

APPENDIX

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

NRC Inspection Report: 50-498/85-18
50-499/85-16

Construction Permits: CPPR-128
CPPR-129

Dockets: 50-498
50-499

Licensee: Houston Lighting & Power Company (HL&P)
P. O. Box 1700
Houston, Texas 77001

Facility Name: South Texas Project, Units 1 and 2

Inspection At: South Texas Project, Matagorda County, Texas

Inspection Conducted: October 21-25, 1985

Inspectors: *G. L. Madsen* 12/19/85
G. L. Madsen, Project Inspector, Project
Section C, Reactor Projects Branch Date

D. P. Tomlinson 12-09-85
D. P. Tomlinson, Reactor Inspector
Engineering Section, Reactor Safety Branch Date

D. R. Carpenter 12-09-85
D. R. Carpenter, Resident Inspector, Project
Section C, Reactor Projects Branch Date

Approved: *[Signature]* 12/16/85
G. L. Constable, Chief, Project Section C
Reactor Projects Branch Date

R.E. Ireland
R. E. Ireland, Chief, Engineering Section
Reactor Safety Branch

12/17/85
Date

Inspection Summary

Inspection Conducted October 21-25, 1985 (Report 50-498/85-18; 50-499/85-16)

Areas Inspected: Routine, unannounced inspection of applicant's policies, procedures, and implementation relating to the HL&P SAFETEAM programs for identifying and resolving concerns resulting from exit, scheduled, and walk-in interviews with applicant and contractor employees. The inspection involved 94 inspector-hours onsite by three NRC inspectors.

Results: Within the areas inspected, no violations or deviations were identified.

DETAILS1. Persons ContactedPrincipal Licensee Personnel

J. H. Goldberg, Group Vice-President, Nuclear
*J. E. Geiger, Manager, Nuclear Assurance
*W. N. Phillips, Program Manager, SAFETEAM
*T. L. Jordan, Project, QA Manager
*J. W. Williams, Director of Special Projects
*J. T. Westheimer, Project Manager
*B. L. Hall, Investigations Supervisor, SAFETEAM
*J. B. Hart, Licensing
*S. M. Head, Lead Engineer, Project Compliance
S. S. Koelzer, Interview Coordinator, SAFETEAM

NRC

*G. L. Constable, Chief, Project Section C
*C. E. Johnson, Senior Resident Inspector

*Denotes individuals attending the exit interview on October 25, 1985.

2. SAFETEAM Programa. Organizational Structure

The HL&P SAFETEAM program is implemented under the direction of W. N. Phillips, Program Manager, SAFETEAM, who reports to J. E. Geiger, Manager of Nuclear Assurance, who reports to J. H. Goldberg, Group Vice President, Nuclear. As Manager of Nuclear Assurance, J. E. Geiger also has managerial responsibilities for the QA site organization, which has the potential to influence the processing of employee concerns within the SAFETEAM organization.

b. Formality of the Program

The SAFETEAM concept was developed by Utilities Technical Services, now SYNDICO, a subsidiary of the Detroit Edison Company and initially utilized at the South Texas Project in September 1984. The SAFETEAM handbook and manual were initially utilized in the implementation of the South Texas SAFETEAM program. On May 1, 1985, HL&P issued a SAFETEAM Procedures Manual which was revised and reissued on October 4, 1985, as the SAFETEAM Instructions Manual. The existing program is essentially equivalent to the initial SAFETEAM Manual with certain revisions, including:

(1) Preparation and approval of investigation plans.

(2) Mechanisms for following recommendations to implementation.

c. Numbers and Qualifications of Personnel

The SAFETEAM organization is comprised of the Program Manager, Investigations Supervisor and one secretary (HL&P employees), and the following contract personnel:

- (1) One Administrative Technician - Jeanneret and Associates.
- (2) One Interview Coordinator - Jeanneret and Associates.
- (3) Four Interviewers - Jeanneret and Associates.
- (4) One Investigation Coordinator - National Inspection and Consultants, Inc.
- (5) Seven Investigators - National Inspection and Consultants, Inc.

HL&P has prepared job descriptions for the above positions. A review of these job descriptions by the NRC inspectors revealed that the requirements for the investigators and investigator coordinator were minimal for the performance of the evaluation of concerns.

A review of resumes by the NRC inspectors indicated that the qualifications of the individuals met the requirements of the HL&P job descriptions. However, the resumes for two of the on-board investigators indicated less than normal levels of education and/or experience for the conduct of the evaluations of technical concerns. The review of a sample of closed concern files indicated that the two individuals in question were performing in an adequate manner. Additionally, a review of personnel files revealed individual assessments and appraisals for these two investigators indicated favorable performance.

d. Information Flow

Publicizing the SAFETEAM program to employees is accomplished through employee orientations, posters, stickers, inclusion of information in pay envelopes, and hand-out literature. The SAFETEAM building is conspicuously located on the plant site and is readily accessible. Five information booths are located throughout the site. Concerns come to the attention of the SAFETEAM through exit interviews, scheduled interviews, hot-line telephone calls, letters, and walk-in interviews. Interviews are conducted with one interviewer in a closed office within the SAFETEAM building. The interviewer summarizes the individuals' concerns on a SAFETEAM reporting form and, if the individual agrees, the interview is also taped. The interviewer protects the identity of the concerned individuals by the assignment of a numerical identifier. Names are revealed to the

investigators only when the investigation cannot be conducted without such knowledge and has been formally authorized. The program manager reviews and classifies the concerns into five categories:

Class 1 - Nuclear Safety and Quality

Class 2 - Management

Class 3 - Industrial Safety

Class 4 - Security

Class 5 - Miscellaneous

Class 1 concerns are assigned to the investigation coordinator for the preparation of inspection plans, performance of investigations, and preparation of draft investigation reports and response letter to the concerned individual. Investigation reports and response letters receive the review and approval of the investigation supervisor, program manager and the SAFETEAM review committee. The program manager signs the response letters to the concerned individuals. Approved recommendations or suggestions are forwarded to the HL&P project manager for actions and a response to the SAFETEAM relative to actions taken. SAFETEAM has an established computerized system for tracking the recommendations and suggestions. As a followup, SAFETEAM sends a survey letter to the concerned individuals.

Class 2, 3, 4, and 5 concerns are assigned to the SAFETEAM investigation supervisor for control and coordination of the assigned cognizant organization's performance of investigations, preparation of investigation reports, and draft response letters to the concerned individual. Final response letters to the concerned individual are signed by the SAFETEAM program manager. Followup on recommended actions or corrections is controlled by the assigned cognizant organizations and are tracked by the SAFETEAM administrative technician.

e. Implementation of SAFETEAM Program

As of October 10, 1985, the SAFETEAM had received 851 concerns from 552 individuals. An analysis of the subject matter by the NRC inspectors revealed that 254 of the concerns were related to industrial safety, personnel practices, etc. Another 85 concerns involving potential wrongdoing issues were identified for future review. Of the remaining 512 technical concerns, the NRC inspection team selected 47 closed concerns for a file review. The sample included 33 class 1, 11 class 2, 2 class 3 and 1 class 5 concerns. The file review revealed the following:

(1) THE SAFETEAM program is being implemented as planned.

- (2) The classification of concerns into five categories (Nuclear Safety and Quality Management, Industrial Safety, Security, and Miscellaneous) is performed in a conservative manner. The initial classification of a concern can be upgraded but not downgraded.
- (3) The program was established to protect the confidentiality of the concerned individual. In some cases the investigator was formally given the name of the concerned individual for cases where an investigation could not be accomplished without the name. The confidentiality of the individuals was appropriately protected and did not appear to distract from the investigator's ability to evaluate the concern.
- (4) Frequent recontacting of the concerned individuals for additional information was observed.
- (5) Management's support of the SAFETEAM program has resulted in cooperation from other organizations in the evaluation of concerns.
- (6) Observed weakness or areas of improvement included:
 - (a) The computer printout indicated a concern was closed. The concern file contained a letter to the concerned individual requesting additional information; however, no further information was included to provide a rationale for closure. Discussions and reviews of documentation revealed that HL&P had recognized the need to investigate all concerns to the extent possible with the available information. Their previous review had identified 10 cases where additional information was requested and no response was received and investigations were scheduled. An HL&P reviewer identified five additional similar cases for which documentation for closure was not included in the concern files. During the course of the inspection, HL&P instituted corrective actions for documentation of closure for past files. HL&P's plans for the future includes investigation of all concerns with available information and documentation of rationale for file closure.
 - (b) Actions taken by other companies on SAFETEAM recommendations was not clearly documented. The NRC inspector was able to determine actions by looking elsewhere; however, some question exists relative to the SAFETEAM knowledge of the appropriateness of actions taken.
 - (c) Class 1 concerns are presently a very broad classification which includes the entire plant. HL&P should consider establishing a subdivision within class 1 which identified

concerns which may have an impact upon the final licensing decision.

As of August 21, 1985, the HL&P computer printout indicate that 94 class 1 and 51 class 2, 3, 4, and 5 concerns are pending investigation. HL&P has been concentrating on reducing the investigative time for concerns. Presently, the average closeout time for class 1 concerns is about 75 days.

f. Documentation

The technical files reviewed were organized and were adequate to facilitate auditing. HL&P is maintaining hard and microfilm copies of concern files. The general control of files for the protection of the individual's confidentiality was found acceptable.

g. Management Notification

Management is provided statistical reports relating to the SAFETEAM activity. Additionally, telephone conversations and meetings are utilized to alert management of needed assistance and concerns of high importance.

h. Trending

Concerns are assigned to a classification (Nuclear Safety and Quality, Management, Industrial Safety, Security and Miscellaneous) and also to a series of subclassifications. The information is computerized and can be utilized for obtaining statistical data of the existence of similar concerns already within the SAFETEAM system. The ability has been used by the HL&P SAFETEAM.

3. Exit Interview

An exit interview was conducted on October 25, 1985, with personnel denoted in paragraph 1 of this report.