

OFFICE OF ENFORCEMENT  
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: North Atlantic Energy Service Corporation (EA 01-032)  
(Seabrook)  
Docket No. 50-443

Subject: ISSUANCE OF FINAL SIGNIFICANCE DETERMINATION AND NOTICE OF VIOLATION

This is to inform the Commission that the staff has completed the evaluation and is issuing a Notice of Violation associated with a White Significance Determination Process (SDP) finding on or around June 29, 2001, to North Atlantic Energy Service Corporation (NAESCo). A White finding is of low to moderate safety significance. This White finding involved NAESCo's handling of identified diesel generator DG-1B cylinder wear conditions which required the replacement of the liners in two separate cylinders on November 21, 1995, and April 17, 1999, both being indicative of heavy wear. However, no condition report was written in either case. As a result of not entering the DG-1B degraded conditions into the corrective action process, NAESCo failed to fully evaluate the cause of the degraded conditions to prevent any subsequent recurrence of degraded cylinder liner conditions. This performance issue (failure to place these degraded conditions into the corrective action process and evaluate the cause of the degraded conditions of the emergency diesel generator) was determined to be a potential cause in the DG-1B failure on November 1, 2000. The issue has low to moderate safety significance because emergency diesel generators are an important mitigating system during a loss of an offsite power event. The failure to enter the first two degraded conditions in the corrective action program and to take corrective actions to prevent recurrence was identified as a violation of 10 CFR 50, Appendix B, Criterion XVI as cited in the Notice of Violation. In accordance with the NRC Enforcement Policy, NUREG-1600, the Notice of Violation is considered an escalated enforcement action because it is associated with a White finding. The Commission was previously notified about this case in EN 01-015, however the issuance of the action was delayed to allow further evaluation by the staff.

It should be noted that the licensee has not been specifically informed of the final significance determination and enforcement action. The schedule of issuance and notification are:

Mailing of Final Significance Determination and Notice of Violation	June 29, 2001
Telephone Notification of licensee	June 29, 2001

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	06/27/01	06/27/01

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