

Stephen B. Bram

Consolidated Edison Company of New York, Inc.
Indian Point Station
Broadway & Bleekley Avenue
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Telephone (914) 737-8116

March 8, 1991

Re: Indian Point Unit No. 2
Docket No. 50-247

Deputy Director, Office of Enforcement
US Nuclear Regulatory Commission
Attn.: Document Control Desk
Washington, DC 20555

SUBJECT: Response to Notice of Violation and Proposed
Imposition of Civil Penalty (NRC Office of
Investigations Report No. 1-89-005)

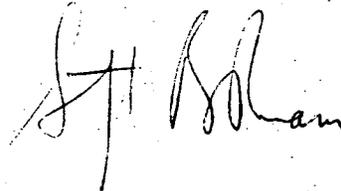
This is in response to Deputy Executive Director for Nuclear
Reactor Regulation, Regional Operations and Research,
James H. Sniezek's letter of February 11, 1991, which
enclosed a Notice of Violation and Proposed Imposition of
Civil Penalty resulting from an investigation conducted by
the NRC Office of Investigations at Indian Point Unit No. 2
in the spring of 1989.

Enclosed herewith is our reply to the Notice of Violation.
Also enclosed is a check in the amount of sixty-two thousand,
five hundred dollars (\$62,500.00) in payment of the proposed
civil penalty.

Based upon our investigation of these events, we believe that
the violations did not result from any deliberate intent to
deviate from procedures or falsify documents, nevertheless we
have taken several corrective actions including the
retraining of appropriate employees.

Should you or your staff have any questions concerning our
response, we would welcome the opportunity to discuss them
with you.

Very truly yours,



Enclosure

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FOR ATTORNEY 05000247

Cont No P234000903
JE14 w/check
\$62,500 # 064889
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cc: Mr. Thomas T. Martin
Regional Administrator - Region I
US Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

Mr. Francis J. Williams, Jr., Project Manager
Project Directorate I-1
Division of Reactor Projects I/II
US Nuclear Regulatory Commission
Mail Stop 14B-2
Washington, DC 20555

Senior Resident Inspector
US Nuclear Regulatory Commission
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Buchanan, NY 10511

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

During an NRC investigation conducted by the NRC Office of Investigations to determine whether licensee employees willfully falsified test documents relating to the installation of a solenoid operated valve at Indian Point 2, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C, (1990), the Nuclear Regulatory Commission proposes to impose a civil penalty pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violations and associated civil penalty are set forth below:

- A. Technical Specification 6.8.1 (Procedures and Programs) requires that written procedures be established and implemented covering, among others, the requirements and recommendations of ANSI N18.7-1972. Section 5.3 of ANSI N18.7-1972 states that nuclear power plants shall be operated and tested in accordance with written procedures. Corrective Maintenance Procedure (CMP) for ASCO Solenoid Valves (SOV) CM-16.66, Revision 2, describes the procedures to be followed when replacing ASCO Solenoid Valves. Section 5.5.16 of this procedure requires that the new SOV coil be checked for open circuits, short circuits, and grounds using a resistance meter and a meggar.

Contrary to the above, on March 17-18, 1989, the new SOV coil installed on SOV 1035 located on Waste Gas Compressor No. 21 was not checked with a meggar.

- B. 10 CFR Section 50.9 requires, in part, that information required to be maintained by the licensee shall be complete and accurate in all material respects.

Contrary to the above, CMP Number CM-16.66, Revision 2, was not accurate in that (1) step 5.5.16 of this procedure was signed by the valve installer some time after March 18, 1989, to indicate satisfactory completion of the step on March 18, 1989, when, in fact, the required meggar test had not been performed; (2) step 5.5.16 of this procedure was signed by an associate QA examiner on April 20, 1989, also indicating the satisfactory completion of the step;

and, (3) step 7.1 of this procedure was signed by a General Maintenance Supervisor on April 20, 1989 to indicate that the procedure was complete and that all data was correct and included when, in fact, the procedure was not complete (i.e., the meggar test and other procedural steps were not performed as prescribed). These inaccuracies were material in that they relate directly to the requirement to follow an approved procedure.

This is a Severity Level III (Supplement I and VII) Cumulative Civil Penalty - \$62,500 (assessed equally between the two violations)

Response

We acknowledge that the facts as stated in the above two violations are accurate. These violations occurred because of an inadequate understanding by the personnel involved of the requirements of this particular procedure, coupled with insufficient appreciation of the importance of literal adherence to written maintenance procedures and the necessity of maintaining a complete and accurate record of actions taken to comply with those procedures. The violations were not the result of any intent to deceive by willful falsification of documents. A contributing factor to the noncompliance was the fact that the applicable maintenance procedure had been changed on March 17, 1989 and the maintenance supervisor in charge was unaware of the new test requirements. A subsequent review of the maintenance procedure concluded that a meggar test was not required.

Additional and immediate corrective actions included reinstruction of all maintenance supervisors on the importance of strict procedural adherence; the issuance of an open item report with respect to the valve installation test in question; and individual discussions with contract inspectors by company supervisory personnel to identify any additional concerns with test procedure compliance practices.

Subsequent corrective actions included the establishment of a training course (MM102 "Administrative Process") to describe the maintenance

work process. This course stresses the importance of adherence to procedures and the significance of signatures on completed procedure steps. The course has been given to supervisors, mechanics and quality assurance personnel and is given on an on-going basis. An additional course, focusing on procedural adherence, was designed and given to the appropriate plant staff by the end of 1990. In addition, to ensure that work crews understand the requirements of the specific maintenance work procedures, a pre-job briefing, where appropriate, is now conducted with work crews prior to the start of a job. This briefing covers any recent change in procedural requirements or specifications.

The Maintenance temporary procedure change (TPC) policy has also been revised to provide a more effective means of correcting maintenance procedural deficiencies. This will ensure that procedures are strictly adhered to and that the record of maintenance activities is maintained accurately and completely.

In addition, a "Maintenance Quality Improvement Program" was instituted in the fall of 1989 and has completed its first year. This program has resulted in improvement of maintenance practices and better understanding of maintenance standards and expectations throughout the organization.

In January 1990, the Indian Point Maintenance Section developed and issued "Standards of Excellence in Maintenance". These standards have been provided to each member of the Maintenance Section and discussed at length with them.

In November 1989, Quality Assurance procedures were strengthened to require the issuance of an Open Item Report if there is no documented evidence that a required inspection was performed. Furthermore, an Open Item Report is required to be issued upon finding any nonconformance in the implementation of a maintenance procedure that is not resolved during the shift in which it occurred. This will ensure that the nonconformance is resolved and that an accurate and complete record of maintenance activities is maintained.

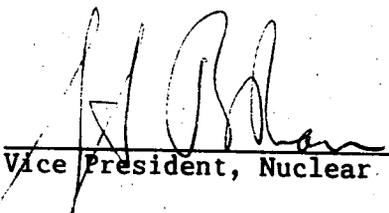
In order to provide a mechanism for individuals to express their safety concerns, the Nuclear Safety Ombudsmen program was instituted in January 1990. This program has been well publicized within the plant and is designed to provide an opportunity for individuals to express their safety concerns in a confidential manner.

We believe these programmatic changes have resulted in an enhanced sensitivity of individuals to the need for strict adherence to procedures, the importance of maintaining an accurate record of activities, the significance of signing off procedural steps and the need for utilizing established mechanisms to correct nonconformances in procedural implementation to assure that an accurate and complete record is generated for safety related activities. Because the events that are the subject of the Notice of Violation occurred two years ago, the corrective actions described above have been fully implemented. Con Edison believes that the recent Maintenance Re-Inspection by NRC confirms that the corrective actions have been taken and that we are in compliance with applicable NRC regulations.

As requested in the "Demand for Information," we will continue our assessment of the effectiveness of these corrective actions and will submit a report with the results of this assessment within 30 days after completion of the 1991 refueling outage.

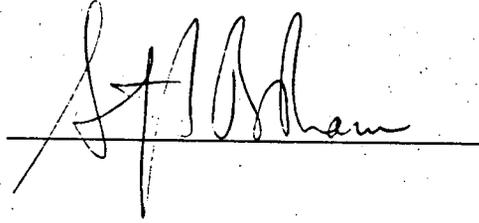
Dated: March 8, 1991

Respectfully submitted,


Vice President, Nuclear Power

State of New York.)
)
County of Westchester.) ss.

I, Stephen B. Bram, Vice President, Nuclear Power for Consolidated Edison Company of New York, Inc., being first duly sworn, state that I have read the foregoing reply and that it is true and correct to the best of my knowledge and belief.



Subscribed to and sworn
before me this 3rd day
of March, 1991.

Karen L. Lancaster
Notary Public

KAREN L. LANCASTER
Notary Public, State of New York
No. 60-4643659
Qualified In Westchester County
Term Expires 9/30/91