

March 31, 2000

Mr. Robert J. Barrett
Site Executive Officer
New York Power Authority
Indian Point 3 Nuclear Power Plant
Post Office Box 215
Buchanan, NY 10511

SUBJECT: PLANT PERFORMANCE REVIEW - INDIAN POINT 3

Dear Mr. Barrett:

The purpose of this letter is to communicate our assessment of your performance and to inform you of our planned inspections at your facility. On February 23, 2000, we completed a Plant Performance Review (PPR) of Indian Point 3. We conduct these reviews to develop an integrated overview of the safety performance of each operating nuclear power plant. We use the results of the PPR in planning and allocating inspection resources and as inputs to our senior management meeting (SMM) process. This PPR evaluated inspection results and safety performance information for the period from January 16, 1999 to January 31, 2000, but emphasized the last six months to ensure that our assessment reflected your current performance. Our most recent summary of plant performance at Indian Point 3 was provided to you in a letter dated April 9, 1999, and was discussed with you in a public meeting on July 23, 1999.

The NRC has been developing a revised reactor oversight process that will replace our existing inspection and assessment processes, including the PPR, the SMM, and the Systematic Assessment of Licensee Performance (SALP). We recently completed a pilot program for the revised reactor oversight process at nine participating sites and are making necessary adjustments based on feedback and lessons learned. We plan to begin initial implementation of the revised reactor oversight process industry-wide on April 2, 2000.

This PPR reflects continued NRC process improvements as we make the transition into the revised reactor oversight process. You will notice that the following summary of plant performance is organized differently from our previous performance summaries. Instead of characterizing our assessment results by SALP functional area, we are organizing the results into the strategic performance areas embodied in the revised reactor oversight process. In addition, we have considered the historical performance indicator data that you submitted in January 2000 in conjunction with the inspection results in assessing your performance. The results of this PPR were used to establish the inspection plan in accordance with the new risk-informed inspection program (consisting of baseline and supplemental inspections). Although this letter incorporates some terms and concepts associated with the new oversight process, it does not reflect the much broader changes in inspection and assessment that will be evident after we have fully implemented our revised reactor oversight process.

During the last six months of the assessment period, Indian Point Unit 3 operated at essentially full power except for a refueling outage and two automatic reactor shutdowns. Although the NRC noted some performance issues during the assessment period, Indian Point 3 continued to operate in a safe manner. In an effort to understand your response to these performance issues, additional inspection resources will be allocated in certain areas as noted in this letter.

In the reactor safety strategic performance area, performance issues were noted in four areas: configuration management/control, engineering, work control, and corrective action program effectiveness.

Configuration management/control problems continued and were caused by deficiencies in procedures, protective tagging orders, and equipment checkoff lists. Engineering staff was generally effective in supporting safe plant operation although the quality of support activities during operations and testing varied. Your engineering staff was not fully effective in translating design information into plant procedures which, in one case, resulted in unexpected control rod motion during power operation.

Improvements were noted in work control, but some planning and implementation problems persisted. For example, weak interdepartmental communications contributed to a few work control problems. While some improvements were noted in your corrective action program, problems continued and included examples where deficient conditions were not promptly identified, root cause evaluations were not thorough, and corrective actions were narrowly focused. In the reactor safety strategic performance area, we currently plan to perform baseline inspections and also to conduct an initiative inspection to review your problem identification and resolution program.

We did not identify any significant performance issues in either the radiation safety or safeguards strategic performance areas. Therefore, we currently plan to perform only our normal baseline inspections in these areas.

Enclosure 1 contains a historical listing of plant issues, referred to as the Plant Issues Matrix (PIM), that were used during this PPR process to arrive at our integrated view of your performance trends. The PIM for this assessment is grouped by the prior SALP functional areas of operations, maintenance, engineering and plant support, although the future PIM will be organized along the cornerstones of safety as described in the revised reactor oversight process. The attached PIM includes items summarized from inspection reports or other docketed correspondence between the NRC and New York Power Authority regarding Indian Point 3. We did not document all aspects of licensee programs and performance that may be functioning appropriately. Rather, we only documented issues that we believe warrant management attention or represent noteworthy aspects of performance. In addition, the PPR may also have considered some predecisional and draft material that does not appear in the attached PIM, including observations from events and inspections that had occurred since our last inspection report was issued, but had not yet received full review and consideration. We will make this material publically available as part of the normal issuance of our inspection reports and other correspondence.

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Enclosure 2 lists our planned inspections for the period April 2000 through March 2001 at Indian Point 3 to allow you to resolve scheduling conflicts and personnel availability in advance of our inspector arrival onsite. The inspection schedule for the latter half of the period is more tentative and may be adjusted in the future due to emerging performance issues at Indian Point 3 or other Region I facilities. Routine resident inspections are not listed due to their ongoing and continuous nature.

We will inform you of any changes to the inspection plan. If you have any questions, please contact me at (610) 337-5234.

Sincerely,

/RA/

Peter W. Eselgroth, Chief
Projects Branch 2
Division of Reactor Projects

Docket No. 05000286

License No. DPR-64

Enclosures: 1. Plant Issues Matrix
2. Inspection Plan

cc w/encls:

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