

United States Nuclear Regulatory Commission
Office of Public Affairs, Region I
475 Allendale Road King of Prussia, PA 19401
Fax: 610/337-5241
Internet: dps@nrc.gov or nas@nrc.gov

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Contact: Diane Screnci (610)337-5330 FOR IMMEDIATE RELEASE
Neil A. Sheehan (610) 337-5331

NRC STAFF PROPOSES TO FINE NIAGARA MOHAWK \$50,000
FOR MAINTENANCE RULE VIOLATIONS AT NINE MILE POINT UNIT 1

The Nuclear Regulatory Commission staff has proposed a \$50,000 civil penalty against Niagara Mohawk Power Corporation for two violations of NRC requirements at the Nine Mile Point Nuclear Station, Unit 1, in Scriba, N.Y.

An inspection of Niagara Mohawk's maintenance rule implementation program was conducted by the NRC staff between October 7 and October 11, 1996. Based on the information developed during the inspection and after the evaluation of the information Niagara Mohawk provided during a February predecisional enforcement conference, the NRC has determined that two violations of NRC requirements occurred.

The NRC maintenance rule requires nuclear plant licensees to monitor the effectiveness of maintenance activities for safety-significant plant equipment in order to minimize the likelihood of failure and of events caused by the lack of effective maintenance. The NRC staff began performing baseline inspections of each licensee's implementation of the maintenance rule after it went into effect in July of last year.

The first violation at Nine Mile Point cited involved seven examples of the failure to include some equipment in a program to monitor performance against established goals as required by the maintenance rule. The second violation included nine examples of failure to demonstrate that structures, systems or components within the scope of the rule had appropriate preventive maintenance to remain capable of performing their intended function.

In a letter to Niagara Mohawk, NRC Region I Administrator Hubert J. Miller said, the violations represent "a significant failure to implement key aspects of the maintenance rule." He said enforcement is warranted because of the "significant regulatory concern" with the common underlying root causes of the violations, which include lack of individual accountability, inadequate management oversight and insufficient self-assessment.

The NRC staff recognized that, once the NRC team found the violations, Niagara Mohawk took some prompt and comprehensive corrective measures. These included improvement of senior management oversight of the maintenance rule program, enhancement of administrative control procedures, and plans for periodic assessments of the program.

The company has 30 days either to pay the proposed fine or to request that all or part of the penalty be withdrawn.

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