



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION III
801 WARRENVILLE ROAD
LISLE, ILLINOIS 60532-4351

May 17, 1994

Docket Nos. 50-237 and 50-249
License Nos. DPR-19 and DPR-25
EA 94-048

Commonwealth Edison Company
ATTN: Mr. Michael J. Wallace
Vice President
Chief Nuclear Officer
Executive Towers West III
1400 Opus Place, Suite 900
Downers Grove, Illinois 60515

Dear Mr. Wallace:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY -
\$75,000
(INSPECTION REPORT NOS. 50-237/94002(DRP); 50-249/94002(DRP))

This refers to the inspection conducted from January 11 through February 22, 1994, at Dresden Station. The report documenting this inspection was sent to Dresden by letter dated March 11, 1994. During the inspection, a violation of NRC requirements was identified. An enforcement conference was held on March 21, 1994, to discuss the apparent violation, its causes, and your corrective actions.

The reactor water level instruments (switches) used to actuate emergency core cooling systems have been a chronic problem at Dresden. The instruments are susceptible to setpoint drift and have failed to actuate on a number of occasions. This was highlighted in the 1992 Dresden Vulnerability Assessment Team report and was subsequently placed on the Top 50 Issues list in March 1993. The failures were documented on numerous problem identification forms (PIFs); however, the corrective actions did not prevent further failures. Furthermore, engineering personnel were unaware of the magnitude of the problem because the PIFs were processed by different individuals.

Dresden maintenance personnel discarded switches without determining the failure mechanism. The receipt inspections of the new Unit 2 instruments were limited in scope in that repeatability problems and manufacturing defects were not identified. The individual instrument performance trends as well as the general adverse trend on the replaced Unit 2 instruments were not identified. The engineering staff initiated activities to resolve the issue; however, the pace of these actions was not commensurate with the safety significance of the problem.

The enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) describes one violation involving the failure to take appropriate corrective action for a significant condition adverse to quality. The violation is considered a significant breakdown in the control of the Dresden corrective action program. It is indicative of a lack of meaningful and

200046

9405230044 940517
PDR ADOCK 05000237
Q PDR

TEH

continuous management involvement in the resolution of significant issues; weaknesses in inter-organizational communications on plant systems and problems; and a lack of effective trending by system engineers. Therefore, in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy) 10 CFR Part 2, Appendix C, the violation has been categorized at Severity Level III.

We acknowledge the specific corrective actions which included performing an evaluation which concluded that the instruments were operable, and initiating compensatory measures to ensure operability until long-term corrective actions are completed. The Dresden staff also plans to implement a design modification to use inputs from already existing reactor vessel level instrumentation (Rosemount transmitters) to replace the Yarway level switches. Other general corrective actions include lowering the threshold for entering events into the Integrated Reporting Program, making the modification approval process more efficient, performing periodic self-assessments of technical issues, establishing a more systematic process for prioritization, improving trending and analysis, and performing reviews of corrective actions to determine effectiveness of actions.

To emphasize the need for management involvement in the oversight of the corrective action program, and in the identification and resolution of significant technical issues, I have been authorized, after consultation with the Director, Office of Enforcement to issue the enclosed Notice in the amount of \$75,000 for the Severity Level III violation.

The base civil penalty was escalated 50 percent because the NRC identified the violation and was mitigated 50 percent for your good corrective actions after the violation was identified.

We considered escalating the base civil penalty 100 percent for Dresden's poor past performance. This included five escalated actions during the past two years and the most recent SALP report which states, "a common theme among the SALP functional areas was a lack of effective corrective actions." However, we also recognize the positive efforts that you have made and are making to understand and address the performance problems at Dresden. These include key management changes; a reduction in the number of priority items to be resolved; improvements in plant material condition; and improved communications between the engineering and maintenance groups such that it is more likely that problems can be effectively identified and resolved. There has also been some evidence of improvement in identification and resolution of the root causes of equipment problems, such as pump seal leakage and limit switch sticking. While further progress is necessary to improve performance, based on your recent efforts, including those noted above, we decided, on balance, to escalate the base civil penalty 50 percent rather than 100 percent for this factor.

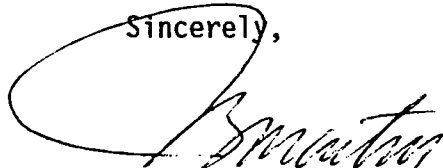
You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific action taken and any additional

actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

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.

The response directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Public Law No. 96-511.

Sincerely,



John B. Martin
Regional Administrator

Enclosure:
Notice of Violation and Proposed
Imposition of Civil Penalty

cc w/enclosure:
M. D. Lyster, Site Vice President
L. O. DelGeorge, Vice President,
Nuclear Oversight and Regulatory Services
Gary F. Spedl, Station Manager
J. Shields, Regulatory Assurance
Supervisor
D. Farrar, Nuclear Regulatory
Services Manager
OC/LFDCB
Resident Inspectors LaSalle,
Dresden, Quad Cities
Richard Hubbard
Nathan Schloss, Economist Public
Utilities Division
Licensing Project Manager, NRR
State Liaison Officer
Chairman, Illinois Commerce
Commission
R. V. Crljenjak, DRS

Commonwealth Edison
Company

DISTRIBUTION

PDR

SECY

CA

JTaylor, EDO

JMilhoan, DEDR

JLieberman, OE

LChandler, OGC

JGoldberg, OGC

WRussell, NRR

LReyes, NRR

DDandois, OC

Enforcement Coordinators

RI, RII, RIV, RV

FIngram, GPA/PA

DWilliams, OIG

BHayes, OI

EJordan, AEOD

JBeall, OE

EA File

~~DCS~~

State of Illinois

RAO:RIII

SLO:RIII

PAO:RIII

IMS:RIII