



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PA 19406-1415

June 17, 2009

EA-09-006

Mr. William H. Spence
Executive Vice-President
Chief Operating Officer/Chief Nuclear Officer
PPL Corporation
2 North Ninth Street – GENTW16
Allentown, PA 18101-1179

SUBJECT: NRC OFFICE OF INVESTIGATIONS REPORT 1-2008-031

Dear Mr. Spence:

This refers to the NRC Office of Investigations (OI) Investigation (Report 1-2008-031) initiated on March 7, 2008, at the Pennsylvania Power and Light (PPL) Susquehanna Steam Electric Station (SSES) located in Berwick, PA. The purpose of the investigation was to determine if a SSES Operations Support Clerk (OSC) deliberately falsified weld rod oven temperature verification logs between June 8, 2007, and February 1, 2008. Based on evidence developed during the OI investigation, the NRC concludes that the SSES OSC deliberately falsified the Weld Rod Oven Temperature Logs for four dates, specifically, January 29, 2008, through February 1, 2008. The creation of a false record material to the NRC constitutes a violation of 10 CFR 50.9, "Completeness and accuracy of information." A factual summary describing this investigation in detail is enclosed.

On January 28, 2008, your staff identified that records already existed stating that the weld rod oven temperature checks had been completed for January 29, 2008, through February 1, 2008, even though these dates had not yet arrived. Your staff subsequently completed the temperature checks on these dates.

10 CFR 50.9, "Completeness and accuracy of information" states, in part, information required to be maintained by the licensee shall be complete and accurate in all material respects. Contrary to the above, on January 28, 2008, during a licensee Quality Assurance (QA) audit of tool room activities, PPL identified that the OSC had created an inaccurate record of the weld rod oven log temperature for January 29, 2008, through February 1, 2008. Based on the NRC OI investigation, the NRC concludes that the SSES OSC deliberately falsified this log. The weld rod oven temperature checks are an official record which demonstrates that ASME code prerequisites have been met for ASME class welds. Therefore, this record is material to the NRC. After the falsified record was identified, PPL took timely corrective actions to ensure required checks were completed on these dates; therefore, the underlying QA program requirements were met and there was no evidence discovered by PPL or the NRC that would call into question the qualification of any ASME class weld.

Because the licensee is responsible for the actions of its employees, and because the violation was willful, the violation of 10 CFR 50.9 was evaluated under the NRC's traditional enforcement process as set forth in Section IV.A.4 of the NRC Enforcement Policy. The NRC considered that the violation, absent willfulness, would be of minor safety significance because subsequent evaluation by PPL of the oven temperature recorders (separate from the logs) determined that the temperatures for this time frame were all satisfactory for the issuance of weld rods. However, the NRC increased the severity level to Severity Level IV because the violation involved a deliberate act.

The NRC considered issuance of a Notice of Violation for this issue. However, after considering the factors set forth in Section VI.A.1 of the Enforcement Policy, the NRC has determined that although the violation was willful, a non-cited violation (NCV) is appropriate in this case because: (1) PPL identified the violation; (2) the violation involved the acts of a non-supervisory individual who was not a licensee official in the context of the NRC Enforcement Policy; (3) the violation resulted from the isolated actions of a single individual without management involvement; and, (4) PPL took significant remedial action which included conducting a prompt investigation, disciplinary action, and placing the issue in the corrective action program.

The NRC also recognizes that PPL did identify this issue on January 28, 2008 during a QA audit of the SSES Tool Room. As such, this violation is being characterized as a licensee-identified, SLIV NCV of 10 CFR 50.9. Because it is a licensee-identified issue, it will not be entered into the Plant Issues Matrix; and in accordance with NRC Inspection Manual Chapter 0305, "Plant Assessment," will not be directly considered in the plant assessment process.

You are not required to respond to this letter. However, should you choose to respond, your response should be sent to the U.S. Nuclear Regulatory Commission, ATTN: Regional Administrator, Region I 475 Allendale Road, King of Prussia, PA 19406 and marked "Open by Addressee Only," within 30 days of the date of this letter. If you contest the NCV in this letter, you should provide a response within 30 days of the date of this letter, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001; with copies to the Regional Administrator, Region I; the Director, Office of Enforcement, U.S. NRC, Washington, DC 20555-0001; and the NRC Resident Inspector at SSES.

In accordance with Title 10 of the Code of Federal Regulations (CFR) 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response (if any) will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of the NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

David C. Lew, Director
Division of Reactor Projects

Docket Nos.: 50-387, 50-388
License Nos.: NPF-14, NPF-22

Enclosures: Factual Summary of OI Investigation No. 1-2008-031

cc w/encl:

C. Gannon, Vice President, Nuclear Operations
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R. Pagodin, General Manager, Nuclear Engineering
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Board of Supervisors, Salem Township
J. Johnsrud, National Energy Committee, Sierra Club
E. Epstein, TMI-Alert (TMIA)

Factual Summary of Office of Investigations (OI) Report 1-2008-031

The investigation was initiated by the NRC OI Region I field office, on March 7, 2008, to determine if a Pennsylvania Power and Light (PPL) Susquehanna Steam Electric Station (SSES) Operations Support Clerk (OSC) deliberately falsified weld rod oven temperature verification logs between June 8, 2007, and February 1, 2008. Based on evidence developed during the investigation, OI concluded that the SSES Operations Support Clerk deliberately falsified the Weld Rod Oven Temperature Logs for four dates, specifically, January 29, 2008, through February 1, 2008.

The OI report stated that, during a January 28, 2008 Quality Assurance (QA) walk-up assessment in the SSES Tool Room, PPL staff identified that some dates and initials were missing from weld rod control records. The SSES Tool Material Support Supervisor testified that, as a result of these discrepancies, QA expanded its assessment to include logs maintained in other locations. The supervisor testified that she contacted the OSC assigned to the SSES Radiologically Controlled Area and requested that he provide his log. She testified that, upon reviewing the OSC's log, she identified that the OSC had already initialed the log verifying the weld rod oven temperatures for the entire week, through February 1, 2008. She contacted a SSES manager, who called a meeting with Human Resources (HR), the OSC, and a union steward. The manager and HR representative testified that the OSC admitted to initialing the advanced dates on the log and said he should not have done it but that this was the first time he had. The manager and HR representative testified that the OSC was immediately reassigned to a PPL fossil plant while SSES investigated the matter further. The OI report noted the testimony of another PPL manager, who assisted with the investigation on January 30, 2008. She identified in her testimony two dates (June 8 and January 18, 2008) for which the OSC had initialed the log when SSES records verify that he had not been onsite.

The OI report noted that the OSC's direct supervisor testified that a SSES procedure requires checking and verifying weld rod oven temperatures and signing and dating the log at the beginning of every day. He further testified that the OSC had received training on performing this task, and had been performing this task for two years. He stated that a QA assessment the previous year identified issues with the logs, resulting in all department employees, including the OSC, receiving additional training.

The OI report stated the OSC's testimony that he was familiar with parts of the SSES procedure, but that he had not been trained on it by a qualified trainer. He acknowledged that he could access the procedure through several means and could consult with supervision on any questions. He also testified that he knew of no occasions for which forward dating is permitted by PPL, but stated that he also did not know it was not permitted. He testified that he did forward date the log for January 29, 2008, through February 1, 2008, but denied doing so on any other occasion. He stated that he forward dated the log because he sometimes would forget to sign and date it every day, and was tired of being told to ensure he did so. He testified that he recalled attending the training that resulted from the 2007 QA inspection, but that it was more of an informal meeting.

The NRC also recognizes that PPL did identify this issue on January 28, 2008 during a QA audit of the SSES Tool Room. As such, this violation is being characterized as a licensee-identified, SLIV NCV of 10 CFR 50.9. Because it is a licensee-identified issue, it will not be entered into the Plant Issues Matrix; and in accordance with NRC Inspection Manual Chapter 0305, "Plant Assessment," will not be directly considered in the plant assessment process.

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Sincerely,
 /RA/
 David C. Lew, Director
 Division of Reactor Projects

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Enclosure