



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION II  
245 PEACHTREE CENTER AVENUE NE, SUITE 1200  
ATLANTA, GEORGIA 30303-1257

May 24, 2018

EA-17-204

Dennis R. Madison  
Vice President  
Southern Nuclear Operating Company, Inc.  
Joseph M. Farley Nuclear Plant  
7388 North State Highway 95  
Columbia, AL 36319

SUBJECT: JOSEPH M. FARLEY NUCLEAR PLANT – INSPECTION REPORT  
05000348/2018014 AND 05000364/2018014 INVESTIGATION REPORT  
NO. 2-2017-014; AND NOTICE OF VIOLATIONS

Dear Mr. Madison:

On November 16, 2017, the U.S. Nuclear Regulatory Commission (NRC) Office of Investigations (OI) completed an investigation to determine if Southern Nuclear Corporation (SNC) system operators (SOs) at the Farley Nuclear Plant (FNP) deliberately failed to complete their assigned operator rounds. Based on the results of the investigation, the NRC concluded that from approximately July through September of 2016, four SOs deliberately failed to complete their assigned operator rounds as required by FNP procedures, and deliberately falsified quality assurance (QA) records in violation of 10 CFR 50.5(a)(1) and 10 CFR 50.5(a)(2). Their actions also caused the licensee to violate 10 CFR 50.9. The results of this investigation and inspection are documented in the enclosed Factual Summary and Inspection Report. On May 22, 2018, the NRC discussed the results of the investigation and inspection with you and other members of your staff.

Based on a review of the facts of this case, the NRC determined that two Severity Level (SL) IV violations of NRC requirements have occurred, as cited in the enclosed Notice of Violation (Notice). The safety significance of the violations was evaluated in accordance with the NRC's Enforcement Policy (<https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>). Contributing factors to the NRC's SL IV conclusion included the fact that there was no known specific degraded plant equipment or conditions that should have been identified by SOs during the timeframe in question; the relatively limited number of individuals involved and the fact that three of the four non-licensed SOs missed an assigned round only on one day; the individuals were not considered supervisory personnel; and because the violations were willful. Additionally, the NRC noted the prompt extent of condition reviews and corrective actions taken by SNC related to NRC's identification of a significant similar matter at another SNC fleet facility (Vogtle), for which SNC aggressively reviewed the status of SO rounds at all SNC facilities, including FNP. This violation is being cited as two SL IV violations because the non-cited violations (NCV) criteria specified in Section 2.3.2 of the Enforcement Policy were not satisfied. Specifically, the violation was willful, and was attributed, at least in part, to a lack of FNP management oversight.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC review of your response to the Notice will also determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

If you contest the violations or significance, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001; with copies to the Regional Administrator, Region II; the Director, Office of Enforcement; and the NRC resident inspector at the Farley Nuclear Plant.

This letter, its enclosures, and your response will be made available for public inspection and copying at <http://www.nrc.gov/reading-rm/adams.html> and at the NRC Public Document Room in accordance with 10 CFR 2.390, "Public Inspections, Exemptions, Requests for Withholding."

Sincerely,

*/RA/*

Alan Blamey, Chief  
Reactor Projects Branch 2  
Division of Reactor Projects

Docket Nos.: 50-348, 50-364  
License Nos.: NPF-2, NPF-8

Enclosures:

1. Notice of Violation
2. Factual Summary
3. NRC Inspection Report

cc: Distribution via ListServ

SUBJECT: JOSEPH M. FARLEY NUCLEAR PLANT – INSPECTION REPORT  
05000348/2018014 AND 05000364/2018014 INVESTIGATION REPORT  
NO. 2-2017-014; AND NOTICE OF VIOLATIONS May 24, 2018

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## NOTICE OF VIOLATION

Southern Nuclear Company  
Farley Nuclear Plant  
Units 1 and 2

Docket Nos. 50-348/364  
License Nos.: NPF-2/8  
EA-17-204

During an NRC investigation completed on November 16, 2017, violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. Technical Specification 5.4.1.a, states that "Written procedures shall be established, implemented, and maintained covering the following activities: The applicable procedures recommended in RG 1.33, Rev. 2, Appendix (App.) A, Feb. 1978."

Regulatory Guide (RG) 1.33, Revision (Rev.) 2, App. A lists typical safety-related activities that should be covered by written licensee procedures. Item 1.h names administrative procedures for log entries and record retention as one of the written procedures licensees should cover.

Farley Procedure, NMP-OS-007-001, "Conduct of Operations Standards and Expectations," Version 14.4, sets forth standards and expectations on various Plant Operations topics, and Section 4.13 sets forth standards and expectations on log keeping and watch station rounds.

- Section 4.13.2(2), Narrative Logs, states, "Log entries are made in a timely manner. Entries provide enough detail for events to be reconstructed at a later date. A log is a legal document and is therefore accurate, factual, complete and clear."
- Section 4.13.2(3), Watch Station Rounds, states, "The recording of operating logs is performed during Watch Station Rounds in accordance with an approved schedule. Required readings are taken unless the associated equipment or system is out of service. Readings not taken are noted with a documented reason."

Farley Procedure, FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs," Version 27.0, provides guidance for conducting watchstation tours and use of operator logs. Section 6.0, Records, states, "Documents created using this procedure will become QA Records when completed unless otherwise stated."

Contrary to the above, on multiple instances during approximately July 2016 through September 2016, four SOs failed to complete rounds as prescribed by documented instructions and procedures. Specifically, card reader data showed that the four SOs did not enter the rooms to record operating logs during their watch station rounds in accordance with the approved schedule, as required by NMP-OS-007-001, "Conduct of Operations Standards and Expectations," and FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs." Below is a list of readings that were entered into operating logs without the SOs physically entering the areas:

- Spent Fuel Pool HVAC Air Handling Unit (AHU)
- Spent Fuel Pool HVAC Particulate Filter

Enclosure 1

- Spent Fuel Pool Level
- Spent Fuel Pool Temperature
- Nitrogen Storage Room:
  - Containment Lighting UPS
  - SPDS UPS Inverter
  - Non-rad Ventilation
  - 600V Load Center AHU

This is a Severity Level IV violation (Enforcement Policy Section 6.1).

- B. 10 CFR 50.9, "Completeness and Accuracy of Information," requires, in part, that information required by the Commission's regulations to be maintained by the licensee shall be complete and accurate in all material respects.

10 CFR 50, Appendix B, "Criterion XVII, Quality Assurance Records," requires that, "sufficient records shall be maintained to furnish evidence of activities affecting quality. The records shall include at least the following: Operating logs and the results of reviews, inspections, tests, audits, monitoring of work performance, and materials analyses. The records shall also include closely-related data such as qualifications of personnel, procedures, and equipment. Inspection and test records shall, as a minimum, identify the inspector or data recorder, the type of observation, the results, the acceptability, and the action taken in connection with any deficiencies noted. Records shall be identifiable and retrievable. Consistent with applicable regulatory requirements, the applicant shall establish requirements concerning record retention, such as duration, location, and assigned responsibility."

Farley Procedure, NMP-OS-007-001, "Conduct of Operations Standards and Expectations," Version 14.4, sets forth standards and expectations on various Plant Operations topics, and Section 4.13 sets forth standards and expectations on log keeping and watch station rounds.

- Section 4.13.2(2), Narrative Logs, states "Log entries are made in a timely manner. Entries provide enough detail for events to be reconstructed at a later date. A log is a legal document and is therefore accurate, factual, complete and clear."
- Section 4.13.2(3), Watch Station Rounds, states, "The recording of operating logs is performed during Watch Station Rounds in accordance with an approved schedule. Required readings are taken unless the associated equipment or system is out of service. Readings not taken are noted with a documented reason."

Farley Procedure, FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs," Version 27.0, provides guidance for conducting watchstation tours and use of operator logs. Section 6.0, Records, states, "Documents created using this procedure will become QA Records when completed unless otherwise stated."

Contrary to the above, on multiple instances from approximately July 2016 through September 2016, information required by regulations to be maintained by the licensee was not complete and accurate in all material respects. Specifically, on multiple occasions, four SOs recorded data for the following readings, but never actually entered these areas:

- Spent Fuel Pool HVAC AHU
- Spent Fuel Pool HVAC Particulate Filter
- Spent Fuel Pool Level
- Spent Fuel Pool Temperature
- Nitrogen Storage Room:
  - Containment Lighting UPS
  - SPDS UPS Inverter
  - Non-rad Ventilation
  - 600V Load Center AHU

Having never entered these areas, the SOs did not accurately complete their logs, thereby causing the licensee to maintain inaccurate records. These records are material to the NRC because when performing inspections, the NRC uses the information contained in the logs to ensure that the condition of safety-related equipment is being monitored as required by station procedures.

This is a Severity Level IV violation (Enforcement Policy Section 6.9).

Pursuant to the provisions of 10 CFR 2.201, Southern Nuclear Operating Company is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region II, and a copy to the NRC Resident Inspector at the facility that is the subject of this Notice, within 30 days of the date of the letter transmitting this Notice of Violations (Notice). This reply should be clearly marked as a "Reply to a Notice of Violations – EA-17-204" and should include for the violations: (1) the reason for the violations, or, if contested, the basis for disputing the violations or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>, to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by

10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 24th day of May, 2018.

**FACTUAL SUMMARY**  
**OFFICE OF INVESTIGATIONS REPORT NO. 2-2017-014**

On October 25, 2016, SNC management received information from the NRC of the potential for falsification of operator rounds at Vogtle Units 1 and 2. As a result, SNC conducted an extent of condition review at other plants including the Farley Nuclear Plant (FNP), which identified several questionable System Operators (SOs) log readings.

On November 16, 2017, the Nuclear Regulatory Commission's (NRC) Office of Investigations (OI) completed an investigation at the Southern Nuclear Company's (SNC) FNP. The purpose of the investigation was to determine if SNC SOs deliberately failed to conduct operator rounds as required by procedure and deliberately falsified information material to the NRC at FNP Units 1 and 2.

The FNP Technical Specification (TS) 5.4.1.a states, "Written procedures shall be established, implemented, and maintained covering the following activities. The applicable procedures recommended in RG 1.33, Rev. 2, App. A, Feb. 1978."

Regulatory Guide 1.33, Rev. 2, App. A lists typical safety-related activities that should be covered by written licensee procedures. Item 1.h names administrative procedures for log entries and record retention as one of the written procedures licensees should cover.

The FNP procedure, Conduct of Operations Standards and Expectations, NMP-OS-007-001, Version 14.4, Section 4.13, sets forth standards and expectations on log keeping and watch station rounds. It states, "Log entries are made in a timely manner. Entries provide enough detail for events to be reconstructed at a later date. A log is a legal document and is therefore accurate, factual, complete and clear." It also states, "The recording of operating logs is performed during Watch Station Rounds in accordance with an approved schedule. Required readings are taken unless the associated equipment or system is out of service. Readings not taken are noted with a documented reason."

The FNP procedure, Watch Station Tours and Operator Logs, FNP-0-SOP-0.11, Version 27.0, provides guidance for conducting watch station tours and use of operator logs. It states that documents using the procedure "will become QA Records when completed unless otherwise stated."

The SNC investigation covered the time period of approximately July 2016 through September 2016. Four SOs were identified as making log entries during periods for which card reader data indicated that the SOs had not actually entered the room marked in the log entry.

One SO entered 19 readings into operator logs without having entered the door to the Nitrogen Storage room on July 23, 2016. A second SO entered eight readings into operator logs without entering the Spent Fuel Pool (SFP) HVAC room on August 6, 2016. A third SO entered eight readings into operator logs without having entered the SFP HVAC room on August 9, 2016. A fourth SO did not enter the SFP HVAC room but indicated he had completed eight readings in that area during the July – September, 2016 period. This SO also did not enter the Unit 1 SFP room but indicated he had completed three readings in that area on August 22, 2016.



NRC:OI interviewed three of the four SOs. These individuals stated that they had a clear understanding of the operator round requirements. NRC:OI also confirmed that all four SOs had completed all the System Operator Task Qualification Cards as part of SNC's System Operator Initial Training Program. Additionally, NRC:OI confirmed that all four SOs received training on SNC procedure, Watch Station Tours and Operator Logs, FNP-0-SOP-0.11.

The documentary and testimonial evidence obtained by NRC:OI during the investigation support that four SOs deliberately entered data related to equipment status, general area inspections, and housekeeping conditions for their assigned areas without actually entering those areas. This appears to have caused SNC to be in violation of 10 CFR 50.9 and TS 5.4.1.a. and related plant procedures.

**U.S. NUCLEAR REGULATORY COMMISSION**

**REGION II**

Docket Numbers: 50-348 and 50-364

License Numbers: NPF-2 and NPF-8

Report Numbers: 05000348/2018014 and 05000364/2018014

Enterprise Identifier: I-2018-014-0002

Licensee: Southern Nuclear Corporation

Facility: Farley Nuclear Plant

Location: Columbia, AL

Inspection Dates: November 16, 2017 through April 30, 2018

Inspector: P. Heher, Project Engineer

Approved By: A. Blamey, Chief  
Reactor Projects Branch 2  
Division of Reactor Projects

## SUMMARY

The report covered an in-office review of Nuclear Regulatory commission (NRC) Office of Investigations (OI) Report No. 2-2017-014 by Region II inspectors. Two Severity Level (SL) IV violations were identified. The Reactor Oversight Process (ROP) is the NRC's program for overseeing the safe operation of commercial nuclear power reactors. Refer to <https://www.nrc.gov/reactors/operating/oversight.html> for more information. NRC and self-revealed findings, violations, and additional items are summarized in the table below.

### List of Findings and Violations

Failure to Complete System Operator Rounds as Required per Procedures			
Cornerstone	Significance/Severity Level	Cross-cutting Aspect	Report Section
N/A	SL IV NOV 05000348, 05000364/2018014-01 Open EA-17-204	N/A	N/A
<p>During an NRC investigation completed on November 16, 2017, a SL IV Notice of Violation (NOV) of plant Technical Specification (TS) 5.4.1.a was identified when system operators failed to complete rounds as required per procedures. Specifically, on multiple occasions occurring from July 2016 through September 2016, four system operators (SOs) failed to complete various rounds as prescribed by documented instructions and procedures. Specifically, card reader data showed that the four SOs did not enter the rooms to record operating logs during their watch station rounds in accordance with the approved schedule, as required by NMP-OS-007-001, "Conduct of Operations Standards and Expectations," and FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs."</p>			
Failure to Provide Complete and Accurate Information Related to System Operator Rounds			
Cornerstone	Significance/Severity Level	Cross-cutting Aspect	Report Section
N/A	SL IV NOV 05000348, 05000364/2018014-02 Open EA-17-204	N/A	N/A

During an NRC investigation completed on November 16, 2017, a SL IV NOV of 10 CFR 50.9, "Completeness and Accuracy of Information," was identified when system operators failed to provide complete and accurate information related to system operator rounds. Specifically, on multiple occasions occurring from July 2016 through September 2016, information required by regulations to be maintained by the licensee was not complete and accurate in all material respects. Four SOs failed to comply with the procedural requirements of NMP-OS-007-001, "Conduct of Operations Standards and Expectations," and FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs," in that on multiple occasions the SOs recorded data for certain readings without ever entering the corresponding area.

## INSPECTION SCOPE

On November 16, 2017, the NRC's OI completed an investigation at the Southern Nuclear Company's FNP. The purpose of the investigation was to determine if SOs employed by SNC at the FNP deliberately failed to conduct operator rounds as required by procedure and deliberately falsified (operator rounds) information material to the NRC. The inspector performed an in office review of the OI summary and transcripts of interviews.

## INSPECTION RESULTS

Failure to Complete System Operator Rounds as Required per Procedures			
Cornerstone	Significance/Severity Level	Cross-cutting Aspect	Report Section
N/A	SL IV NOV 05000348, 05000364/2018014-01 Open EA-17-204	N/A	N/A
<p><u>Introduction and Identification:</u></p> <p>During an NRC investigation completed on November 16, 2017, a SL IV NOV of plant TS 5.4.1.a was identified when SOs failed to complete rounds as required per procedures. Specifically, on multiple occasions during approximately July 2016 through September 2016, four SOs failed to complete rounds as prescribed by documented instructions and procedures. Data was entered related to equipment status, general area inspections, and housekeeping conditions on multiple occasions without actually entering those areas as required by NMP-OS-007-001, "Conduct of Operations Standards and Expectations," and FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs."</p>			
<p><u>Description:</u></p> <p>On October 25, 2016, SNC management received information from the NRC that there was evidence of SOs' operator round logs being falsified at Vogtle Units 1 and 2. As a result, an extent of condition review was conducted by SNC at FNP. SNC officials identified several</p>			

questionable SO log readings during the review. The scope of the investigation at the FNP occurred from July through September 2016. Of the approximate 40 total individuals performing SO duties during the time frame examined, SNC initially determined that one SO falsified log readings. The SO made log entries during periods that the card reader data indicated that the rooms required to take the log readings had not been entered.

Operator rounds are conducted to record equipment status, operating parameters, general area inspections, and housekeeping conditions for use in evaluating TS compliance, commitment compliance, equipment performance, and plant conditions. TS 5.4.1.a for FNP Units 1 and 2 requires, in part, that the applicable procedures recommended in Appendix A of Regulatory Guide (RG) 1.33, Rev. 2, dated February 1978, Appendix A, Section 1, requires administrative procedures for log entries and record retention. Licensee Procedure, NMP-OS-007-001, "Conduct of Operations Standards and Expectations," Version 14.4, Section 4.13, which sets forth standards and expectations on log keeping and watch station rounds, states that "Log entries are made in a timely manner. Entries provide enough detail for events to be reconstructed at a later date. A log is a legal document and is therefore accurate, factual, complete and clear." Section 4.13.2(3) further states that "The recording of operating logs is performed during Watch Station Rounds in accordance with an approved schedule. Required readings are taken unless the associated equipment or system is out of service. Readings not taken are noted with a documented reason."

The NRC's OI completed an inspection on November 16, 2017, related to this issue. The inspector reviewed the OI summary and related transcripts and determined that on multiple occasions, four SOs deliberately failed to conduct operator rounds as required by procedure and deliberately falsified information material to the NRC at FNP.

Corrective Actions: The licensee entered the issue into their corrective action program (CAP) and conducted a root cause determination in reference to falsified plant records by SOs that went undetected by FNP personnel. Immediate corrective action included adverse employment action against the individuals involved, quarterly assessments for the next year of SO rounds, and expectation discussions with all SOs. Long term corrective actions included enhancing the operational experience program and CAP to facilitate thorough extent of condition reviews, revising licensee procedures, implementing procedural requirements across several departments to periodically and randomly audit records to determine if falsification may have occurred, and conducting an interim and final effectiveness review validating that all corrective actions have been implemented.

Corrective Action Reference: CAR 267738

Performance Assessment:

This issue is most consistent with the SL IV examples in Section 6.1 of the Enforcement Policy and would not be consistent with any of the SL III examples in that section. Other contributing factors to the NRC's SL IV conclusion included the fact that there was no known specific degraded plant equipment or conditions that should have been identified by SOs during the timeframe in question; the relatively limited number of individuals involved and the fact that three of the four non-licensed SOs missed an assigned round only on one day; the individuals were not considered supervisory personnel; and because the violations were willful. Additionally, the NRC noted the prompt extent of condition review and corrective actions taken

by SNC related to NRC's identification of a significant similar matter at another SNC fleet facility (Vogtle), for which SNC aggressively reviewed the status of SO rounds at all SNC facilities, including FNP.

Enforcement:

Severity: The ROP's significance determination process does not specifically consider willfulness in its assessment of licensee performance. Therefore, it is necessary to address this violation which involves willfulness using traditional enforcement to adequately deter non-compliance. In accordance with the guidance in Section 6.1 of the NRC Enforcement Policy, the inspector determined this was a SL IV violation.

Violation: TS 5.4.1.a, states that "Written procedures shall be established, implemented, and maintained covering the following activities: The applicable procedures recommended in RG 1.33, Rev. 2, Appendix (App.). A, Feb. 1978."

RG 1.33, Rev. 2, App. A lists typical safety-related activities that should be covered by written licensee procedures. Item 1.h names administrative procedures for log entries and record retention as one of the written procedures licensees should cover.

Farley Procedure, NMP-OS-007-001, "Conduct of Operations Standards and Expectations," Version 14.4, sets forth standards and expectations on various Plant Operations topics, and Section 4.13 sets forth standards and expectations on log keeping and watch station rounds.

- Section 4.13.2(2), Narrative Logs, states, "Log entries are made in a timely manner. Entries provide enough detail for events to be reconstructed at a later date. A log is a legal document and is therefore accurate, factual, complete and clear."
- Section 4.13.2(3), Watch Station Rounds, states, "The recording of operating logs is performed during Watch Station Rounds in accordance with an approved schedule. Required readings are taken unless the associated equipment or system is out of service. Readings not taken are noted with a documented reason."

Farley Procedure, FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs," Version 27.0, provides guidance for conducting watchstation tours and use of operator logs. Section 6.0, Records, states, "Documents created using this procedure will become QA Records when completed unless otherwise stated."

Contrary to the above, on multiple instances during approximately July 2016 through September 2016, four SOs failed to complete rounds as prescribed by documented instructions and procedures. Specifically, card reader data showed that the four SOs did not enter the rooms to record operating logs during their watch station rounds in accordance with the approved schedule, as required by NMP-OS-007-001, "Conduct of Operations Standards and Expectations," and FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs." Below is a list of readings that were entered into operating logs without the SOs physically entering the areas:

- Spent Fuel Pool HVAC Air Handling Unit (AHU)
- Spent Fuel Pool HVAC Particulate Filter

- Spent Fuel Pool Level
- Spent Fuel Pool Temperature
- Nitrogen Storage Room:
  - Containment Lighting UPS
  - SPDS UPS Inverter
  - Non-rad Ventilation
  - 600V Load Center AHU

Enforcement Action: See associated NOV.

This violation is being cited because the NCV criteria of the Enforcement Policy section 2.3.2.a.4 was not satisfied, in that the violation was not isolated (four individuals), and FNP did not identify this matter through any licensee initiative, routine QA review or other structured/formal activity (i.e., surveillance), but only after the NRC's identification of a similar significant matter at another SNC fleet facility (Vogtle). In addition, this violation was due, at least in part, to a lack of management oversight.

#### Failure to Provide Complete and Accurate Information Related to System Operator Rounds

Cornerstone	Significance/Severity Level	Cross-cutting Aspect	Report Section
N/A	SL IV NOV 05000348, 05000364/2018014-02 Open EA-17-204	N/A	N/A

#### Introduction and Identification:

During an NRC investigation completed on November 16, 2017, a SL IV NOV of 10 CFR 50.9, "Completeness and Accuracy of Information," was identified when system operators failed to provide complete and accurate information related to system operator rounds. Specifically, on multiple occasions from approximately July 2016 through September 2016, information required by regulations to be maintained by the licensee was not complete and accurate in all material respects. Four SOs failed to comply with the procedural requirements of NMP-OS-007-001, "Conduct of Operations Standards and Expectations," and FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs," in that on multiple occasions the SOs recorded data for certain readings without ever entering the corresponding area. These records are material to the NRC because they provide sufficient evidence that SOs were completing required rounds per licensee procedures and verifying the operability of Structures, Systems and Components (SSCs).

Description:

On October 25, 2016, SNC management received information from the NRC that there was evidence of SOs' operator round logs being falsified at Vogtle Units 1 and 2. As a result, an extent of condition review was conducted by SNC at the FNP. SNC officials identified several questionable SO log readings during the review. The scope of the investigation at the FNP was from July through September 2016. Of the approximate 40 total individuals performing SO duties during the time frame examined, SNC initially determined that one SO falsified log readings. The SO made log entries during periods that the card reader data indicated that the rooms required to take the log readings had not been entered. Operator rounds are conducted to record equipment status, operating parameters, general area inspections, and housekeeping conditions for use in evaluating TS compliance, commitment compliance, equipment performance, and plant conditions.

The NRC's OI completed an inspection on November 16, 2017, related to this issue. The inspector reviewed the OI summary and related transcripts and determined that on multiple occasions, four SOs deliberately failed to conduct operator rounds as required by procedure and deliberately falsified information material to the NRC at FNP.

Corrective Actions: The licensee entered the issue into their CAP and conducted a root cause determination in reference to falsified plant records by system operators that went undetected by FNP personnel. Immediate corrective action included adverse employment action against the individuals involved, quarterly assessments for the next year of SO rounds, and expectation discussions with all SOs. Long term corrective actions included enhancing the operational experience program and CAP to facilitate thorough extent of condition reviews, revising licensee procedures, implementing procedural requirements across several departments to periodically and randomly audit records to determine if falsification may have occurred, and conducting an interim and final effectiveness review validating that all corrective actions have been implemented.

Corrective Action Reference: CAR 267738

Performance Assessment:

This issue is most consistent with the SL IV examples in Section 6.9 of the Enforcement Policy and would not be consistent with any of the SL III examples in that section. Other contributing factors to the NRC's SL IV conclusion included the fact that there was no known specific degraded plant equipment or conditions that should have been identified by SOs during the timeframe in question; the relatively limited number of individuals involved and the fact that three of the four non-licensed SOs missed an assigned round only on one day; the individuals were not considered supervisory personnel; and because the violations were willful. Additionally, the NRC noted the prompt extent of condition review and corrective actions taken by SNC related to NRC's identification of a significant similar matter at another SNC fleet facility (Vogtle), for which SNC aggressively reviewed the status of SO rounds at all SNC facilities, including FNP.



Enforcement:

**Severity:** The ROP's significance determination process does not specifically consider impact on the regulatory process in its assessment of licensee performance. Therefore, it is necessary to address this violation, which impedes the NRC's ability to regulate using traditional enforcement to adequately deter non-compliance. Specifically, the violation impacted the regulatory process because this inaccurate information was used to provide sufficient evidence that SOs are completing required rounds per licensee procedures and verifying the operability of SSCs. In accordance with the guidance in Section 6.9 of the NRC Enforcement Policy, the inspectors determined this was a SL IV violation.

**Violation:** 10 CFR 50.9, "Completeness and Accuracy of Information," requires, in part, that information required by the Commission's regulations to be maintained by the licensee shall be complete and accurate in all material respects.

10 CFR 50, Appendix B, Criterion XVII, Quality Assurance Records, requires that, "sufficient records shall be maintained to furnish evidence of activities affecting quality. The records shall include at least the following: Operating logs and the results of reviews, inspections, tests, audits, monitoring of work performance, and materials analyses. The records shall also include closely-related data such as qualifications of personnel, procedures, and equipment. Inspection and test records shall, as a minimum, identify the inspector or data recorder, the type of observation, the results, the acceptability, and the action taken in connection with any deficiencies noted. Records shall be identifiable and retrievable. Consistent with applicable regulatory requirements, the applicant shall establish requirements concerning record retention, such as duration, location, and assigned responsibility."

Farley Procedure, NMP-OS-007-001, "Conduct of Operations Standards and Expectations," Version 14.4, sets forth standards and expectations on various Plant Operations topics, and Section 4.13 sets forth standards and expectations on log keeping and watch station rounds.

- Section 4.13.2(2), Narrative Logs, states "Log entries are made in a timely manner. Entries provide enough detail for events to be reconstructed at a later date. A log is a legal document and is therefore accurate, factual, complete and clear."
- Section 4.13.2(3), Watch Station Rounds, states, "The recording of operating logs is performed during Watch Station Rounds in accordance with an approved schedule. Required readings are taken unless the associated equipment or system is out of service. Readings not taken are noted with a documented reason."

Farley Procedure, FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs," Version 27.0, provides guidance for conducting watchstation tours and use of operator logs. Section 6.0, Records, states, "Documents created using this procedure will become QA Records when completed unless otherwise stated."

Contrary to the above, on multiple instances from approximately July 2016 through September 2016, information required by regulations to be maintained by the licensee was not complete and accurate in all material respects. Specifically, on multiple occasions, four SOs recorded data for the following readings, but never actually entered these areas:

- Spent Fuel Pool HVAC AHU
- Spent Fuel Pool HVAC Particulate Filter
- Spent Fuel Pool Level
- Spent Fuel Pool Temperature
- Nitrogen Storage Room:
  - Containment Lighting UPS
  - SPDS UPS Inverter
  - Non-rad Ventilation
  - 600V Load Center AHU

Having never entered these areas, the SOs did not accurately complete their logs, thereby causing the licensee to maintain inaccurate records. These records are material to the NRC because when performing inspections, the NRC uses the information contained in the logs to ensure that the condition of safety-related equipment is being monitored as required by station procedures.

Enforcement Action: See associated NOV.

This violation is being cited because the NCV criteria of the Enforcement Policy section 2.3.2.a.4 was not satisfied, in that the violation was not isolated (four individuals), and FNP did not identify this matter through any licensee initiative, routine QA review or other structured/formal activity (i.e., surveillance), but only after the NRC's identification of a similar significant matter at another SNC fleet facility (Vogtle). In addition, this violation was attributable, at least in part, to a lack of management oversight.

## **EXIT MEETINGS AND DEBRIEFS**

The inspector verified no proprietary information was retained or documented in this report.

The inspector confirmed that proprietary information was controlled to protect from public disclosure.

On May 22, 2018, Alan Blamey, Branch Chief, Division of Reactor Projects presented the inspection results to Dennis Madison, Farley Site Vice President and other members of the licensee staff.

**DOCUMENTS REVIEWED**

NMP-OS-007, "Conduct of Operations," Version 12.0

NMP-OS-007-001, "Conduct of Operations Standards and Expectations," Version 14.4

FNP-0-SOP-0.11, "Watch Station Tours and Operator Logs," Version 27.0

SNC File Number 2016006415, "Farley System Operator falsification review" (Investigative Report)

SNC Root Cause Determination Report, Version 1, approved January 5, 2017

**CONDITION REPORT**

CAR 267738