INSPECTION PROCEDURE 88105

MANAGEMENT ORGANIZATION AND CONTROLS

PROGRAM APPLICABILITY: 2630

88105-01 INSPECTION OBJECTIVES

This procedure includes facility organization, procedure controls, internal reviews and audits, safety committees, and quality assurance programs for gaseous diffusion plants (GDPs).

The objectives of the management organization and controls procedure are to ensure that:

01.01 The organizational structure, the qualifications of personnel, and assignment of responsibilities and authorities, conform to the certificate requirements.

01.02 Plant procedures, including temporary procedures, are maintained, reviewed, and/or changed in accordance with the certificate requirements.

01.03 A system is established and implemented to perform internal reviews and audits to assess the effectiveness of activities affecting safety.

01.04 Plant operations review committees have been established to review activities important to safety and to provide management with recommendations for continued safe plant operations.

01.05 A quality assurance program has been established to ensure the quality of equipment and systems important to safety ("Q" and "AQ" systems and components).

88105-02 INSPECTION REQUIREMENTS

02.01 Organizational Structure

a. Responsibility

Review Section 3.1 of the Technical Safety Requirement (TSR) and confirm that written policies have been developed, approved, and issued, that address the safety responsibilities

for the described positions. For those cases where the delegation of authority is authorized, verify that any written policy or implementation procedure is consistent with the TSR.

b. Onsite and Offsite Organization

Review the current organizational charts and interview several key positions at the division level (or their representatives) and verify that the positions for activities affecting nuclear safety are consistent with Section 6.1 of the Safety Analysis Report (SAR).

Determine whether the lines of authority, responsibility, and communication have been established and defined, both within a division and between divisions. Confirm that these relationships are documented and current.

Determine whether the individuals who manage and oversee the training program, and perform health physics or Quality Assurance (QA) functions have sufficient organizational freedom to ensure their independence from the operating division.

c. Facility Staffing

Verify that administrative controls have been established and implemented to ensure the minimum staffing levels and to control the amount of overtime as specified in the TSRs. Review overtime records for the past 6 months and verify prior management approval of all overtime.

d. Staff Qualifications

Review all recent changes of key positions to determine whether the minimum qualifications (both academic and past job experience) are met for positions such as health physics technicians, operations supervisors, nuclear criticality analysts, fire protection personnel, and emergency management personnel.

02.02 Procedure Controls. Review SAR Section 6.11, ANS 3.2-1994, and the listed exceptions. Because of the size of the facilities, the following inspection requirements should be performed for at least two different divisions and for at least two different buildings.

a. Procedure Content and Approvals. Verify that the licensee's system for approving procedures complies with certificate requirements. Such procedures should include, but not be limited to, facility operations, maintenance, training, health physics, nuclear criticality safety, administration, etc. Verify that the procedure control system requires review and approvals for significant changes made to procedures and that the licensee's system requires document controls to ensure that only approved and current procedures are used.

b. Procedure Change Reviews. Review a sample of procedures that have been changed or modified since the previous inspection. Verify that required approvals were obtained, signed off, and dated. During the facility tour note any changes in plant

systems to verify that they conform to the procedural changes reviewed.

c. Procedure Revising and Updating. Verify that the procedures are reviewed and updated on a periodic basis (usually annually) or as required by the procedures manual. Verify that procedure revision and updating are done as needed whenever there are changes in equipment or as a result of deficiencies found, regardless of the periodic review schedule.

d. Personnel Notification and Training. Determine whether a system has been established and implemented to ensure that affected personnel are notified of procedure changes in a timely manner and training, if needed, is provided.

e. Temporary Procedures. Verify that appropriate controls have been established and implemented regarding the approval and use of temporary procedures. Ensure that controls are in place to: (1) notify affected personnel of the temporary procedures, (2) identify the expiration date of the temporary procedures, and (3) retrieve all copies of the temporary procedures, on revision.

f. Procedure Adherence. Confirm that policies have been established and disseminated regarding procedure use and adherence.

g. Alarm, Abnormal, and Emergency Response Procedures. Verify that current copies of alarm, abnormal, and emergency response procedures are available in various control rooms and remote locations. Controls should be established to maintain controlled copies at designated locations.

02.03 Internal Reviews and Audits. Review TSR Section 3.5 and verify that a system of reviews, assessments, and audits has been implemented as defined in the QA Program and SAR Section 6.8.

a. Audits. Verify that the independent Safety, Safeguards, and Quality organization is conducting audits in accordance with approved checklists and written procedures by qualified personnel at the specified frequencies. The audits should determine the effectiveness of the areas reviewed, and the results should be documented and sent to the responsible managers. Provisions should be made for immediate reporting and corrective action. All corrective action should be prioritized and tracked to closure.

Determine whether an audit plan has been developed to ensure that all areas and programs requiring review are audited on a periodic basis. Verify that provisions have been established for determining the status, adequacy, and effectiveness of the QA Program at least once every 24 months.

b. Assessments. Verify that assessments are performed for the subject organization(s) in accordance with procedures that meet the requirements of NQA-1, "Basic Requirement 2". Review

a selection of program assessments, organizational self-assessments, and other management self-assessment activities and ascertain how the findings/recommendations were dispositioned. Verify that potentially significant issues are promptly brought to the attention of the appropriate level of management for action and that problems are entered into the plant problem identification system.

02.04 Safety Committees. Evaluate the effectiveness of the safety committees by reviewing committee minutes, audits, or other actions initiated by the committees as follows:

a. Identify what issues are reviewed by the safety committees and review the actions initiated by the safety committees to identify, assess, and correct areas of weakness.

b. Review safety committee activities and discuss specific activities with selected safety committee members or safety committee support staff to gain insights and to assess the committee's effectiveness, work load, ability, and utility support for committee initiatives.

c. Select audits conducted under the cognizance of the safety committee and determine if the audit findings were consistent with such external assessments as NRC, INPO, and consultants. INPO report findings can be obtained from discussions with the resident inspector.

d. Evaluate the licensee's follow-up to items identified by the safety committees, including committee-initiated audit findings and any recurring problems.

02.05 Quality Assurance Programs. The GDPs are taking a graded approach to QA. There are three safety-related categories that have specific requirements identified in the QA Program: Q, NCS-AQ, and AQ.

a. Program Implementation

1. Determine whether policies and procedures have been developed to implement the key elements of NQA-1-1989 and each of the associated supplements.

2. Determine how the criteria are communicated to all affected organizational levels.

3. Determine how the certificant verifies that the different organizational levels are adequately implementing the QAP policies and procedures in a consistent manner.

b. Application of Graded Categories

A graded approach is used for applying the QAP to facility programs, procedures, and equipment. "Q," "NCS-AQ," and "AQ" listed items will require different levels of QA, depending on their importance to safety.

1. Verify that controls have been established to maintain the "Q," "NCS-AQ," and "AQ" lists current.

2. Select several similar components from each list and determine how application of the graded approach differs between the two. Ensure that the difference is justifiable and meets the intent of the QAP commitments.

c. Program Elements

Select a safety-related system or component and three of the following listed criteria and verify that the requirements of the QAP implementing procedures have been properly communicated and implemented by the responsible site organization(s) for those systems or components in accordance with the commitments in the applicable QAP section.

- Indoctrination and Training
- Review and Assessment
- Design Control
- Procurement Document Control
- Instructions, Procedures, and Drawings
- Document Control
- Control of Purchased Items and Services
- Identification and Control of Items
- Control of Processes
- Inspection
- Test Control
- Control of Measuring and Test Equipment
- Handling, Storage and Shipping
- Inspection, Test and Operating Status
- Control of Nonconforming Items
- Corrective Action
- Quality Assurance Records

88105-03 INSPECTION GUIDANCE

03.01 Organizational Structure. Changes in organization and organizational structure need only be examined with particular attention to changes in personnel, qualifications of personnel, functions, responsibilities, and authority. Otherwise, if no changes have occurred in the organization since the previous inspection, there is no need to pursue the issue in any depth, except to state in the report that there have been no changes in the organization since the previous inspection.

03.02 Procedure Controls. The SAR describes the procedure hierarchy, procedure types, identification of which tasks require the presence of a written procedure, the user organization's responsibility for development, and other administrative controls. Because of the size and diversity of GDP operations, the inspector must review how each division with safety related responsibilities implements these requirements. Several revised procedures from different divisions and different buildings should be randomly selected and reviewed during each inspection. Where possible, the inspector should directly observe activities involving recently

revised procedures to ensure that affected personnel are aware of the changes. Discussions with operators, mechanics, and technicians should be conducted to ascertain whether they understand the policies regarding procedure use and adherence, and to determine whether there are any potential problem areas in need of further management attention.

03.03 Internal Reviews and Audits. The inspector should first focus his/her attention on the establishment of a viable audit and assessment program, at the GDPs, that can effectively identify potential safety problems in a timely manner and confirm operation of the facility within the Certificate and Compliance Plan conditions. Inspector attention should focus on the operation of the GDP problem identification system and the adequacy and timeliness of resolution of potentially significant issues. The level of management involvement should be considered as well as trending and root cause identification for each level of audit/assessment activity performed. Because of the size of the facility operations and organization involved with running a GDP, the inspector should verify that management conducts a periodic global review for all the audits and assessments, to identify plant-wide "generic" issues.

03.04 Safety Committees. The PORC should focus on the significant safety and regulatory issues arising from the operation of the GDPs. The inspector is encouraged to review potentially significant events and determine how the PORC resolved the issues. Selected actions should be reviewed in the field to verify that the actual closeout was in accordance with the PORC recommendations.

03.05 QA Programs. General guidance can be found in the 35740-35750 series inspection procedures. The intent of this section is to: (1) ensure that the QAP requirements have been properly disseminated to those plant groups responsible for implementation; and (2) conduct a performance-based inspection to verify adequate implementation. Inspector judgement is expected to be exercised to focus on those systems that pose the highest risk, including those limited to onsite consequences only. Since a detailed inspection of each program element is not performed, the inspector must place emphasis on evaluating the effectiveness of the site QA organization in: (1) clearly delineating the requirements to the affect groups and (2) following up on the adequacy of those groups in implementing the QA requirements. If a potential problem is found, the certificant should be requested to expand the sample to determine whether a broader programmatic weakness may be present. Past audits or assessments in the areas in question should also be reviewed, to determine whether they were, or should have been previously identified.

88105-04 RESOURCE ESTIMATE

An inspection performed using this inspection procedure is estimated to require 40 hours of inspector resources. This estimate is only for the direct inspection effort and does not include preparation for and documentation of the inspection.

88105-05 REFERENCES

Reg. Guide 3.3 "Quality Assurance Program for Fuel Reprocessing Plants and for Plutonium Processing and Fuel Facilities Plants," Revision 1, March 1974.

Reg. Guide 3.5 (Draft), "Standard Format and Content of Licensee Applications for Uranium Mills," Revision 2, August 1981.

Reg. Guide 3.39 (NUREG-0010), "Standard Format and Content of Licensee Applications for Plutonium Processing and Fuel Fabrication Plants," January 1976.

Reg. Guide 3.52 "Standard Format and Content for the Health and Safety Sections of License Renewal Applications for Uranium Fuel Fabrication Plants," July 1982.

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