

DCS

APR 26 1983

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Docket No. 50-410
EA 83-16

Niagara Mohawk Power Corporation
ATTN: Mr. Gerald K. Rhode
Senior Vice President
c/o Miss Catherine R. Seibert
300 Erie Boulevard West
Syracuse, New York 13202

Gentlemen:

This refers to the NRC inspection conducted between August 30 and September 30, 1982 at the Nine Mile Point Nuclear Station, Unit 2, Scriba, New York, of activities authorized by NRC Construction Permit No. CPPR-112. During the inspection, violations of NRC requirements were identified. All but one of these violations were transmitted to you in a letter dated October 18, 1982. This remaining violation involving improper implementation of the Quality Assurance Program by your principal contractor, Stone & Webster, was discussed during an Enforcement Conference held with you and other members of your staff on October 20, 1982. The report of the Enforcement Conference was forwarded to you as an attachment to our October 28, 1982 letter. On November 1-4, 1982, an NRC investigation was conducted to determine the circumstances surrounding the subject violation, and also to determine the extent of Stone & Webster management awareness of this violation prior to its identification by the NRC. The report of the investigation was transmitted to you in part on February 17, 1983 and in part on March 24, 1983.

This violation, which is described in the attached Notice, involved Stone & Webster's use of Quality Control Inspector trainees to inspect and accept numerous safety-related electrical installations. These trainees, all of whom had Associates Degrees, are allowed to perform inspections as part of their training, but are required to be accompanied by a certified inspector who is responsible for the inspection of record and accepting the work. In accordance with your approved Quality Assurance Program, a trainee is not qualified to accept the work until he has completed the required three months of inspection experience, at which time he could be certified as an inspector. The use by your principal contractor of trainees who did not possess the required three months experience at the time they conducted the inspections, decreased the assurance that activities affecting safety-related functions had been correctly performed.

The use of personnel who are not fully certified to perform quality control inspections of safety-related activities in nuclear power plants is of significant concern to the NRC. Of even more significance in this instance is the

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fact that several inspection reports were signed by certified inspectors indicating they had performed the inspection when in fact, the inspection had only been performed by a trainee. Also, Stone & Webster's first line supervisor was aware of this practice, and the evidence indicates that the second line supervisor was also aware of this practice, although he denied such knowledge when interviewed by an NRC investigator. Falsification of records, and supervision's awareness of such a practice, cannot be tolerated.

These events demonstrate the need for additional management involvement by Niagara Mohawk Power Corporation (NMPC) in contractor activities to assure that all activities by contractor personnel are adequately performed, and all records of such activities are accurately maintained. We recognize that you have taken and are taking corrective actions in this regard. However, in order to emphasize the seriousness of this violation and the need to prevent similar violations in the future, I have been authorized, after consultation with the Director of the Office of Inspection and Enforcement, to issue the attached Notice of Violation and Proposed Imposition of Civil Penalty in the amount of One Hundred Thousand Dollars (\$100,000) for the violation described in the attached Notice. This violation has been classified at Severity Level III in accordance with Section C.1 of Supplement II of the NRC Enforcement Policy (10 CFR 2, Appendix C), dated March 9, 1982. The base civil penalty for a Severity Level III violation is \$40,000. However, falsification of quality control records is a serious offense which will not be tolerated by the NRC. Therefore, a civil penalty of \$100,000 is proposed to emphasize the NRC's view of the seriousness of this violation.

You are required to respond to the attached Notice and should follow the instructions specified therein when preparing your response. In your response you should indicate the specific actions that you have taken, or will take, to increase and improve NMPC's involvement in monitoring contractor activities to assure adequate performance of work, and accurate records of performance.

In accordance with 10 CFR 2.790, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

The responses directed by this letter and the attached Notice are not subject to the clearance procedures of the Office of Management and Budget, otherwise required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,

ORIGINAL SIGNED BY:

JAMES M. ALLAN

James M. Allan
Acting Regional Administrator

Enclosure:
Notice of Violation and Proposed
Imposition of Civil Penalty

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cc w/encl:

Connor & Wetterhahm
NMPC QA
Director, Power Division
Public Document Room (PDR)
Local Public Document Room (LPDR)
Nuclear Safety Information Center (NSIC)
NRC Resident Inspector
State of New York

bcc w/encl:

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RI:RMA <i>off</i> Allan <i>4/26/83</i>	IE:ES GKlingler 4/ /83	ELD Lieberman 4/ /83	ES:D Axelrad 4/ /83	IE:DD Sniezek 4/ /83	IE:D DeYoung 4/ /83

By phone 4/21 off
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