

NOTICE OF VIOLATION

IES Utilities Inc.
Duane Arnold Energy Center

Docket No. 50-331
License No. DPR-49

During an NRC inspection conducted October 6-10, 1997, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG 1600, the violation is listed below:

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 or components (SSCs), against licensee-established goals, in a manner sufficient to provide reasonable assurance that such SSCs as defined in 10 CFR 50.65(b), are capable of fulfilling their intended functions. Such goals shall be established commensurate with safety. When the performance or condition of an SSC does not meet established goals, appropriate corrective action shall be taken.

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 an SSC is being effectively controlled through the performance of appropriate preventive maintenance, such that the SSC remains capable of performing its intended function.

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 SSCs against licensee-established goals pursuant to the requirements of Section (a)(1), the licensee had not demonstrated that the performance or condition of certain SSCs 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:

- A. The licensee failed to demonstrate that the performance of the high safety significant standby gas treatment system was being effectively controlled through the performance of appropriate preventive maintenance in accordance with the requirements of 10 CFR 50.65(a)(2). Specifically, the licensee failed to demonstrate it had established adequate measures to evaluate the effectiveness of preventive maintenance on the standby gas treatment system prior to placing the SSC under Section (a)(2), in that the licensee had established system level reliability performance measures that could not demonstrate that the SSC trains would function as required. Both trains of the standby gas treatment system would have to be non-functional coincidentally before the system level reliability performance measures would be affected.
- B. The licensee failed to demonstrate that the performance of fuel handling equipment was being effectively controlled through the performance of appropriate preventive maintenance in accordance with the requirements of 10 CFR 50.65(a)(2). Specifically, the licensee failed to demonstrate it had established adequate measures to evaluate the effectiveness of preventive maintenance on the fuel handling equipment prior to placing the SSC under Section (a)(2), in that the licensee-established measures for this SSC had an unacceptable stand-alone reliability measure based on reportable events. The measure based on unreportable events had no predictive value to evaluate the effectiveness of maintenance for this SSC.

- C. The licensee failed to demonstrate that the performance of reactor building sumps were being effectively controlled through the performance of appropriate preventive maintenance in accordance with the requirements of 10 CFR 50.65(a)(2). Specifically, the licensee failed to demonstrate it had established adequate measures to evaluate the effectiveness of preventive maintenance on the reactor building sumps prior to placing the SSC under Section (a)(2), in that the licensee had established plant level performance measures that could not demonstrate that this SSC would function as required. Extended inoperability of equipment important to safety because of flooding would have to occur before a plant level performance measure would be affected due to failures of the reactor building sumps.
- D. The licensee failed to demonstrate that the performance the hydrogen-oxygen analyzers were being effectively controlled through the performance of appropriate preventive maintenance in accordance with the requirements of 10 CFR 50.65(a)(2). Specifically, the licensee failed to demonstrate it had established adequate measures to evaluate the effectiveness of preventive maintenance on the hydrogen-oxygen analyzers prior to placing the SSCs under Section (a)(2), in that the licensee had established system level and plant level performance measures that could not demonstrate that the SSC trains would function as required. Both trains of the hydrogen-oxygen analyzers would have to be non-functional coincidentally before a performance measure would be affected.

This is a Severity Level IV violation (Supplement I).

Pursuant to the provisions of 10 CFR 2.201, IES Utilities Inc. 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 III, and a copy to the NRC Resident Inspector at the facility that is the subject of this Notice of Violation 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, (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. 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. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

Dated at Lisle, Illinois
this 15th day of November 1997