



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

IE HQ FILE COPY

OCT 05 1982

Docket No. 50-312
EA 82-37

Sacramento Municipal Utility District
ATTN: J. S. Mattimoe
Asst. General Manager
P.O. Box 15830
Sacramento, CA 95813

Gentlemen:

On February 12, 1982 I issued a Notice of Violation to the Sacramento Municipal Utility District for failure to comply with 10 CFR 50.54(s)(2) and Appendix E of 10 CFR Part 50 of the Commission's regulations. Specifically, you were required by February 1, 1982 to install and initially test a system for alerting and providing prompt instruction to the public within the plume exposure pathway emergency planning zone of the Rancho Seco Nuclear Generating Station. The letter enclosing the Notice stated that civil penalties may be proposed for failure to complete the required initial testing by March 1, 1982.

Your letter of May 5, 1982 informed the Commission that you complied with the above requirement on April 30, 1982 thereby admitting the violation. However, you indicated deficiencies were found during your installation and initial testing, and you deactivated the system to correct these deficiencies. In that regard, we note that your facility did not operate between April 2, 1982 and August 18, 1982. In anticipation of your startup, I requested, by letter dated July 30, 1982, the status of the operability of your public notification system. Your August 10 and 18, 1982 letters indicated that all deficiencies had been corrected.

Your letter of May 5, 1982 also requested that civil penalties not be proposed. In respect to the requirements at issue, you were one of the last utilities to comply. We recognize that the nature of the requirement and the time provided to comply created for licensees difficulties in design, procurement, installation, and dealings with state and local governments. Nevertheless, the vast majority of licensees met the deadline.

We consider the requirement to have a prompt public notification system to be significant and important. In the case of a serious accident it may be necessary to call upon it to mitigate the consequences of the accident by alerting the public of the need to take some action. Accordingly, noncompliance with the requirement has potential impact on the public health and safety, is of significant regulatory concern, and was properly categorized at a Severity Level III. Failure to meet the schedule established by the Commission's regulations for this requirement, therefore, cannot be lightly tolerated. You would be subject to a civil penalty of \$91,000 for failure to install and initially test the prompt notification system by March 1, 1982, under the schedule set forth in my letter to you of February 12, 1982.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

8211060509 821005
PDR ADOCK 05000312
PDR
Q

OCT 05 1982

Sacramento Municipal Utility
District

- 2 -

However, we have given careful consideration to the circumstances of this case including: (1) your effort in keeping NRC informed of actions to comply with the requirement, (2) the population distribution around the SMUD facility and the measures available for public notification for the period you were in noncompliance, (3) the lack of power operation between April 2, 1982 and August 18, 1982 with a resulting reduction in risk to the public, (4) the requirements established by the State of California and the various county governments including California's environmental and procurement statutes which as a municipality you were required to follow, (5) the diligence demonstrated in resolving issues with the various governments and suppliers, and (6) the resources committed to complete the system. It is my conclusion that under the specific circumstances associated with this matter, full mitigation of the civil penalty is warranted. In not proposing a civil penalty, I do not intend to imply that failure by you or other licensees in meeting regulatory deadlines will result in similar action in the future.

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 will be placed in the NRC Public Document Room.

Sincerely,

Original Signed BY
B. C. DeYoung

Richard C. DeYoung, Director
Office of Inspection and Enforcement

ES:D
JAxelrad
10/1/82

ELD
JLieberman
10/5/82

IE:BB
JSnizek
10/5/82

IE:D
RDeYoung
10/5/82

OCT 05 1982

Sacramento Municipal Utility
District

- 3 -

Distribution

PDR

LPDR

ACRS

SECY

CA

RCDeYoung, IE

JSniezek, IE

JAxelrad, IE

VStello, DED/ROGR

RHaynes, RI

HDenton, NRR

JJCummings, OIA

JLieberman, ELD

FIngram, PA

BGrimes, IE

LCobb, IE

JTaylor, IE

EJordan, IE

JCrooks, AEOD

JHenderson, IE

Resident Inspector, Rancho Seco

Director, ES

RI, RII, RIII, RIV, RV

GSpencer, RV

DCS

ES Chron

EA File

Frank Hahn, Director
Energy Facilities Siting Division
California EDCDC
1111 Howe Avenue
Sacramento, CA 95825

Huey D. Johnson
Secretary for Resources
Resources Agency of California
Room 1311
1416 9th Street
Sacramento, CA 95814