NOV 1 6 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 inspection conducted by Messrs. J. A. Pagliaro and W. B. Grant of this office on May 10-14, 1982, of activities at the LaCrosse Boiling Mater Reactor, authorized by NRC Operating License No. DPR-45. NRC concerns relating to this inspection were discussed in an enforcement meeting with you and members of your staff and me and members of my staff in the Region III office in Glen Ellyn, Illinois, on July 23, 1982. Further discussions between Mr. Taylor and others of your staff and Mr. Spessard and others of my staff were held at the SALP and Regulatory Improvement Program meeting in your office on November 9, 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 non-compliance with NRC requirements, as specified in the enclosed Appendix. A written response is required.

The results of this inspection indicate serious weaknesses in your management control systems as evidenced by the failure to correct significant deficiencies in your emergency preparedness program in a timely manner. This becomes more significant when one considers that these deficiencies were identified during the Emergency Preparedness Implementation Appraisal conducted July 13-24, 1981, and were brought to your attention in an NRC letter dated October 29, 1981, which transmitted the Emergency Preparedness Implementation Appraisal Report to you. In a letter dated December 17, 1981, you assured NRC that timely corrective action would be taken by specific dates. However, the May 10-14, 1982, inspection revealed that for five deficiencies corrective action was either not taken or was inadequate.

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In addition to the NRC concerns with the items of noncompliance identified in the Notice of Violation we are concerned with your repeated lack of timeliness on emergency preparedness issues. On three occasions since January 1981 we issued notices of violation for Severity Level IV items. On each occasion this resulted from your lack of timeliness. This was brought to your attention in our SALP Report for the period July 1, 1980 - June 30, 1981, and was discussed in a meeting with you and members of your staff on October 9, 1981.

We recognize that you are developing a formal program to improve your regulatory performance and we want to encourage you in that effort. We expect that your program will include specific measures to correct the chronic lateness that has characterized your emergency preparedness efforts in the past, especially the lack of corporate - level oversight of licensed activities in this area. We anticipate that you will take steps to assure your improvement program will prevent recurrence of this problem. We want to impress upon you the meticulous attention to detail and the high standard of compliance which the NRC expects of its licensees.

In accordance with 10 CFR 2.790 of the Compission's regulations, a copy of this letter, the enclosures, and your response to the 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:

- Appendix, Notice of Violation
- Inspection Report No. 50-409/82-06(DEPOS)

cc w/encls:

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

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