

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Consumers Power Company
Palisades Nuclear Plant

Docket No. 50-255
License No. DPR-20
EA 93-277

During an NRC inspection conducted from October 14 to November 22, 1993, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C, 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 violations and associated civil penalty are set forth below:

I. Violation Assessed a Civil Penalty

10 CFR Part 50, Appendix B, Criterion III requires in part that design control measures shall provide for verifying or checking the adequacy of design, including necessary design reviews, calculational methods, or performance of a suitable testing program.

Contrary to the above, on May 3, 1993, the design control measures applied to change the engineered safeguards room cooler fan motor thermal overloads were inadequate. Specifically, the trip setpoints were set at or below the normal operating current and there was no adequate design review nor suitable testing to check the adequacy of the design. Consequently, during the period from May 16 to June 5, 1993, the reactor was critical with the safeguards room cooler fans inoperable and incapable of performing their design function. This degraded the operability of ECCS and containment cooling equipment such that those safety systems could not have performed their intended function under certain conditions, in this case, absent prompt manual actions including troubleshooting and repairing the engineered safeguards room cooler fan motor thermal overloads. (01013)

This is a Severity Level III violation (Supplement I).
Civil Penalty - \$50,000.

II. Violation Not Assessed a Civil Penalty

10 CFR 50, Appendix B, Criterion III, requires in part that design control measures shall be established for the selection and review for suitability of application, of parts, equipment, and processes essential to safety related functions.

Contrary to the above, as of August 4, 1993, design control measures established for the selection and review for suitability of parts, equipment, and processes essential to safety related functions were inadequate. Specifically, in 1990 containment high pressure and containment high radiation relays, equipment essential to safety related functions, were selected such that relays with nine or more normally closed contacts had an inadequately sized closing coil for operation under design conditions involving seismic events or minimum electrical voltage. As a result, from the 1990 refueling outage until August 4, 1993, the containment high pressure and containment high radiation actuation systems were not capable of performing their intended safety functions under certain design basis conditions, i.e., seismic events or minimal electrical voltage conditions. (02014)

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 of explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice of Violation and Proposed Imposition of Civil Penalty (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, and if denied, the reasons why, (3) the corrective steps that have been taken and the results achieved, (4) the corrective steps that will be taken to avoid further 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 or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked or why such other actions 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 under 10 CFR 2.201, the Licensee may pay the civil penalty by letter addressed to James Lieberman, Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, money order, or electronic transfer 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 as an "Answer to a Notice of Violation" and may: (1) deny the violations 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 in whole or in part, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the factors addressed in Section VI.B.2 of 10 CFR Part 2, Appendix C, 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. 2282c.

The responses noted above (Reply to Notice of Violation, letter with payment of civil penalty, and Answer to a Notice of Violation) should be addressed to: James Lieberman, Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region III, 801 Warrenville Road, Lisle, Illinois 60532-4351, and with a copy to the NRC Resident Inspector at the Palisades Nuclear Plant.

Dated at Lisle, Illinois
this 9th day of February, 1994