



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION V

1450 MARIA LANE, SUITE 210  
WALNUT CREEK, CALIFORNIA 94596

OCT 25 1989

Docket No. 50-312  
License No. DPR-54  
EA 89-180

Rancho Seco Nuclear Generating Station  
Sacramento Municipal Utility District  
ATTN: Mr. D. Keuter  
Assistant General Manager, Nuclear  
14440 Twin Cities Road  
Herald, California 95638-9799

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY  
(\$50,000)  
(NRC INSPECTION REPORT NO. 50-312/89-14)

This letter refers to the NRC inspection conducted by Ms. G. M. Good on August 28 - September 1, 1989. The inspection focused on your ability to meet the requirements of your Emergency Plan. The report documenting this inspection was sent to you by letter dated September 11, 1989. As a result of this inspection, three examples of failure to comply with NRC regulatory requirements were identified. NRC concerns relative to the inspection findings were discussed with you during an Enforcement Conference held on September 15, 1989. A letter summarizing this Enforcement Conference was sent to you on September 21, 1989.

The violations described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) involved an apparent decrease in the level of emergency preparedness and represent a decrease in management oversight of the emergency preparedness program. The violations involved (1) the failure to conduct a required drill, (2) the placement of individuals on your active Emergency Response Organization (ERO) call out list prior to assuring that the individuals had completed the prescribed training, and (3) the failure to remove individuals from the ERO when their refresher training was overdue. In accordance with the "General Statement of Policy and Procedure for Enforcement Actions," 10 CFR Part 2, Appendix C (1989) (Enforcement Policy), the violations have been categorized at Severity Level III.

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

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Although the plant is currently shutdown, the activities are still licensed by the NRC and must be performed in compliance with the regulatory requirements and commitments made by the licensee. The violations in this case are of significant regulatory concern because there is still irradiated fuel in the reactor and because the problems existed prior to the shutdown. The violation described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty is of particular significance because a member of licensee management (the Manager of Environmental Monitoring and Emergency Preparedness) placed individuals on the ERO list without first ensuring that they were properly trained. It appears that he did this to provide sufficient staffing for the ERO and intended their training to be completed when time permitted. This is not an acceptable approach to meeting the Commission's requirements. We expect requirements to be met or that appropriate relief will be obtained from the NRC.

To emphasize the importance the NRC places on licensee managers following their procedures and the responsibility of licensee management to assure that appropriately trained individuals are consistently available to implement the Emergency Response Plan, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Nuclear Materials Safety, Safeguards and Operations Support, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$50,000 for the violations described in the enclosed Notice.

The base civil penalty for a Severity Level III problem is \$50,000. The escalation and mitigation factors set forth in the policy were considered in determining the amount of this civil penalty. The base amount of the penalty was mitigated by 50% due to your immediate corrective actions. However, the amount of the civil penalty was escalated by 50% due to the fact that although you had sufficient information in audit reports to identify the violation, the NRC identified it first. The other escalation and mitigation factors set forth in the Policy were considered, but no further adjustment was deemed appropriate. Accordingly, no adjustment to the base amount of the civil penalty is appropriate.

You are required to respond to this letter and you should follow the instructions specified in the enclosed Notice in preparing your response. In your response, you should address what specific actions are being taken to ensure that the member of management responsible for these violations and other managers will comply with requirements or seek appropriate relief in advance. In your response, you should document the specific actions taken to correct the violations and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions, the NRC will determine whether further enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosure will be placed in the NRC's Public Document Room.

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The responses 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, Pub. L. No. 96-511.

Sincerely,

  
For J. B. Martin  
Regional Administrator

Enclosure:  
Notice of Violation and Proposed  
Imposition of Civil Penalty

cc w/enclosure:  
Public Document Room (PDR)  
Nuclear Safety Information Center (NSIC)  
State of California  
S. L. Crunk, SMUD