UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

OCT - 7 1996

EA No: 96-341

Guy R. Horn, Vice President - Nuclear
Nebraska Public Power District
1414 15th Street
Columbus, Nebraska 68601

SUBJECT: NRC INSPECTION REPORT 50-298/96-12 AND NOTICE OF VIOLATION

Dear Mr. Horn:

On August 12-16, 1996, the NRC conducted a team inspection at your Cooper Nuclear Station reactor facility. The inspection was continued for inoffice review until October 3, 1996. This was an inspection of your implementation of the requirements of 10 CFR 50.65, "Requirements for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants" [the Maintenance Rule]. The enclosed report presents the scope and results of that inspection.

On September 6, 1996, a supplemental telephonic exit was held with your staff to discuss the potential enforcement findings from this inspection. At that time, your staff presented new information on the potential violations, and as a result, the inspection was continued. On September 10, 1996, your staff submitted, via facsimile, a 24-page response to the potential violations. That submittal is enclosed herein. Consequently, your submittal was reviewed by members of the inspection team. A second telephonic exit was held on October 3, 1996, to inform your staff of our response to the additional information and to identify an additional potential violation.

Your program for implementing the requirements of the Maintenance Rule generally followed the guidance in NUMARC 93-01, "Industry Guideline for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants," dated May 1993, which was endorsed in Regulatory Guide 1.160, "Monitoring the Effectiveness of Nuclear Power Plants," dated January 1995. In your implementation, an exception to this guidance was noted in your development and monitoring of functions instead of structures, systems, and components as alluded to in the Rule and the guidance. We found this approach to be satisfactory.

The inspection team identified numerous occurrences where training was lacking and the procedures for Maintenance Rule implementation did not provide sufficient guidance for your staff. We believe these deficiencies are significant and mandate your continued emphasis to ensure effective monitoring of equipment performance, adequate guidance for risk evaluations, and proper training for site personnel.

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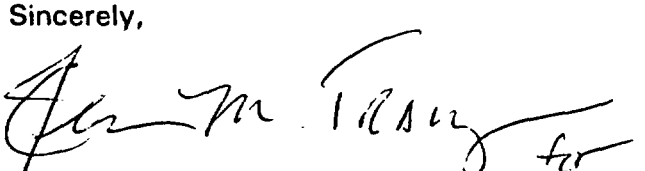
During the inspection, the inspectors identified six violations of NRC requirements. These violations resulted from: failure to properly include functions into the scope of the Maintenance Rule; failure to properly develop and monitor the performance criteria for reliability; failure to properly monitor the unavailability of safety-related systems during shutdown conditions; failure to develop adequate procedures to implement risk assessment when removing equipment from service; failure to follow procedure requirements for initiating a risk-significant window checklist; and failure to follow a procedure requirement to perform root-cause analysis for equipment failures. These violations substantiate our concern with the adequacy of your guidance and procedures.

These violations are cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding the violations are described in detail in the enclosed report. Please note that you are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements. In your response, we request that you address our concern regarding management emphasis to ensure effective maintenance rule implementation.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,



Kenneth E. Brockman, Acting Director
Division of Reactor Safety

Docket: 50-298
License: DPR-46

Enclosures:
1. Notice of Violation
2. NRC Inspection Report
   50-298/96-12
3. Facsimile from Chris Moeller (NPPD) to
   Dale Powers (NRC) dated September 10, 1996

cc w/enclosures:
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Jefferson City, Missouri 65102

Kansas Radiation Control Program Director

E-Mail report to D. Nelson (DJN)
E-Mail report to NRR Event Tracking System (IPAS)

bcc to DMB (IE01)

bcc distrib. by RIV:

L. J. Callan	Resident Inspector
DRP Director	DRS-PSB
Branch Chief (DRP/C)	MIS System
Branch Chief (DRP/TSS)	RIV File
Project Engineer (DRP/C)	Leah Tremper (OC/LFDCB, MS: TWFN 9E10)
R. Correia (MS O9A1)	S. Black (MS 09A1)
J. Mitchell, EDO Coordinator	

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E-Mail report to D. Nelson (DJN)
E-Mail report to NRR Event Tracking System (IPAS)

bcc to DMB (IE01)

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RIV:RI:MB	E	C:MB	E	C:PBC		AD:DRS	E		
JEWhittemore		DAPowers		EECollins		KEBrockman			
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