

JUL 27 1982

Docket No. 50-409

Dairyland Power Cooperative
ATTN: Mr. F. W. Linder
General Manager
2615 East Avenue - South
La Crosse, WI 54601

Gentlemen:

This refers to the routine safety inspection conducted by Mr. M. W. Branch and others of this office on December 22, 1981 through March 31, 1982, of activities at LaCrosse Boiling Water Reactor authorized by NRC Operating License No. DPR-45 and to the discussion of our findings with Mr. R. Shimshak at the conclusion of the inspection. The items of noncompliance were also the subject of an enforcement conference (Enforcement Conference Report No. 50-409/82-03) conducted in our office with Mr. Taylor and others of your staff on February 11, 1982.

The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, and interviews with personnel.

During this inspection, certain of your activities appeared to be in noncompliance with NRC requirements, as specified in the enclosed Appendix. A written response is required. The fact that we took escalated enforcement action in the form of an enforcement conference serves to emphasize the significance we attach to these noncompliances. Our concern is heightened because, in our view, Items 1 and 2 have the same basic underlying causal factor; namely, failure to follow procedures. These items were among the information upon which Mr. DeYoung in his May 18, 1982, letter to you based the statement regarding your poor record of adherence to procedures. We reviewed the matters closely before deciding not to take additional escalated enforcement action and you should be aware that future recurrence of similar noncompliances will likely result in escalated enforcement action. We believe you appreciate our concern about the quality of operations at

LACBWR as evidenced by the commitment you made in our April 1, 1982, meeting (Management Meeting Report No. 50-409/82-04) to develop by July 1, 1982, a formal regulatory improvement program.

With respect to Item 2 which relates to the mode of operation of diverting full reactor steam flow through the main steam bypass valve during power operation, we understand you have administratively prohibited that mode of operation. We also understand that the prohibition does not prevent the valve from being used as described in the FSAR for diversion of steam during startups and shutdowns and for automatically controlling reactor pressure oscillations during power operation. It is our position that you must submit a request to and have it approved by NRR prior to any future use of the valve similar to the manner in which you used it on March 16, 1981.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter, the enclosures, and your response to this letter will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractors) believe to be exempt from disclosure under 10 CFR 9.5(a)(4), it is necessary that you (a) notify this office by telephone within ten (10) days from the date of this letter of your intention to file a request for withholding; and (b) submit within twenty-five (25) days from the date of this letter a written application to this office to withhold such information. If your receipt of this letter has been delayed such that less than seven (7) days are available for your review, please notify this office promptly so that a new due date may be established. Consistent with Section 2.790(b)(1), any such application must be accompanied by an affidavit executed by the owner of the information which identifies the document or part sought to be withheld, and which contains a full statement of the reasons which are the bases for the claim that the information should be withheld from public disclosure. This section further requires the statement to address with specificity the considerations listed in 10 CFR 2.790(b)(4). The information sought to be withheld shall be incorporated as far as possible into a separate part of the affidavit. If we do not hear from you in this regard within the specified periods noted above, a copy of this letter, the enclosures, and your response to this letter will be placed in the Public Document Room.

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

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

**Original signed by
A. Bert Davis**

James G. Keppler
Regional Administrator

Enclosures:

- 1. Appendix, Notice of Violation
- 2. Inspection Report No. 50-409/81-23(DPRP)

cc w/encls:

- R. E. Shimshak, Plant Superintendent
- DMB/Document Control Desk (RIDS)
- Resident Inspector, RIII
- John J. Duffy, Chief Boiler Section
- Stanley York, Chairman Public Service Commission

RIII
JES
Branch/so
5/26/82

RIII
JES
Streeter
7/24/82

RIII
J
Spessard
7/26

RIII
WAS/ga
Warnick
7-26-82

RIII
J
Davis
7/26

RIII
J
for Keppler
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