ENCLOSURE 1

NOTICE OF VIOLATION

Wolf Creek Nuclear Operating Corporation
Wolf Creek Generating Station

Docket No.: 50-482
License No.: NPF-42
EA 98-356

During an NRC inspection conducted on April 20-24, with inoffice inspection until June 30, 1998, four violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violations are listed below:

A. 10 CFR 50.65(b)(2) requires, in part, that the scope of the monitoring program specified in paragraph (a)(1) shall include certain nonsafety-related structures, systems, or components that are relied upon to mitigate accidents or transients, or are used in plant emergency operating procedures. 10 CFR 50.65(c) states that the requirements of this section shall be implemented by each licensee no later than July 10, 1996.

Contrary to the above, on July 10, 1996, functions associated with the following nonsafety-related structures, systems, or components were not included in the licensee's 10 CFR 50.65 monitoring program scope:

1. The essential function of primary communication during implementation of the emergency operating procedures. This function is normally provided by the public address and internal communications system (Gaitronics) or hand-held radios.

2. The isolation function that is needed to mitigate a release of radioactive liquid and is provided by turbine building drainage system radiation monitors. The drainage system design included two flow paths to the facility heat sink reservoir. One path drained directly and the other through an oily waste separation system. These paths contained Process Radiation Monitors HFRT-45 and LERT-59 that provided alarm and automatic isolation of the flow paths.

This is a Severity Level IV violation (Supplement I) (50-482/9805-02).

B. 10 CFR 50.65(a)(3) states, in part, that licensees shall conduct evaluations of performance and condition monitoring activities and associated goals and preventive maintenance activities at least every refueling cycle, not to exceed 24 months between evaluations. Industry operating experience is to be taken into account, where practical. Adjustments shall be made where necessary to ensure that the objective of preventing failures of structures, systems, and components through maintenance is appropriately balanced against the objective of minimizing unavailability of structures, systems, and components due to monitoring or preventive maintenance.

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Contrary to the above, as of April 20, 1998, the licensee had not performed the required periodic evaluation following the previous fuel cycle for which the outage ended on December 1, 1997. The licensee provided only a general review of maintenance and did not evaluate the performance of the applicable structures, systems, and components against their respective goals; failed to demonstrate effective preventive maintenance for structures, systems, and components that were being monitored under Category (a)(2); failed to identify how industry-wide operating experience was reviewed to identify potential problems that were applicable to the plant; did not evaluate corrective actions taken as a result of ongoing maintenance activities or goal setting to ensure actions were taken when appropriate or that adjustments were made, where necessary; and did not evaluate maintenance activities to determine whether the objective of preventing failures had been appropriately balanced against the objective of assuring acceptable structure, system, and component availability.

This is a Severity Level IV violation (Supplement 1) 50-482/9805-03.

C. 10 CFR 50.65(a)(1) requires, in part, that the holders of an operating license shall monitor the performance or condition of structures, systems, and components as defined in 10 CFR 50.65(b), against licensee-established goals in a manner sufficient to provide reasonable assurance that structures, systems, and components are capable of fulfilling their intended functions. When the performance or condition of a structure, system, or component does not meet established goals, appropriate corrective action shall be taken.

10 CFR 50.65(a)(2) states, in part, that monitoring, as specified in 10 CFR 50.65 (a)(1), is not required where it has been demonstrated that the performance or condition of a structure, system, and component is being effectively controlled through the performance of appropriate preventive maintenance and that the structure, system, or component remains capable of performing its intended function. 10 CFR 50.65(c) states that the requirements of this section shall be implemented by each licensee no later than July 10, 1996.

Contrary to 10 CFR 50.65(a)(2), as of July 10, 1996, the time that the licensee elected to not monitor the performance or condition of certain structures, systems, or components against licensee-established goals pursuant to the requirements of Section (a)(1), the licensee had not demonstrated that the performance or condition of certain structures, systems, or components within the scope of 10 CFR 50.65 had been effectively controlled through the performance of appropriate preventive maintenance, as evidenced by the following examples:

1. In July 1995, Essential Service Water Valve EFHV034 failed a surveillance stroke test when it did not completely close in response to a closure demand. In a similar manner, Valve EFHV031 failed to completely close in October 1995. These valves were essential service water containment isolation valves for two different containment fan cooling units. Moreover, the root cause analysis identified a total of two additional failures of Valve EFHV034 that had occurred within a 15-month period. Although at the time of testing, the valves were not

demonstrated capable of performing their Maintenance Rule function, the failures were not identified as functional failures and, consequently, not evaluated for the occurrence of maintenance preventable functional failures. The root cause analysis identified the cause of the failures as improperly adjusted torque switches, and the implemented corrective action was to revise the maintenance procedure used to adjust the switches. Therefore, the licensee failed to demonstrate the performance of the containment isolation function when a repetitive maintenance preventable functional failure was not identified. For a repetitive maintenance preventable functional failure, the licensee's program required a mandatory change to Category (a)(1) monitoring.

2. The licensee failed to demonstrate that the performance of the main steam system was being effectively controlled through the performance of appropriate preventive maintenance on the safety-related, risk significant atmospheric relief valves. Specifically, the licensee failed to demonstrate it had established adequate measures to evaluate the effectiveness of preventive maintenance on the main steam system atmospheric relief valves prior to placing them in Category (a)(2). Functional failures of Atmospheric Relief Valves ABPV0002 and ABPV0003 occurred on May 5, 1995, and April 20, 1996, respectively, without being recognized. Allowing atmospheric relief valves to reach such a state before taking corrective actions did not demonstrate that preventive maintenance was effective to control their performance or condition to maintain the main steam system functions.

This is a Severity Level IV violation (Supplement I) (50-482/9805-05).

D. 10 CFR 50.65(a)(1) requires, in part, that holders of an operating license shall monitor the performance or condition of structures, systems, or components, as defined in 10 CFR 50.65(b), against licensee-established goals in a manner sufficient to provide assurance that such structures, systems, or components are capable of fulfilling their intended functions. When the performance or condition of a structure, system, or component does not meet established goals, appropriate corrective action shall be taken.

10 CFR 50.65(a)(2) states, in part, that monitoring as specified in 10 CFR 50.65 (a)(1) is not required where it has been demonstrated that the performance or condition of a structure, system, or component is being effectively controlled through the performance of appropriate preventive maintenance, such that the structure, system, or component remains capable of performing its intended function. 10 CFR 50.65(c) states that the requirements of this section shall be implemented by each licensee no later than July 10, 1996.

Contrary to 10 CFR 50.65(a)(2), as of July 10, 1996, the time that the licensee elected to not monitor the performance or condition of certain structures, systems, or components against licensee-established goals pursuant to the requirements of Section (a)(1), the licensee had not demonstrated that the performance or condition of certain structures, systems, or components within the scope of 10 CFR 50.65 had been effectively controlled through the performance of appropriate preventive maintenance. Specifically, the licensee failed to establish adequate reliability measures to evaluate the appropriateness of the performance of preventive maintenance for the following systems:

1. The plant level performance measures established for monitoring the standby function of the excore neutron monitoring system were not adequate to determine the effectiveness of preventive maintenance to assure function performance. Specifically, performance measures lacked the capability of identifying failures of the system to provide a reactor trip signal when demanded.

2. The performance measures established for the reliability of the emergency diesel generators were inadequate, since not all failures were identified in tracking the effectiveness of maintenance. Specifically, the licensee failed to account for failures of the emergency diesel generators to start upon nonvalid demands. In addition, some emergency diesel generator surveillances were not appropriately accounted for in evaluations against the established performance measure for unavailability.

3. The plant level performance measures for monitoring the standby functions of radiation monitoring system (automatic isolation signals) were not adequate to determine the effectiveness of preventive maintenance to assure function performance. Specifically, a reliability measure was necessary to demonstrate that preventive maintenance was effective to ensure that system functions would perform as required.

This is a Severity Level IV violation (Supplement I) (50-482/9805-06).

Pursuant to the provisions of 10 CFR 2.201, Wolf Creek Nuclear Operating Corporation is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011, and a copy to the NRC Resident Inspector at the facility that is the subject of this Notice, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the

achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

Dated at Arlington, Texas,
this 6th day of July 1998.