

DCS

OFFICE OF ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Duke Power Company (EA 94-038)
McGuire Nuclear Station
Docket Nos. 50-369 and 50-370

Subject: PROPOSED IMPOSITION OF CIVIL PENALTY - \$100,000

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$100,000 will be issued on or about May 16, 1994, to the Duke Power Company (McGuire Nuclear Station). This action is based on two examples of inadequate main steam isolation valve (MSIV) maintenance and testing procedures that failed to incorporate important MSIV vendor recommendations. These deficiencies resulted in the failure of two of the four MSIVs to close for the Unit 2 steam generators after a loss of offsite power and a reactor trip. The resulting violation has been characterized as a Severity Level III violation, which has a base civil penalty of \$50,000. A civil penalty of \$100,000 has been proposed to emphasize the importance of ensuring control over maintenance and testing activities. Mitigation of 50 percent was warranted for the factor of corrective actions, and escalation of 50 percent was warranted for the factor of licensee performance. Escalation of 100 percent was applied for the factor of prior opportunity to identify.

It should be noted that the licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

Mailing of Notice May 16, 1994
Telephone Notification of Licensee May 16, 1994

The State of North Carolina will be notified.

The licensee has thirty days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

Contact: V. Ordaz, OE, 504-3553 J. Lieberman, OE, 504-2741

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**PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL
VERIFICATION THAT LICENSEE HAS RECEIVED ACTION**

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