

ENCLOSURE 1

NOTICE OF VIOLATION

Omaha Public Power District
Fort Calhoun Station

Docket No.: 50-285
License No.: DPR-40

During an NRC inspection conducted on June 8 to 12, with in-office inspection until September 11, 1998, two 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(a)(2) requires, 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.

10 CFR 50.65(a)(3) requires, in part, that the holders of an operating license shall evaluate performance and condition monitoring activities and associated goals and preventive maintenance activities at least every refueling cycle provided the interval between evaluations does not exceed 24 months. Adjustments shall be made where necessary to ensure that the objective of preventive 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.

Contrary to the above, as of July 10, 1996, the time that the licensee elected to not monitor the performance or condition of certain systems against established goals pursuant to the requirements of Section (a)(1), the licensee failed to demonstrate that the performance or condition of structures, systems, and components within the scope of 10 CFR 50.65 had been effectively controlled by performing appropriate preventive maintenance. Specifically, the licensee failed to adequately demonstrate the performance or condition of the reactor protection system and the engineered safety features system had been effectively controlled by performing appropriate preventive maintenance. No availability measure was considered in the demonstration. Reliability and availability measures were both necessary to demonstrate that preventive maintenance had been effective to ensure that the system will function as required. Further, as a result of not establishing performance measures for availability of these systems, the periodic evaluation of preventive maintenance activities performed in accordance with 10 CFR 50.65(a)(3), performed in April 1997, did not adequately demonstrate a balance of availability and reliability.

This is a Severity Level IV violation (Supplement I) (50-285/9808-02).

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- B. 10 CFR 50.65(a)(1) states, in part, that holders of an operating license shall monitor the performance or condition of structures, systems, and components as defined by

10 CFR 50.65(b), against licensee-established goals, in a manner sufficient to provide reasonable assurance that such structures, systems, and components are capable of fulfilling their intended functions. Such goals shall be established commensurate with safety and, where practical, take into account industry-wide operating experience. When the performance or condition of a structure, system, or component does not meet established goals, appropriate corrective actions shall be taken. 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, the current licensee-established goals for the 125 Vdc, circulating water, chemical and volume control, emergency core cooling, and the engineered safety features systems were not commensurate with safety. The lack of documented technical evaluations, established corrective actions, and/or goals to monitor performance of systems contained in Category (a)(1) failed to provide adequate assurance of acceptable performance.

This is a Severity Level IV violation (Supplement I) (50-285/9808-03).

Pursuant to the provisions of 10 CFR 2.201, Omaha Public Power District 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 Violation A: (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 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.

The NRC has concluded that information regarding the reason for Violation B, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance will be achieved is already adequately addressed in the supplemental information dated July 31, 1998. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region IV, 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.

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, TX
this 26th day of October 1998