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FOR IMMEDIATE RELEASE  
(Friday, August 14, 1992)

NRC STAFF PROPOSES \$100,000 FINE  
AGAINST ARIZONA PUBLIC SERVICE COMPANY

The Nuclear Regulatory Commission staff is proposing to fine Arizona Public Service Co. (APS) \$100,000 for four alleged violations of NRC requirements at the Palo Verde Nuclear Generating Station. NRC Regional Administrator John B. Martin notified the company of the alleged violations by letter on Aug. 13, 1992.

During inspections conducted April 4-10, May 8-14, and June 15-19, 1992, NRC inspectors identified the following alleged violations:

1) maintenance procedures for reactor trip breakers were not appropriate, in that some breaker manufacturer maintenance guidance was not included in Palo Verde procedures;

2) licensee personnel failed to preserve the as-found condition of a reactor trip breaker which failed to open during a surveillance test on March 31, 1992;

3) from April 17, 1990, to Feb. 17, 1992, a Unit 1 containment isolation valve (a high pressure safety injection system check valve) was inoperable because the valve internals were installed backwards; and,

4) on May 4, 1992, licensee personnel failed to take necessary precautions to prevent accidental removal of Unit 3 equipment from service when an electrician lost control of a lifted wire, causing a loss of control room annunciator circuits, leading to an alert and compromising the ability of plant operators to monitor the status and conditions of plant parameters.

Collectively, these four violations reflect weaknesses in control of work activities to assure that appropriate information is included in work documents, and failure to effectively communicate management expectations.

These alleged violations have been categorized as a Severity Level III problem on a scale of I to V, with Level I representing a problem or violation of very significant regulatory concern and Level V a problem or violation of minor concern. The base civil penalty for Severity Level III is \$50,000. The base civil penalty was increased 50 percent because of previous violations reflecting similar weaknesses in control of work activities which resulted in civil penalties issued February 3, 1992. The base civil penalty was also increased 50 percent because of prior opportunities to identify the reactor trip breaker and containment isolation valve problems through information the APS had previously received. The total proposed civil penalty is \$100,000.

APS now has 30 days to submit a written statement to the NRC admitting or denying the alleged violations, explaining the reasons for them if admitted, stating the corrective actions which have been or will be taken and the date when full compliance was or will be achieved.

The company also has 30 days to pay the proposed fine or to protest it, in whole or in part. If the fine is protested and later imposed, APS may request a public hearing.

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