

February 19, 1997

EA Nos. 96-270 & 96-347

Mr. Robert G. Byram
Senior Vice President - Nuclear
Pennsylvania Power & Light Company
2 North Ninth Street
Allentown, Pennsylvania 18101

SUBJECT: PREDECISIONAL ENFORCEMENT CONFERENCE

Dear Mr. Byram:

This refers to the inspection conducted at the Susquehanna Steam Electric Station facility during the periods of June 11, 1996, through July 29, 1996, and July 30, 1996, through September 9, 1996, and to our letter to you dated October 4, 1996, requesting a predecisional enforcement conference. In our letter we scheduled the conference for November 12, 1996. The conference was postponed in order for the NRC to obtain further information regarding actions of nuclear plant operators (NPO) involved in the emergency diesel generator (EDG) misalignment, as well as NPO performance in the conduct of their rounds. We have received and reviewed your investigation reports associated with the EDG misalignment, and the performance of NPOs associated with the alarm test panel. Also, the NRC Office of Investigations (OI) has completed its review of these investigations in January, 1997. A synopsis of the OI report is attached. The NRC:OI review concluded that multiple NPOs willfully failed to conduct adequate Technical Specification (TS) required surveillances and procedure required rounds, and created inaccurate records of those activities.

Based on these findings, the predecisional enforcement conference has been rescheduled for March 21, 1997 at 10 a.m. at the NRC Region I office in King of Prussia, PA. At the conference, you should be prepared to discuss the apparent violations identified in Inspection Reports (IR) 50-387/96-08 & 96-09; 50-388/96-08 & 96-09 and the attached OI report synopsis, particularly the failures to perform certain activities, and the creation of records even though the activities were not performed. The apparent violations involve the following: 1) issues associated with the "E" EDG misalignment event involving less than the required number of operable EDGs, inaccurate electrical distribution surveillances, and failure to follow procedures and administrative programs; 2) performance of rounds by the NPOs associated with "E" EDG Alarm Test OC577E and the NPOs failure to provide complete and accurate information; 3) a single Core Spray test line containment isolation valve that was opened and deactivated for 24 hours in support of preventive maintenance; and 4) an NPO's failure to follow your administrative procedures for controlling the status of equipment associated with the Standby Liquid Control System.

More recently, your staff has identified additional problems with licensee staff not performing certain activities and documenting, nonetheless, that the activities were performed and/or completed. These findings raise additional concerns since they involved

9703030148 970219
PDR ADOCK 05000387
G PDR



IED:11

licensed operators. While these matters are still under NRC review, during the conference you should be prepared to discuss the broader implications of these findings, particularly the apparent widespread failure of your staff to perform certain activities, yet complete records to indicate the activities were performed. Because the issues associated with the supervisory senior reactor operators' (SRO) and the auxiliary unit supervisors' (AUS) performance are still under NRC review, specific details of circumstances associated with their individual activities will not be a subject of the conference. However, we do intend to discuss the apparent programmatic issues associated with the performance of licensed operators.

This conference will be closed to the public, because the violations, in part, involve apparent willfulness. The conference will be transcribed. The decision to hold a predecisional enforcement conference does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. This conference is being held to obtain information to enable the NRC to make an enforcement decision, such as common understanding of the facts, root causes, missed opportunities to identify the apparent violations sooner, corrective actions, significance of the issues and the need for lasting and effective corrective action. In addition, this is an opportunity for you to point out any errors in our inspection report and for you to provide any information concerning your perspectives on 1) the severity of the violations, 2) the application of the factors that the NRC considers when it determines the amount of a civil penalty that may be assessed in accordance with Section VI.B.2 of the Enforcement Policy, and 3) any other application of the Enforcement Policy to this case, including the exercise of discretion in accordance with Section VII.

You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding these apparent violations is required at this time.

In accordance with 10 CFR 2.790 of the NRCs "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room (PDR).

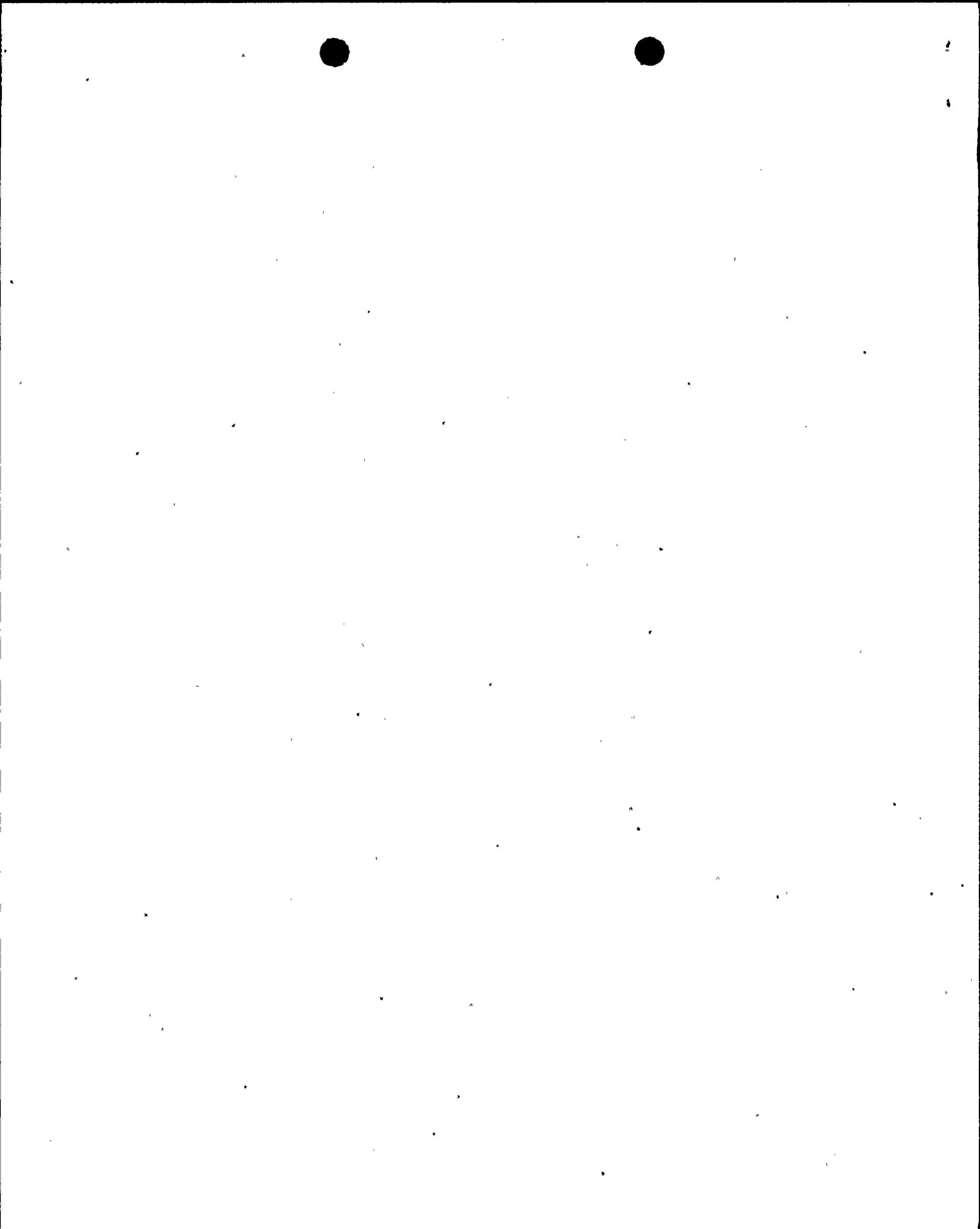
Sincerely,

ORIGINAL SIGNED BY:

Richard W. Cooper, II, Director
Division of Reactor Projects

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

Enclosure: OI synopsis 1-96-039



Mr. R. Byram

3

cc w/encl:

G. T. Jones, Vice President - Nuclear Operations

G. Kuczynski, Plant Manager

J. M. Kenny, Supervisor, Nuclear Licensing

G. D. Miller, Manager - Nuclear Engineering

R. R. Wehry, Nuclear Licensing

M. M. Urioste, Nuclear Services Manager, General Electric

C. D. Lopes, Manager - Nuclear Security

W. Burchill, Manager, Nuclear Safety Assessment

H. D. Woodeshick, Special Office of the President

J. C. Tilton, III, Allegheny Electric Cooperative, Inc.
Commonwealth of Pennsylvania

Mr. R. Byram

4

Distribution w/encl:
 Region I Docket Room (with concurrences)
 Nuclear Safety Information Center (NSIC)
 L. Cunningham, NRR (Security/Safeguard IRs)
 D. Barss, NRR (Emergency Plan IRs)
 K. Gallagher, DRP
 D. Screnci, PAO (1) SALP (23)
 NRC Resident Inspector
 PUBLIC

Distribution w/encl: (Via E-Mail)
 W. Dean, OEDO
 C. Poslusny, Project Manager, NRR
 J. Stolz, PDI-2, NRR
 Inspection Program Branch, NRR (IPAS)
 R. Correia, NRR
 D. Taylor, NRR
 R. Zimmerman, ADPR, NRR
 F. Davis
 A. Nicosia
 J. Lieberman, OE
 D. Holody, EO, RI

DOCUMENT NAME: g:\branch4\enfconf.sus

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	RI:DRP <i>237</i>	RI:EO <i>TDW</i>	RI:DNMS	RI:O <i>obj No I</i>	RI:DRP <i>[Signature]</i>
NAME	WPasciak	DHolody <i>50</i>	WHe <i>[Signature]</i>	BLetts <i>obj [Signature]</i>	RCoope <i>[Signature]</i>
DATE	2/19/97	2/19/97	2/18/97	2/19/97 <i>(see above)</i>	2/19/97

OFFICIAL RECORD COPY

SYNOPSIS

On October 18, 1996, The Office of Investigations (OI), Region I, initiated this investigation in order to review Pennsylvania Power & Light's (PP&L's) internal investigation and audit reports concerning: (1) the failure of Nuclear Plant Operators (NPOs) to detect a misalignment of an "E" Diesel generator breaker at Susquehanna Unit #2 from June 14 to July 4, 1996, and the potential falsification of tech spec required surveillance logs that included inspection of the breaker in question; and (2) the failure of multiple NPOs to conduct a number of alarm panel tests from January to June 1996 during procedure required operator rounds (ORs), and the potential falsification of the OR logs that included the testing of the alarm panel.

Based on OI's review of PP&L's internal investigation and audit reports on these matters, it is concluded that multiple NPOs wilfully failed to conduct adequate tech spec required surveillances and procedure required ORs, and created inaccurate logs of those activities. OI's review of PP&L's internal reports determined that additional investigation by OI would not likely result in alternative findings, and, therefore, the further expenditure of OI resources is not warranted.

