under the licensee's control, have occurred that are relevant to this functional area	occasional significant operational or construction events, attributable to causes under the licensee's control, have occurred that are relevant to this functional area	frequent significant operational or construction events, attributable to causes under the licensee's control, have occurred that are relevant to this functional area	R R R R R
events are promptly and completely reported	events are reported in a timely manner, some information may be lacking	event reporting is frequently late or incomplete	R R R
events are properly identified and analyzed	events are accurately identified, some analyses are marginal	events are poorly identified or analyses are marginal, events are associated with programmatic weaknesses	R R R R
6. Staffing (Including Management)			
positions are identified, authorities and responsibilities are well defined	key positions are identified, and responsibilities are defined	positions are poorly identified, or authorities and responsibilities are ill defined	
vacant key positions are filled on a priority basis	key positions usually filled in a reasonable time	key positions are left vacant for extended periods of time	

Category 1	Category 2	Category 3
6. Staffing (Including Management) (Continued)		
staffing is ample as indicated by control over backlog and overtime	staffing is adequate, occasional difficulties with backlog or overtime	staffing is weak or minimal as indicated by excessive backlog and overtime
experience levels for management and operations personnel exceed commitments made by licensee at time of licensing	experience levels for management and operations personnel meet commitments made by licensee at time of licensing	experience levels for managment and operations personnel are below commitments made by licensee at time of licensing
7. Training and Qualification Effectiveness		
training and qualification program makes a positive contribution, commensurate with procedures and staffing, to understanding of work and adherence to procedures with few personnel errors	training and qualification program contributes to an adequate understanding of work and fair adherence to procedure with a modest number of personnel errors	training and qualification program is found to be the major contributing factor to poor understanding of work, as indicated by numerous procedure violations or personnel errors
training program is well defined and implemented with dedicated resources and a means for feedback experience; program is applied to nearly all staff	a defined program is implemented for a large portion of the staff	program may be either lacking, poorly defined, or ineffectively applied for a significant segment of the staff
inadequate training could rarely be traced as a root cause of major or minor events or problems occurring during the rating period	inadequate training could occasionally be traced as a root cause of major or minor events or problems occurring during the rating period	inadequate training could regularly be traced as a root cause of major or minor events or problems occurring during the rating period

PART III

SALP BOARD ASSESSMENT

A. SALP Board Preparation

Each region shall: R

1. Issue a memorandum establishing the assessment period, SALP Board input due date, SALP Board meeting date, and expected date of licensee meeting, if necessary, for all facilities within the region for all SALP meetings scheduled to occur in the calendar year. This memorandum shall be sent to NRR, IE, NMSS, AEOD, and the EDO by the end of the preceding calendar year. Changes to SALP schedules should also be provided to these Offices. SALP Board members shall be notified promptly of unavoidable schedule problems to facilitate coordination of setting alternate meeting dates. R R R R R R R R R R

2. Prepare a draft of the SALP Board Report. R

   a. Obtain SALP Board inputs. NRR shall provide a written input to the Licensing Activities area. Other program offices should provide any known significant information based upon headquarters activities. R R R R R

   b. Prepare the Supporting Data Summary section of the report. (See Part VII, Exhibit 2 for format.)

   c. Prepare a performance analysis for each of the functional areas identified in NRC 0516-042. (See Part VII, Exhibit 2 for format.)

   d. Issue a draft of the SALP Board Report to meeting participants in advance of the SALP Board Meeting date. R R

B. SALP Board Meeting

1. The SALP Board meeting should be conducted within 45 days of the end of the assessment period. This meeting will be conducted under a regionally generated SALP Board procedure. R R R

2. The SALP Board shall be composed of the following voting members: R

   a. SALP Board Chairman (Division level manager or above)

   b. NRR Project Manager

c. NRR management representative

d. Senior Resident Inspector

e. Representatives from IE, AEOD, and NMSS when determined appropriate by the respective Office Director R R

f. Other individuals as determined by the Regional Administrator

g. Regional Administrators are encouraged to arrange for the occasional participation of Division level managers from other regions on SALP Boards. R R R

3. During the SALP Board meeting, the SALP Board shall:

a. Review and discuss the draft SALP Board Assessment report. Ensure that sufficient information has been provided in each functional area analysis to form a conclusion regarding licensee performance or alternatively confirm that sufficient information is not available to support a conclusion regarding licensee performance.

b. Rate licensee performance in each functional area after considering the evaluation criteria with their associated attributes listed in Table 1 of Part II of this appendix. Tables 2 and 3 may be used by the SALP Board members to assist them in their rating of a licensee. Ratings shall be determined by majority vote of the Board's voting members. R R

c. Recommend changes to the inspection program emphasis, as necessary.

TABLE 2

EVALUATION MATRIX FOR OPERATING

PHASE FUNCTIONAL AREAS

	Management Involvement In Assuring Quality	Approach to the Resolution of Technical Issues from a Safety Standpoint	Responsiveness to NRC Initiatives	Enforcement History	Operational and Construction Events	Staffing (Including Management)
Plant Operations						
Radiological Controls						
Maintenance						
Surveillance						
Fire Protection						
Emergency Preparedness						
Security						
Outages						
Quality Programs and Administrative Controls Affecting Quality						
Licensing Activities						
Training and Qualification Effectiveness						

TABLE 3

EVALUATION MATRIX FOR CONSTRUCTION

PHASE FUNCTIONAL AREAS

	Management Involvement In Assuring Quality	Approach to the Resolution of Technical Issues from a Safety Standpoint	Responsiveness to NRC Initiatives	Enforcement History	Operational and Construction Events	Staffing (Including Management)
Soils and Foundation						
Containment, Safety-Related Structures, and Major Steel Supports						
Piping Systems and Supports						
Safety-Related Components-Mechanical						
Auxiliary Systems						
Electrical Equipment and Cables						
Instrumentation						
Quality Programs and Administrative Controls Affecting Quality						
Licensing Activities						
Training and Qualification Effectiveness						

PART IV

MEETING WITH LICENSEE

A. General. If requested by the licensee or if otherwise determined to be necessary by the Regional Administrator, a meeting with licensee management to discuss the assessment will be held.

B. Meeting Preparation

1. Notification of the meeting (if held) should be made by the region to the licensee, the cognizant regional personnel, the resident inspectors at the involved facilities, the NRR Project Managers for the involved facilities, and cognizant NRC managers. R R

2. The licensee should be encouraged to have the following management representatives participate in the meeting.

   a. Senior corporate management representative

   b. Management officials responsible for the major functions wherein problem areas have been identified (e.g., health physics, security, engineering)

   c. Site Manager

C. Meeting with Licensee

1. The meeting (if held) should be conducted within 90 days of the end of the assessment period.

2. NRC representatives for this meeting should include the following:

   a. Either the Regional Administrator, Deputy Administrator, or a Division Director

   b. Responsible Regional Division Director(s), Branch Chiefs, or Section Chiefs, as appropriate

   c. NRR Project Manager and designated NRR manager

   d. Resident Inspector and/or assigned inspectors

   e. Public Affairs Officer, when media interest is anticipated

3. The Regional Administrator, Deputy Administrator, or Division Director will chair the meeting and discussions of the adequacy of the licensee's management controls. These meetings are intended to provide a forum for candid discussion of issues relating to the licensee's performance. Those aspects of the licensee's operation that need improvement will be identified.

The good aspects of the licensee's performance should also be identified. R R

The licensee will also be given the opportunity to make comments on the report in writing within 30 days after the meeting or receipt of the SALP Board report if no meeting is held. Only written comments from the licensee must be addressed by the Regional Administrators.

4. SALP management meetings with the licensee should be conducted as open meetings, with the exception of those portions of the meetings that involve discussion of matters not required to be mandatorily placed in the public domain pursuant to 10 CFR 2.790, which must be closed. Members of the public should be treated as observers. Adequate notification of the SALP meeting can be accomplished by PDR distribution of the letter to the licensee which schedules the meeting, with copies to the service list for the appropriate docket.

PART V

ISSUANCE OF REPORT

A. Issuance of Report

The SALP Board Report (Exhibit 2, Part VII) shall be issued to the licensee under signature of the Regional Administrator with copies to Director, IE; Director, NRR; the Commissioners and the IE SALP Coordinator. The transmittal letter should include: R R R R

1. A request for the licensee's written comments and amplification, as appropriate, on the SALP report within 30 days after the licensee meeting (if held) or receipt of the SALP Board report. For all functional areas rated as Category Three, the transmittal letter shall require a licensee response providing planned corrective actions to achieve improved performance; R R R R R R R

2. Amplification of the findings of the SALP Board as appropriate. This includes, as a minimum, functional areas rated Category One, Category Three, and those functional areas which have declined since the last SALP evaluation period (examples are shown in Exhibit 1, Part VII); and R

3. A characterization of overall safety performance. R

This letter, enclosing the SALP Report, will receive standard docket distribution including the NRC Public Document Room and the local Public Document Room, and INPO (Record Center, INPO; 1100 Circle 75 Parkway; Suite 1500; Atlanta, GA 30339). Each report will be assigned an Inspection Report number.

B. Changing the SALP Report

Any changes made to the report as originally transmitted to the licensee shall be done using the following procedure (an example is shown in Exhibits 3, 4, and 5, Part VII).

a. Include an errata sheet (Exhibit 3, Part VII) as a separate enclosure to a Regional Administrator's cover letter denoting the change and the basis for the change.

b. Add the corrected page (Exhibit 5, Part VII) to the report, leaving the original page (Exhibit 4, Part VII) in the report.

c. Make a diagonal line through the original page, referencing the Errata sheet.

PART VI

APPENDIX TO THE SALP REPORT

A. General

The Regional Administrator shall issue an appendix to the SALP report within 30 days of receipt of the licensee's written comments or planned corrective actions. This appendix will receive standard docket distribution including the NRC Public Document Room, the local Public Document Room and INPO. R R R R R

B. Appendix to the SALP Report

The appendix to the SALP report shall consist of:

1. The verbatim written comments received from the licensee;

2. A summary of any meetings held with the licensee concerning the SALP report;

3. Comments on the acceptability of licensee's planned corrective actions, if required; and R R

4. The conclusions of the Regional Administrator on the basis of his consideration of the licensee's comments or planned corrective actions. R R R

PART VII

SALP REPORT

FORMAT AND CONTENT

A. General

The SALP Board report is considered to be a final report upon approval by the Board, signature of the transmittal letter by the Regional Administrator, and dispatch to the licensee.

B. Multiple Facility Licensees

In cases such as Duke, TVA, and Commonwealth Edison, the SALP package may address more than one site. However, each site should have a separate SALP Board Report (Exhibit 2, Part VII). R

C. Report Format and Content

The SALP Board report shall be prepared in general conformance to the guidelines provided in Exhibit 2. The standard entries described in this Exhibit should be used to the extent possible.

EXHIBIT 1

Samples of Overall Safety Performance Chacterizations

Example 1

Overall, we find that your performance of licensed activities generally is acceptable and directed toward safe facility operation. In addition, your overall performance has shown only moderate improvement since the last SALP evaluation period. Your performance in the area of Plant Modifications with contractors having limited experience was found to be in need of increased management attention.

Example 2

In addition to the assessments and recommendations made by the SALP Board in the enclosed SALP Report, it is my view that your overall regulatory performance continued at a high level during the assessment period. It is evident that safe operation and compliance with regulatory requirements are priority considerations at your facility. I concur, however, with the SALP Board findings that management attention is required to correct problems in the area of Radiological Controls and the long standing problems associated with the existing perimeter alarm system.

Example 3

The overall performance of your facility was acceptable but exhibited a declining trend since the last SALP evaluation period. Resources were strained or not effectively used such that minimally satisfactory performance with respect to operational safety was achieved. The SALP Board identified weaknesses in the areas of plant operations, radiological controls, maintenance, security and safeguards, and the quality assurance program. Your performance in these areas will be closely monitored and discussed in the next SALP Board Assessment for your facility. A major strength was noted in the area of refueling.

Example 4

Overall, we found your performance acceptable and directed toward safe facility operation. In addition, we found your overall performance improved since the last SALP evaluation period. We found aggressive management attention and a high level of performance in the following areas: Radiological Controls, Surveillance, Fire Protection and Housekeeping, Emergency Preparedness, and Refueling. Your performance in assuring that equipment and procedural changes are adequately controlled was found to need increased attention on your part and we will pay particular attention to this area during our subsequent inspections.

EXHIBIT 2

SALP BOARD REPORT

U.S. NUCLEAR REGULATORY COMMISSION

REGION [region]

SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE

[Inspection Report Number]

[Name of Licensee]

[Name of Facility]

[Assessment Period]

EXHIBIT 2 (Cont'd)

I. INTRODUCTION

The Systematic Assessment of Licensee Performance (SALP) program is an integrated NRC staff effort to collect available observations and data on a periodic basis and to evaluate licensee performance based upon this information. The SALP program is supplemental to normal regulatory processes used to ensure compliance with NRC rules and regulations. The SALP program is intended to be sufficiently diagnostic to provide a rational basis for allocating NRC resources and to provide meaningful guidance to the licensee's management to promote quality and safety of plant construction and operation.

An NRC SALP Board, composed of the staff members listed below, met on [date], to review the collection of performance observations and data, and to assess licensee performance in accordance with the guidance in NRC Manual Chapter 0516, "Systematic Assessment of Licensee Performance." A summary of the guidance and evaluation criteria is provided in Section II of this report.

This report is the SALP Board's assessment of the licensee's safety performance at [name of facility] for the period [date] through [date].

SALP Board for [name of facility]:

[List SALP Board Members]

EXHIBIT 2 (Cont'd)

II. CRITERIA

Licensee performance is assessed in selected functional areas, depending upon whether the facility is in a construction, preoperational, or operating phase. Functional areas normally represent areas significant to nuclear safety and the environment. Some functional areas may not be assessed because of little or no licensee activities, or lack of meaningful observations. Special areas may be added to highlight significant observations. R

One or more of the following evaluation criteria were used to assess each functional area.

1. Management involvement and control in assuring quality

2. Approach to the resolution of technical issues from a safety standpoint

3. Responsiveness to NRC initiatives

4. Enforcement history

5. Operational and Construction events (including response to, analyses of, and corrective actions for) R R

6. Staffing (including management) R

However, the SALP Board is not limited to these criteria and others may have been used where appropriate.

Based upon the SALP Board assessment each functional area evaluated is classified into one of three performance categories. The definitions of these performance categories are:

Category 1. Reduced NRC attention may be appropriate. Licensee management attention and involvement are aggressive and oriented toward nuclear safety; licensee resources are ample and effectively used so that a high level of performance with respect to operational safety and construction quality is being achieved. R

Category 2. NRC attention should be maintained at normal levels. Licensee management attention and involvement are evident and are concerned with nuclear safety; licensee resources are adequate and are reasonably effective so that satisfactory performance with respect to operational safety and construction quality is being achieved. R

EXHIBIT 2 (Cont'd)

Category 3. Both NRC and licensee attention should be increased. Licensee management attention or involvement is acceptable and considers nuclear safety, but weaknesses are evident; licensee resources appear to be strained or not effectively used so that minimally satisfactory performance with respect to operational safety and construction quality is being achieved. R

III. SUMMARY OF RESULTS

[Provide a narrative summary of the licensee's overall significant strengths and weaknesses. It should be similar to the overall performance narrative used in the letter to the licensee.]

Functional Area	[last period]	[this period]	R
[functional area]	[rating last period]	[rating this period]	R

IV. PERFORMANCE ANALYSIS

A. [Functional Area being discussed]

1. Analysis

[The analysis of the licensee's performance in an area should include pertinent facts and observations to highlight the specific strong and weak aspects of the licensee's performance. These facts and observations shall be presented in a manner to place matters in perspective and to allow the reader to understand the rationale for stated conclusions. This analysis should concentrate on the adequacy of the licensee's management control systems, adequacy of resources, training of personnel, etc., and the effectiveness of these efforts. Upon presentation of the analyses, the attributes associated with the specified criteria are to be referred to for purposes of both completeness and to compare the conclusions reached with the attributes of each category. The attributes listed in Part II are specifically oriented toward this and should be utilized. In no event, however,

EXHIBIT 2 (Cont'd)

are the examples of licensee performance for specific attributes to be used as stand-alone assessments; they represent a sampling of possible conclusions which must be supported by appropriate facts, observations or analysis. Each analysis should be written to avoid either 10 CFR 2.790 or safeguards information.

The analysis section is composed of three major subsections:

. A brief account of the inspection activity which occurred in this area.

. A brief summary of the previous evaluation if there has been a significant change or if there should have been significant improvement but there was not. R

. A summary of the strengths, weaknesses, and other significant observations made by the NRC staff during the evaluation period.

2. Conclusion

[Provide the performance assessment (Category 1, 2, or 3) for each functional area considered.] R R

3. Board Recommendations

[Include any general or specific Board recommendations pertaining to either licensee management attention or NRC inspection activities in a functional area. If appropriate, include a trend assessment (improving or declining), characterizing licensee performance near the close of the assessment period. Note that even in the absence of a recommendation to vary inspection levels, the regional office may do so based on the assessment as discussed in appropriate chapters of the IE manual.] R R R R R

EXHIBIT 2 (Cont'd)

V. SUPPORTING DATA AND SUMMARIES

A. Licensee Activities

[Provide an outline of major licensee activities, such as major outages, power limitations, important license amendments, and significant modifications.]

B. Inspection Activities

[Provide a summary of major inspection activities in each functional area. This is not intended to be a summary of each routine inspection performed, but rather a summary of major inspection activities such as team inspections. Include Table I.]

C. Investigations and Allegations Review

[Provide a summary of major investigative activities and their results.]

D. Escalated Enforcement Actions

1. Civil Penalties [Provide a summary]

2. Orders (only those relating to enforcement) [Provide a summary]

E. Licensee Conferences Held During Appraisal Period R

[Discuss conferences that dealt with regulatory performance or enforcement.] R R

F. Confirmation of Action Letters R

[Provide a summary.] R

G. [Other]

[Discuss any other issues at the discretion of the SALP Board.]

H. Review of Licensee Event Reports, Construction Deficiency Reports, and 10 CFR 21 Reports Submitted by the Licensee

[Provide a brief summary of significant findings and trends resulting from a review of these reports. If this information is contained in another section of the report, this item may be omitted.]

I. Licensing Activities R

[Provide a summary of significant occurrences in each of the following categories of NRR licensing activities. The summaries should provide a basis that demonstrates the significance of the licensee's programs, and the importance and resources assigned by the licensee to the programs.] R

1. NRR/Licensee Meetings [Discuss meetings that dealt with significant licensing issues.] R
2. Commission Meetings [Discuss meetings that dealt with significant licensing issues.] R
3. Schedular Extensions Granted R
4. Reliefs Granted R
5. Exemptions Granted R
6. License Amendments Issued R
7. Orders Issued R
8. Issues Pending R

EXHIBIT 2 (Cont'd)

TABLE 1

ENFORCEMENT ACTIVITY

FUNCTIONAL AREA	NO. OF VIOLATIONS IN EACH SEVERITY LEVEL				
	V	IV	III	II	I
TOTAL					

EXHIBIT 3

AN ERRATA SHEET

SALP BOARD REPORT ERRATA SHEET

PAGE	LINE	NOW READS	SHOULD READ
5	24	operator's cognitive decision	operator's decision

Basis: The word cognitive was deleted to avoid further problems in interpreting its meaning. As used, the work was intended to mean that the operator, as the cognizant individual on shift, knew the operating requirements of the Technical Specification but made a conscious decision to operate the plant in a manner which he felt was equivalent to the requirements. It was not intended to mean that the operator took actions in total disregard of the Technical Specification objectives.

EXHIBIT 4

ORIGINAL PAGE

(10) Severity Level IV - Failure to take timely and proper corrective action following the failure of a cold leg RTD (50-000/81-24).

(11) Severity Level VI - Failure to make a 30 day report on a degraded bus voltage relay (50-000/81-26).

Six of the noncompliances were for failure to make required reports or to make timely reports, four for failure to follow procedures, and one for incomplete documentation. One noncompliance for failure to properly report a breach in containment, Item (9) above, is part of an escalated enforcement action with Civil Penalty. The actual event, is described in Section 4, Surveillance.

Nine LER's relating to this area were caused by personnel errors, six at Unit 1 and three at Unit 2. Sixty percent of these occurred in the last half of the period and thirty percent in the last quarter indicating an increasing occurrence rate in the period. Six of the nine were for incorrect valve or breaker alignments and three were for failure to follow operating procedures.

Two events (LER's 50-000/81-87 and 50-000/81-52) were of particular concern since they reflected a licensed operator's cognitive decision to operate a system (charging and shutdown and containment isolation, respectively) in a manner not allowed by the Technical Specifications.

Unit 1 experienced nine automatic trips during the evaluation period, four caused by operator error and five by equipment failure. Of the four caused by errors, two were due to incorrectly conducted instrument surveillance tests, one to an incorrect valve lineup on the steam side, and the last to unfamiliarity with turbine controls.

Unit 2 experienced nine reactor trips, one being a manually initiated turbine trip. Four of the trips were related to personnel errors; two by loss of vacuum in the main condenser, one resulted from a low steam generator level, and one resulted from a turbine valve misalignment.

No significant safety concern is associated with these trips and each was reviewed to verify proper safety system operation and operator actions.

Various operating problems and events identified during the period resulted in an enforcement meeting on August 4, 1981, with followup meeting on August 4, 1981, with followup meetings on November 2, 1981

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EXHIBIT 5

CORRECTED PAGE

(10) Severity Level IV - Failure to take timely and proper corrective action following the failure of a cold leg RTD (50-000/81-24).

(11) Severity Level VI - Failure to make a 30 day report on a degraded bus voltage relay (50-000/81-26).

Six of the noncompliances were for failure to make required reports or to make timely reports, four for failure to follow procedures, and one for incomplete documentation. One noncompliance for failure to properly report a breach in containment, Item (9) above, is part of an escalated enforcement action with Civil Penalty. The actual event, is described in Section 4, Surveillance.

Nine LER's relating to this area were caused by personnel errors, six at Unit 1 and three at Unit 2. Sixty percent of these occurred in the last half of the period and thirty percent in the last quarter indicating an increasing occurrence rate in the period. Six of the nine were for incorrect valve or breaker alignments and three were for failure to follow operating procedures.

Two events (LER's 50-000/81-67 and 50-000/81-52) were of particular concern since they reflected a licensed operator's decision to operate a system (charging and letdown and containment isolation, respectively) in a manner not allowed by the Technical Specifications.

Unit 1 experienced nine automatic trips during the evaluation period, four caused by operator error and five by equipment failure. Of the four caused by errors, two were due to incorrectly conducted instrument surveillance tests, one to an incorrect valve lineup on the steam side, and the last to unfamiliarity with turbine controls.

Unit 2 experienced nine reactor trips, one being a manually initiated turbine trip. Four of the trips were related to personnel errors; two by loss of vacuum in the main condenser, one resulted from a low steam generator level, and one resulted from a turbine valve misalignment.

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