

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Consumers Power Company
Palisades Plant

Docket No. 50-255
License No. DPR-20
EA 88-138

During an NRC inspection conducted on December 8, 1986 through January 13, 1987 of the licensee's program for environmental qualification (EQ) of equipment, violations of NRC requirements were identified. In accordance with the "Modified Enforcement Policy Relating to 10 CFR 50.49, Environmental Qualification of Electrical Equipment Important to Safety of Nuclear Power Plants," contained in Generic Letter 88-07, 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 violation and associated civil penalty are set forth below:

I. Violation Assessed a Civil Penalty

10 CFR 50.49(a) and (g) require, in part, that no later than November 30, 1985, each holder of a license to operate a nuclear power plant establish a program for qualifying the electric equipment important to safety and qualify that equipment.

10 CFR 50.49(d)(1) requires that the qualification file include the performance specifications under conditions existing during and following design basis accidents.

10 CFR 50.49(f) requires each item of electric equipment important to safety be qualified by testing or testing and analysis.

Contrary to the above, as of December 8, 1986, Consumers Power Company failed to qualify the following equipment designated important to safety by appropriate testing or testing and analysis, as evidenced by the following examples:

- a. Fifty-five Rosemount Model 1153 transmitters, in various safety system control and indication circuits, were not demonstrated to be qualified in that performance requirements were not specified and shown to be satisfied for instrument accuracy under postulated accident conditions.
- b. Thirty-eight ASCO solenoid valves, installed in some safety systems, were not qualified in that (1) these valves were inadequately sealed to prevent moisture intrusion or (2) the recommended sealed vented conduit/junction box system was not implemented. ASCO test report AQR-67368 indicated test failures and recommended a sealed vented

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conduit/junction box system. Franklin Research Center identified the need for seals at the solenoid enclosure interface. However, neither the recommended systems were installed nor other adequate means to prevent moisture intrusion provided.

- c. Eight Limitorque actuators, installed in the High Pressure Safety Injection (HPSI) system inside containment, had SUN EP-50 lubricant in the main gear cases. The licensee's EQ files did not contain appropriate testing or testing and analysis to demonstrate that the lubricant was qualified to permit the Limitorque actuator to meet its specified performance requirements under postulated high temperature and radiation accident conditions.
- d. Seven Limitorque actuators in the High Pressure and Low Pressure Safety Injection systems were installed with plugged T-drains in their motor housings. Qualification was based on actuators with T-drains installed. Therefore the EQ files did not demonstrate that the actuators with plugged T-drains were qualified to meet their specified performance requirements under postulated accident conditions.

This is an EQ Category B violation.

Civil Penalty - \$150,000.

II. Violation Not Assessed a Civil Penalty

10 CFR 50.49(a) and (g) require, in part, that no later than November 30, 1985, each holder of a license to operate a nuclear power plant establish a program for qualifying the electric equipment important to safety and qualify that equipment.

10 CFR 50.49(d)(1) requires that the qualification file include the performance specifications under conditions existing during and following design basis accidents.

10 CFR 50.49(j) requires a record of the qualification be maintained in an auditable form to permit verification that each item of electrical equipment important to safety is qualified and the equipment meets the specified performance requirements under postulated environmental conditions.

Contrary to the above, as of December 8, 1986, Consumers Power Company failed to prepare and maintain the following qualification files to permit verification that equipment important to safety is qualified and meets the specified performance requirements, including insulation resistance, under postulated environmental conditions, as evidenced by the following examples:

- a. The qualification files for General Electric XLPE/PVC cable and XLPE/Neoprene cable used for instrument, power, and control circuits did not demonstrate qualification in that performance requirements were not specified and shown to be satisfied for the insulation resistance characteristics of these cables.
- b. The qualification file for Rockbestos Firewall III XLPE/Neoprene cable used for instrument, power, and control circuits inside and outside of containment did not demonstrate qualification in that performance requirements were not specified and shown to be satisfied for the insulation resistance characteristics of the cable and did not demonstrate adequate similarity of the tested and installed cable in that the specific formulation of the cable was not identified.
- c. The qualification file for Viking penetrations using Bendix potting compound connectors and sealing washers did not demonstrate qualification in that performance requirements were not specified and shown to be satisfied for the insulation resistance characteristics of the potted connectors.
- d. Qualification files for replacement equipment, including those for Limitorque valve operators, Namco position switches, and Masoneilan electric pneumatic converters, were inadequate in that they inaccurately claimed qualification to DOR Guidelines, when in fact qualification was required to be under 10 CFR 50.49.
- e. The qualification files for butyl rubber insulated cables outside containment were inadequate in that performance requirements were not specified and shown to be satisfied for insulation resistance for the postulated radiation conditions.

This is a Severity Level IV violation.

Pursuant to the provisions of 10 CFR 2.201, Consumers Power Company (Licensee) is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission within 30 days of the date of this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each alleged violation: (1) admission or denial of the alleged violation; (2) the reasons for the violation if admitted; (3) the corrective steps that have been taken and the results achieved; (4) the corrective steps that will be taken to avoid further

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violations; and (5) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, an Order may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action as may be proper should not be taken. Consideration may be given to extending the response time for good cause shown. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, this response shall be submitted under oath or affirmation.

Within the same time as provided for the response required above under 10 CFR 2.201, the Licensee may pay the civil penalty by letter addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of the civil penalty proposed above, or may protest imposition of the civil penalty in whole or in part by a written answer addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission. Should the licensee fail to answer within the time specified, an order imposing the civil penalty will be issued. Should the licensee elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalty, in whole or in part, such answer should be clearly marked an "Answer to a Notice of Violation" and may: (1) deny the violation listed in this Notice in whole or in part; (2) demonstrate extenuating circumstances; (3) show error in this Notice; or (4) show other reasons why the penalty should not be imposed. In addition to protesting the civil penalty, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the mitigation factors in the "Modified Enforcement Policy Relating to 10 CFR 50.49, Environmental Qualification of Electrical Equipment Important to Safety for Nuclear Power Plants," contained in Generic Letter 88-07, should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate parts of the 10 CFR 2.201 reply by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. The attention of the licensee is directed to the other provisions of 10 CFR 2.205, regarding the procedure for imposing a civil penalty.

Upon failure to pay any civil penalty due which subsequently has been determined in accordance with the applicable provisions of 10 CFR 2.205, this matter may be referred to the Attorney General, and the penalty, unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C. 2281c.

The responses to the Director, Office of Enforcement, noted above (Reply to a Notice of Violation, letter with payment of civil penalty, and Answer to a Notice of Violation) should be addressed to: Director, Office of Enforcement,

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U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region III, U.S. Nuclear Regulatory Commission, 799 Roosevelt Road, Glen Ellyn, Illinois 60137 and a copy to the NRC Resident Inspector, Palisades.

FOR THE NUCLEAR REGULATORY COMMISSION



A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois
This 23rd day of November 1988