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NRC STAFF PROPOSES TO FINE NORTHEAST NUCLEAR ENERGY COMPANY
\$237,500 FOR ALLEGED VIOLATIONS AT MILLSTONE UNIT 2

The Nuclear Regulatory Commission staff has cited Northeast Nuclear Energy Company for three alleged violations of NRC regulations at Millstone Unit 2 nuclear power plant, in Waterford, CT. The staff is proposing a \$237,500 fine.

NRC inspectors found the three alleged violations during an inspection from August 2 through September 17, 1993, to look into the circumstances surrounding Northeast's (NU) repeated attempts to repair a small leak from an isolation valve in a two-inch pipe inside the containment building. The pipe carries reactor coolant water from the reactor to the Chemical and Volume Control System to maintain the chemistry and purity of the reactor coolant water and to maintain the volume of water in the system. The licensee initially determined the valve was leaking on May 24. To stop the leak, NU drilled holes into the gasket area of the valve and injected a sealant. NU then used a technique called peening to prevent the sealant from extending from the joint between the top and bottom halves of the valve. In this case, the peening involved using a small jack-hammer-like tool to force metal into the joint. This process was repeated about 30 times until August 5, when one of the four bolts holding the top and bottom halves of the valve together failed, increasing the leakage to above the plant technical specification limits, which forced the operators to shut down the plant.

The licensee is being cited for three alleged violations: failing to perform a written safety evaluation before making changes to the facility; failing to provide and follow appropriate procedures; and, failing to perform adequate inspection during the repairs to the valve to ensure compliance with instructions and procedures.

In a letter to Northeast Nuclear Energy Company, Thomas T. Martin, Regional Administrator, NRC Region I, said "the NRC is concerned that the letdown valve was subjected to a series of improper drilling and excessive peening activities that degraded the overall integrity of the valve. Since evaluations of the valve condition were focused narrowly and implementation of the repair activities was supervised poorly, the effects of the

continuing valve degradation were not fully known or evaluated, thus demonstrating a nonconservative approach to this repair." "The NRC is further concerned that, notwithstanding the potential safety consequence of a valve failure, management tolerated the valve modifications and repeated sealant injections and peening activities, which degraded the integrity of the valve," said Mr. Martin.

The normal fine for such violations is \$50,000. It was increased by 375 percent, to \$237,500, because 1) the NRC, and not the licensee, identified the violations, 2) the unsuccessful repair attempts continued for more than two months, 3) the licensee's performance has been declining during this operating cycle, 4) Northeast Nuclear's long term corrective action plan to address the broader issues were not sufficiently developed and did not address the role of the engineering organization in the flawed valve repair activities, and, 5) the NRC staff wanted to emphasize the egregiousness of management's inadequate oversight and response to this problem.

Northeast Nuclear Energy Company has 30 days either to pay the proposed fine or to request in writing that part or all of it be withdrawn. The company also has 30 days to admit or deny the alleged violations, to describe the actions it has taken or plans to take to prevent their happening in the future, and to give the date by which it expects to be in full compliance with NRC requirements.

The State of Connecticut was informed of this enforcement action.

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