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DN 50-331

Iowa Electric Light and Power Company
September 13, 1982
LDR-82-257

LARRY D. ROOT
ASSISTANT VICE PRESIDENT
NUCLEAR GENERATION

Mr. Richard C. DeYoung, Director
Office of Inspection and Enforcement
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Dear Mr. DeYoung:

This letter is being submitted pursuant to the requirements set forth in a letter from Mr. James G. Keppler, USNRC Region III Regional Administrator to Mr. Lee Liu, President, Iowa Electric Light and Power Company dated August 13, 1982. Specifically, NRC Region III requested that we submit, within 30 days of the date of such letter, a response to the Notice of Violation and Proposed Imposition of Civil Penalties under oath or affirmation. This letter and attachments hereto constitute a full and complete response to that request. The basic violation involved in this enforcement action was identified by Iowa Electric Light and Power Company and promptly reported to the NRC. The corrective actions we have taken are comprehensive and essentially complete.

Attachment 1 to this letter, Response to Notice of Violations (10 CFR 2.201), provides our (1) statement of position (admits or denies each specific violation) (2) reason for violation, or basis for denial, (3) completed corrective actions (for admitted violations), (4) corrective actions which will be taken (for admitted violations), and (5) date when full compliance will be achieved (for admitted violations).

Attachment 2 to this letter, Request for Remission and Mitigation of Civil Penalties in Accordance with 10 CFR 2.205 presents a request for remission and mitigation of the penalties and the bases therefor.

We have performed a detailed review of the circumstances associated with the events discussed in the NRC Notice. As reflected in the attachments, the Company appreciates the seriousness of the violations that took place, has ascertained the root causes of such violations, and has taken prompt and comprehensive corrective actions. We believe that the information contained in the attachments will also help to place these events and the Company's actions in appropriate perspective. For the reasons described in the attachments, we request that you reconsider the amounts of the proposed penalties.

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We also wish to respond briefly to a point raised in Mr. Keppler's letter of August 13, which related the events discussed in the NRC Notice to the need for improvements in certain "management controls." The Company has been aware of the need for improvements in the conduct of its licensed activities and has been working actively to achieve such improvements, including extensive interaction with the NRC in identifying and implementing specific actions. On July 30, 1982, the Company submitted to the NRC a draft Regulatory Performance Improvement Program, and the Company's final Program, incorporating suggestions received from the NRC, will be discussed at a meeting on September 13. We believe that the steps being taken by the Company to improve its regulatory performance fully demonstrate management's commitment to safe operation of the DAEC and management's awareness of the need for effective control of licensed activities. Similarly, our five year integrated schedule which is also being discussed with the NRC, will provide a measure of management overview and control which we believe will contribute significantly to the safe and efficient operation of the DAEC. Accordingly, in reconsidering the proposed civil penalties, we request that you also take into account both the comprehensiveness of the Company's actions to improve its regulatory performance and the fact that there is no need to impose a civil penalty in order to emphasize to the Company the importance of proper discharge of its responsibilities as an NRC licensee.

IOWA ELECTRIC LIGHT AND POWER COMPANY

BY Larry D. Root
Larry D. Root

Subscribed and sworn to, Before Me on
this 13th day of September 1982.

Haskell M. Verber
Notary Public in and for the State of Iowa

LDR/WM/dmh*
Attachments

- cc: W. Miller
- D. Arnold
- L. Liu
- S. Tuthill
- J. Keppler (NRC)
- F. Apicella (NRC)
- H. Denton (NRC)
- NRC Resident Inspector
- Commitment Control Ref: 820263

ATTACHMENT 1

Response to Notice of Violations (10 CFR 2.201)

ATTACHMENT 1

Response to Notice of Violations (10 CFR 2.201)

NRC ITEM A

- A. Technical Specification 3.5.G.1 requires in part that, during any period when one diesel generator is inoperable, continued reactor operation is permissible only during the succeeding seven days unless such diesel generator is sooner made operable, provided that all the low pressure core and containment cooling subsystems and the remaining diesel generator shall be operable. If this requirement cannot be met, an orderly shutdown shall be initiated and the reactor shall be placed in the Cold Shutdown Condition within 24 hours.

Technical Specification 3.5.A.3 requires in part that the low pressure coolant injection (LPCI) subsystems shall be operable whenever irradiated fuel is in the reactor vessel, and prior to reactor startup from a Cold Condition.

Technical Specification 3.7.B.1 requires in part that both trains of the standby gas treatment system and the diesel generators required for operation of such trains shall be operable at all times when secondary containment integrity is required.

Technical Specification 3.5.D.2 requires that from and after the date that the High Pressure Coolant Injection (HPCI) subsystem is made or found to be inoperable for any reason, continued reactor operation is permissible only during the succeeding seven days unless such subsystem is sooner made operable, provided that during such seven days all active components of the automatic depressurization system (ADS) subsystem, the reactor core isolation cooling (RCIC) system, the LPCI subsystem and both Core Spray subsystems are operable.

Contrary to the above:

1. From February 25 to March 15, 1982, the 1G-21 diesel generator was inoperable because its start time was 30 seconds, as compared to the design value of 10 seconds.
2. On February 25, 1982, from 11:00 a.m. to 10:58 p.m., both LPCI subsystems were inoperable (hangers were taken out of service in "A" train; 1G-21 diesel generator, which supplies emergency power to "B" train, was inoperable).
3. From March 2 to March 8, 1982, both Standby Gas Treatment Systems were inoperable (wet charcoal in "A" train; 1G-21 diesel generator, which supplies emergency power to "B" train, was inoperable).
4. From 1:49 p.m. on March 5, 1982, to 10:04 p.m. on March 6, 1982, HPCI was inoperable and the B Core Spray subsystem was inoperable due to the 1G-21 diesel generator being inoperable.

This is a Severity Level III violation (Supplement I).
(Civil Penalty - \$30,000).

RESPONSE TO ITEM A.1

(1) Statement of Position

Iowa Electric admits the violation.

(2) Reason for the Violation

The violation occurred as a direct result of an error in judgement by maintenance and operations personnel. That error in judgement was that the maintenance activity of changing the 1G-21 diesel generator (DG) fuel oil filters did not constitute a maintenance activity that could jeopardize the safety-related function of the diesel generator. This judgement was a prime factor in not performing the filter change under an approved procedure and in not declaring the diesel generator inoperable during its maintenance. Further, post maintenance testing on DG-1G-21 was not conducted since the diesel generator was not declared inoperable. Testing (which was deferred) was specified by the shift supervisor on duty to ensure the fuel filter did not leak. This testing, however, was not intended to check DG operability since operability was not considered jeopardized.

Maintenance Action Request (MAR) 31626 references ACP 1401.4, Section 6.8.4.5 as the basis of the decision not to use a maintenance procedure. This procedure stated in part as follows:

6.8.4.5 Special instructions (optional at the discretion of the cognizant maintenance supervisor). Procedures are not required if the maintenance action is within the normal expertise of maintenance personnel or where appropriate reference sections of vendor manuals provide adequate instruction.

Since the design of the diesel generator fuel oil system permits fuel oil filter changeout during diesel generator operation, and the maintenance supervisor believed that the fuel oil filter changeout was a simple activity with minimum potential for maintenance errors, he authorized the MAR without requiring a detailed procedure. This MAR was concurred with and released for work by the shift supervisor.

Although a test was to be performed to check DG-1G-21 for fuel leaks after the maintenance, since the safety-related significance of the filter change was not recognized, the MAR was placed in the deferred test file and the test was not performed until March 15, 1982.

(3) Corrective Action Taken and Results Achieved

Iowa Electric's corrective actions taken as a result of this incident have been thorough and comprehensive. A summary of our actions are as follows:

- (a) Immediately following discovery of DG-1G-21 delayed start condition on March 15, 1982 the diesel generator was restored to fully operable status.
- (b) Licensee's procedure RP-24ie/17, Fuel Oil Filter Replacement for Standby Diesel Generators was issued and approved on May 17, 1982 to control filter replacement.
- (c) ACP 1401.4 Control of Plant Work has been revised to provide guidance on:
 - 1) factors to be considered when performing maintenance without a procedure, and
 - 2) responsibilities of personnel approving maintenance.
- (d) A training session with maintenance personnel has been conducted during morning meetings to emphasize the following:
 - 1) need for good communications with operators
 - 2) the need for following procedures
 - 3) The need to perform safety-related work in accordance with administrative and maintenance procedures and vendor manuals.
- (e) Maintenance Supervisor training sessions have been completed regarding ACP 1401.4 judgements on when to use a procedure for safety-related maintenance
- (f) Operator training sessions have been initiated on the following:
 - 1) When and what type of post maintenance surveillance is expected
 - 2) Emphasis on the importance of safety-related system operability
 - 3) Shift turnover requirements
 - 4) Operator logging requirements (including SSE)
 - 5) Interpretation of Technical Specifications
 - 6) Proper execution of MAR and Inspection and Test Report Forms

(4) Corrective Action to be Accomplished

Additional actions are continuing, consistent with our objectives of overall improvement in efficiency and plant safety. Actions which we are taking that are relevant to the DG-1G-21 inoperability incident are:

- (a) Our program to upgrade our DAEC maintenance department towards improving safety-related procedure use, review and approval is continuing. One aspect of this program is the utilization of two personnel dedicated to maintenance procedure preparation. We expect that this upgrading will be substantially complete in September of 1983. Additional procedural changes to ACP 1401.4 will be developed in conjunction with this program development.
 - (b) We have initiated preplanning of maintenance activities (in concert with maintenance procedure preparation) to allow additional lead-time review for maintenance jobs. Although the Shift Supervisor will continue to play an important role in maintenance activities, our objective is to preplan and preschedule maintenance in order to maximize plant safety and to minimize the need for Shift Supervisors to make decisions in this area.
 - (c) Operator training sessions are being conducted on those subjects identified under (3) (f) above. These sessions are being conducted in conjunction with operator requalification training.
- (5) Date When Full Compliance Will Be Achieved

The corrective actions identified under (3) (a) to (e) have been completed. As indicated in (3) (f) and (4) (c) operator training sessions have been initiated and they will be completed to ensure that all licensed personnel on shift after October 31, 1982 will have completed the (4) (c) training. The corrective actions identified under (4) (a) and (b) are not required to achieve full compliance.

RESPONSE TO ITEM A.2

(1) Statement of Position

Iowa Electric denies the violation of Technical Specification 3.5.A.3 as stated in Item A.2 of the Notice. We do not deny the seriousness of the inoperability of 1G-21, nor that both LPCI systems were inoperable on February 25, 1982. However, as explained below, all necessary actions required under Technical Specifications 3.5.A.3 were taken and thus that Technical Specification was not violated.

(2) Basis of Denial

NRC Item A.2 states that inoperability of LPCI systems from 11:00 a.m. to 10:58 p.m. on February 25, 1982, was a violation of Technical Specification 3.5.A.3. However, as explained below, no violation of Technical Specification 3.5.A.3 took place during that time frame because a 24 hour LCO had been declared at 3:23 a.m. on February 25, 1982 (which lasted until 10:58 p.m.) and a forced power reduction had begun as required by Technical Specification 3.5.A.6.

The applicable Technical Specification (3.5.A.3.) states in its entirety:

The LPCI Subsystems shall be operable whenever irradiated fuel is in the reactor vessel, and prior to reactor startup from a Cold Condition, except as specified in 3.5.A.4, 3.5.A.5 and 3.5.G.3 below. (emphasis added)

Section 3.5.A.5 states:

From and after the date that two RHR pumps (LPCI mode) are made or found to be inoperable for any reason, continued reactor operation is permissible only during the succeeding 7 days unless at least one of the inoperable pumps is sooner made operable, provided that during such 7 days all active components of both core spray subsystems, the containment spray subsystem and the diesel-generators required for operation of such components are operable.

Section 3.5.A.6 states:

If the requirements of 3.5.A cannot be met, an orderly shutdown of the reactor shall be initiated and the reactor shall be in the Cold Shutdown Condition within 24 hours.

As required by the DAEC Technical Specifications, if two RHR pumps are inoperable and either or both of the diesel generators required for operation of the core and containment spray subsystems are inoperable, the plant is in a 24 hour Limiting Condition for Operation (LCO).

The "A" RHR System was declared inoperable on February 19, 1982, when the hangers were found to be damaged.

On February 25, 1982 at 3:23 a.m., it was discovered during the course of surveillance testing of the "B" RHR Service Water System, that MOV-1947 failed to close. This is documented in LER-82-15 as required by Technical Specifications. By 3:40 a.m. plant management and the NRC were advised that "B" RHRSW had been declared inoperable.

With "B" RHRSW inoperable in concert with the "A" RHR System also inoperable (hangers out of service) the operability of the "B" containment spray system was compromised. Therefore a 24 hour LCO was declared at 3:23 a.m. on February 25 and a forced power reduction was begun as required by Technical Specification 3.5.A.6.

The "A" RHR LPCI was declared operable at 9:30 p.m. on February 25. The plant remained in the 24 hour LCO until 10:58 p.m. when the "B" RHR LPCI was declared operable.

The serious nature of having a diesel generator inoperable without our knowledge is undenied. However, during the entire time frame involved in Item A.2, a 24 hour LCO was in effect, Technical Specification action statements were adhered to, and Technical Specification requirements were not exceeded.

RESPONSE TO ITEM A.3

(1) Statement of Position

Iowa Electric admits the violation. It is a direct result of one event (addressed under Item A.1) as discussed below:

(2) Reason for Violation

DAEC Technical Specifications, Section 3.7.B.1 states:

Except as specified in 3.7.B.3 below, both trains of the standby gas treatment system and the diesel generators required for operation of such trains shall be operable at all times when secondary containment integrity is required.

DAEC Technical Specifications, Section 3.7.B.3 states:

From and after the date that one train of the standby gas treatment system is made or found to be inoperable for any reason, continued reactor operation or fuel handling is permissible only during the succeeding seven days unless such train is sooner made operable, provided that during such seven days all active components of the other standby gas treatment train shall be operable.

DAEC Technical Specifications, Section 3.7.B.4 states:

If Specifications 3.7.B.1, 3.7.B.2 and 3.7.B.3 are not met, the reactor shall be placed in the cold shutdown condition and fuel handling operations shall be prohibited.

As acknowledged in response to Item A.1 above, 1G-21 diesel generator for SGTS "B" train was inoperable for a period of 18 days without our knowledge. This inoperability of the diesel generator led to the violation of Specification 3.7.B when the SGTS "A" train was inoperable due to wet charcoal.

(3), (4) and (5) Corrective Action

This violation is a direct result of the common event discussed under Item A.1. The corrective actions completed and results achieved related to this Item A.3 are discussed under Item A.1.

RESPONSE TO ITEM A.4

(1) Statement of Position

Iowa Electric denies the violation of Technical Specification 3.5.D.2 from 1:49 p.m. on March 5, 1982, to 10:04 p.m. on March 6, 1982, as stated in Item A.4 of the Notice. Iowa Electric does not deny the seriousness of the inoperability of diesel generator 1G-21 during that period. However, under appropriate interpretation of the applicable Technical Specifications, the "B" core spray system was operable for purposes of the applicable LCO and thus Technical Specification 3.5.D.2 was not violated.

(2) Basis of Denial

We believe that the B Core Spray Subsystem met both the definition of operable in effect in DAEC Technical Specifications in February/March 1982 and the definition approved and implemented in June, 1982 by Amendment 77.

NRC Item A.4 states that during the period that the HPCI was inoperable, the B Core Spray Subsystem was inoperable due to the 1G-21 diesel generator being inoperable. The applicable Technical Specification as stated by the NRC is 3.5.D.2 which states:

From and after the date that the HPCI Subsystem is made or found to be inoperable for any reason, continued reactor operation is permissible only during the succeeding seven days unless such subsystem is sooner made operable, providing that during such seven days all active components of the ADS subsystem, the RCIC system, the LPCI subsystem and both core spray subsystems are operable.

When the HPCI subsystem became inoperable at 11:24 a.m. on March 5, 1982, the plant went into a seven day LCO which remained in effect until 10:04 p.m. on March 6, 1982.

For the reasons described below, the inoperability of diesel generator 1G-21 did not render the B Core Spray Subsystem inoperable for purposes of the seven day LCO in effect.

Technical Specification 1.0 defined "operable" at the time of diesel generator inoperability as follows:

A system or component shall be considered operable when it is capable of performing its intended function in its required manner.

This definition did not explicitly deal with the question of whether a system should be considered inoperable when its associated emergency electrical power source is inoperable.

However, even a conservative interpretation of that definition would not be stricter than the expanded definitions of OPERABLE and LIMITING CONDITION FOR OPERATION which are contained in Amendment 77 to the DAEC Technical Specifications issued in June 1982 (particularly when read in conjunction with the BWR Standard Technical Specifications as set forth in NUREG-0123, Revision 3).

Under Amendment 77, the definition of OPERABLE is clarified to read:

A system, subsystem, train, component or device shall be OPERABLE or have OPEABILITY when it is capable of performing its specified function(s). Implicit in this definition shall be the assumption that all necessary attendant instrumentation, controls, normal and emergency electrical power sources, cooling or seal water, lubrication or other auxiliary equipment that are required for the system, subsystem, train, component or device to perform its function(s) are also capable of performing their related support function(s).

Amendment 77 also clarified the definition of Limiting Condition for Operation as follows:

When a system, subsystem, train, component or device is determined to be inoperable solely because its emergency power source is inoperable, or solely because its normal power source is inoperable, it may be considered OPERABLE for the purpose of satisfying the requirements of its applicable Limiting Condition for Operation, provided: (1) its corresponding normal or emergency power source is OPERABLE; and (2) all of its redundant system(s), subsystem(s), train(s), component(s) and device(s) are OPERABLE, or likewise satisfy the requirements of this specification. (emphasis added)

Thus, even under the foregoing conservative interpretation of Technical Specification 3.5.D.2 on March 5-6, 1982, the B Core Spray Subsystem was OPERABLE for the purpose of satisfying the then applicable seven-day Limiting Condition for Operation because its normal power source was operable and its redundant subsystem (Core Spray Subsystem A) was OPERABLE.

Since the B Core Spray Subsystem was not inoperable for the purposes of Technical Specification 3.5.D.2, this Technical Specification was not violated.

NRC ITEM B

- B. Technical Specification 6.8.1 states in part, "Detailed written procedures involving nuclear safety, ...covering areas listed below shall be adhered to." Item 1 requires procedures for "Normal startup, operation, and shutdown of systems and components of the facility." Item 5 requires procedures for "Preventative and corrective maintenance operations which could have an effect on the nuclear safety of the facility."

Administrative Control Procedure 1401.4, "Control of Plant Work," item 6.20.5.1 states, "Describe the reason for deferring testing on line 8 of the inspection and test report."

Administrative Control Procedure 1404.4, "Operating Logs," item 6.3.4.2 requires that entries made during each shift shall include all plant maintenance.

Administrative Control Procedure 1406.2, "Maintenance Procedures," Item 5.1 states, "Maintenance that can affect the performance of safety-related equipment shall be properly pre-planned and performed in accordance with written procedures, documented instructions, or drawings appropriate to the circumstances (for example, skills possessed by qualified maintenance personnel may not require detailed step-by-step delineation in a written procedure) which conform to applicable codes, standards, specifications, and criteria. Where appropriate sections of related vendor manuals, equipment operating and maintenance instructions, or approved drawings with acceptable tolerances do not provide adequate instruction to ensure the required quality of work, a suitable documented procedure shall be prepared."

10CFR, Appendix B, Criterion V states in part, "Activities affecting quality shall be prescribed by documented instructions, procedures of a type appropriate to the circumstances..."

Contrary to the above:

1. The Shift Supervising Engineer logs contain no entries with respect to the maintenance performed on the 1G-21 diesel generator on February 25, 1982.
2. No entries were made on line 8 of Safety-Related Inspection and Test Report No. 82-118 associated with the change of the 1G-21 diesel generator fuel oil filters.
3. There is no procedure which governs the change of diesel generator fuel oil filters. There are also inadequate instructions contained in the vendor technical manual. In addition, the change of fuel oil filters does not fall within the normal or routine duties of personnel. Interviews with personnel indicate that operators and maintenance personnel were not adequately familiar with requirements for maintenance of fuel oil filters.
4. Administrative Control Procedure 1404.1, "Shift Organization Operation and Turnover," is not appropriate to the circumstances in that it does not contain adequate direction to ensure that plant operations and maintenance receive engineering evaluation and that shift relief turnovers encompass all items necessary to ensure operation of the plant safely as demonstrated by the following:
 - a. Section 4.3, "Responsibilities and Authorities, The Shift Technical Advisor," states in part, "Routine duties should include matters involving engineering evaluations of day to day

plant operations from a safety point of view." The evaluation is not mandatory and no specific guidelines are provided on what is to be accomplished.

- b. Section 6.7, "Shift Turnover," states in part, "Shift change shall be accomplished by having each incoming shift operator relieve each outgoing shift operator...." There are no guidelines or procedures which clearly specify what shall be reviewed during shift turnover.

This is a Severity Level IV violation (Supplement 1).
(Civil Penalty - \$10,000).

RESPONSE TO ITEM B.1

(1) Statement of Position

Iowa Electric admits the violation. This violation, however, is the direct result of one root cause (addressed under Item A.1) as discussed below.

(2) Reason for the Violation

This violation is traceable to the root cause discussed under Item A.1 - failure to recognize that the maintenance activity could jeopardize the safety-related function of the diesel generator. ACP 1404.4 requires that operating logs shall include maintenance activities in progress, but the same provision, in covering the content of the SSE's logs, requires only documentation of "major changes" in plant status and "major operations that occur at the plant." Since the significance of the diesel generator maintenance activity was not recognized, the SSE did not consider it a major change in plant status or major change in operation and failed to log it.

(3) Corrective Action Taken and Results Achieved

The corrective actions identified in response to NRC Item A.1 included actions necessary to correct Item B.1. The overall improvements in the handling of maintenance activities will significantly reduce the possibility that any significant maintenance activity will not be logged by the Shift Supervising Engineer.

In addition, in order to eliminate any ambiguity as to the intent of the logging requirement in ACP 1404.4, the procedure has been modified to make explicit that the logging requirements apply to all major changes in plant status or operation, including any maintenance activities requiring post-maintenance testing. All operators coming on duty subsequent to September 13, 1982, will have been instructed in these logging requirements.

(4) Corrective Steps Which Will Be Taken

No further actions are necessary.

(5) Date When Full Compliance Will Be Achieved

Full compliance has been achieved.

RESPONSE TO ITEM B.2

(1) Statement of Position

Iowa Electric admits the violation.

(2) Reason for the Violation

It is unclear whether the Inspection and Test Report form was not completely filled out because the individual failed to recognize that the maintenance activity could jeopardize the safety function of the diesel generator. In any event, he failed to follow the instructions governing the execution of the MAR and Inspection and Test Report.

(3), (4), and (5) Corrective Action

The status of corrective action is provided in response to NRC Item A.1, above.

RESPONSE TO ITEM B.3

(1) Statement of Position

Iowa Electric admits the violation as stated by the NRC. This violation, however, is a direct result of one root cause (addressed under Item A.1) as discussed below.

(2) Reason for the Violation

Maintenance on the diesel generator 1G-21 fuel oil filters was not performed under an approved procedure. This was a direct consequence of the failure to recognize that the maintenance activity could jeopardize the safety-related function of the diesel generator.

(3), (4), and (5) Corrective Action

The status of corrective action is provided in response to NRC Item A.1, above.

RESPONSE TO ITEM B.4.a

(1) Statement of Position

Iowa Electric denies the violation as stated by the NRC.

(2) Basis of Denial

As discussed under Item A.1, the subject incident resulted from a failure of operation and maintenance personnel to recognize that the maintenance activity could jeopardize the safety-related function of the diesel generator. The requirement for post maintenance testing was not, therefore, identified. The stated violation proceeds from the premise that part of the STA's job is to evaluate the validity of such a judgment or decision. The concept of STA responsibility implemented at DAEC (which is consistent with NRC's position as reflected in NUREG-0737, Item 1.A.1.1) is not one of auditing operational staff decisions. As reflected in ACP 1201.6, which spells out the detailed responsibilities of the STA, his role is to independently observe plant status and make recommendations to operations personnel on safety matters. At DAEC, the STA and operations personnel routinely interact in this fashion. But the STA neither can nor should be expected to review every decision made by plant operating personnel (including maintenance), even if such decisions turn out to be wrong. Otherwise, he cannot be expected to have the time to perform his many other important functions.

Although the previous version of the STA procedures did not violate any applicable requirements, we have revised ACP 1201.6 (Shift Technical Advisors - Responsibilities and Authorities) to provide improved guidance to STA's on required reading, surveillance test procedures and review of inoperable equipment.

We recognize that the STA function is still an evolving concept. We would welcome an opportunity to review this matter with you in order to clarify, if necessary, the role of the STA at the DAEC.

RESPONSE TO ITEM B.4.b

(1) Statement of Position

Iowa Electric denies the violation as stated by the NRC.

(2) Basis of Denial

NRC Item B.4.b criticizes Section 6.7 of ACP 1404.1 for having "no guidelines or procedures which clearly specify what shall be reviewed during shift turnover." The basis of our denial is that other procedures do provide such specific guidance (see, e.g., ACP 1404.4, Sections 5.5, 5.6). Moreover, if the operating logs had been adequately maintained (as admitted under Item B.1) the foregoing turnover procedures and guidance would have encompassed the maintenance performed on the DG 1G-21.

ATTACHMENT 2

Request for Remission and Mitigation of Civil Penalties

In Accordance with 10 CFR 2.205

ATTACHMENT 2

Request for Remission and Mitigation of Civil Penalties In Accordance with 10 CFR 2.205

Pursuant to the provisions of 10 CFR 2.205, Iowa Electric Light and Power Company (hereinafter Iowa Electric) files the following request for Remission and Mitigation of Civil Penalties. The basis of our request is discussed below.

Background

This request will address the five factors which NRC will consider in adjusting civil penalties from the base values set forth in Appendix C of 10 CFR Part 2. The discussion of the five factors, however, should be considered in the following perspective.

Severity Level III violations: As the response to the Notice of Violation indicates, only two of the four violations (Items A.1 and A.3) are substantiated. With respect to A.1, an analysis performed by General Electric demonstrates that had a design basis accident (LOCA) occurred, concurrent with: (1) total loss of off-site power; (2) failure of the redundant diesel (Train A) to start; (3) 60-second delay in DG-1G-21 start-up (which is a more conservative assumption than the actual 30-second delay in start-up); and (4) operation at 100% of power, fuel clad temperatures would have remained well below 2200°F in accordance with 10 CFR 50, Appendix K.

Thus, although Iowa Electric is seriously concerned that a degraded condition of DG-1G-21 persisted unobserved from February 25 to March 15, 1982, it is important, to take into account that the delayed start-up time of DG-1G-21 would not, in and of itself, have unacceptably affected the plant response to an accident even at full power.

Severity Level IV Violations: As the response to the Notice of Violation indicates, only three of the five violations are substantiated. Items B.4.a and B.4.b are, at worst, close judgemental questions as to the requisite detail of shift-turnover procedures and the still evolving role of the STA. The remaining violations, B.1, B.2, and B.3, moreover all stem from the common event identified under Item A.1 and are not truly separate violations.

For these reasons and based on the five factors discussed below, in accordance with 10 CFR 2.205 and Appendix C of 10 CFR Part 2, Iowa Electric believes that the severity levels of the violations warrant reconsideration and that the associated penalties be remitted or mitigated.

Discussion of Five Factors (10 CFR Part 2, Appendix C, Paragraph IV.B)

1. Prompt Identification and Reporting:

The Notice of Violation refers to the special inspection conducted at the Duane Arnold Energy Center during the period of March 15-May 12, 1982, and the results of this inspection.

We would note that the basic noncompliance was identified by Iowa Electric and reported to the NRC on the same day. It was reported orally by Iowa Electric to the NRC Onsite Regional Inspector on March 15, 1982, and to the Regional Headquarters within 24 hours by a follow-up letter. It is, therefore, requested, consistent with 10 CFR Part 2, Appendix C, Paragraph IV B.1 that the civil penalties be appropriately adjusted.

2. Corrective Action to Prevent Recurrence:

The corrective actions initiated and completed by Iowa Electric are detailed in Attachment 1. These corrective actions are a direct result of Iowa Electric's comprehensive evaluation of the circumstances surrounding DG-1G-21 inoperability and our recognition of the undesirability and potential serious consequences of any situation in which redundant trains of safety-related equipment are compromised. These corrective actions have covered a comprehensive spectrum of operator training, administrative procedures and management control systems.

As stated in Attachment 1, Iowa Electric believes these violations were caused by the failure to recognize that the maintenance activity could jeopardize the safety-related function of the diesel generator. However, although corrective actions were taken in response to this event to strengthen the maintenance procedures to prevent recurrence, as we have pointed out above, the reviews and resulting actions extended well beyond the specific problem.

Appendix C states that the NRC will take into account the "degree of licensee initiative, and comprehensiveness of the corrective action -- such as whether the action is focused narrowly to the specific violation or broadly to the general area of concern." We believe that due consideration of the degree of Iowa Electric's initiative in dealing with these matters and the comprehensiveness of the actions taken particularly warrant a reduction in the proposed civil penalties.

3. Enforcement History:

Iowa Electric does not have a history of extensive enforcement actions. The proposed imposition of civil penalties does not take into account the Company's consistent commitment toward safe and efficient operation of the DAEC. Although the proposed civil penalties were not increased for enforcement history, it is requested that this factor be considered in the reduction of the proposed civil penalties.

4. Prior Notice of Similar Events:

The transmittal letter forwarding the Notice of Violation and Proposed Imposition of Civil Penalties refers to "other recent inspection findings which revealed serious weaknesses in your management control systems "It is not clear whether this alludes to what the NRC may consider "prior notice of similar events," but if so, we would emphasize the Company's Regulatory Performance Improvement Program now under development in

consultation with Region III and Iowa Electric's five-year integrated schedule voluntarily developed by the Company and now under review by NRC, all of which address and meet previously identified concerns regarding management programs.

We believe this history and demonstrated concern on the part of Iowa Electric especially militate against the imposition of any penalty for the severity level IV violations. Appendix C indicates that a penalty for such violations is usually imposed only if they "are similar to violations discussed in a previous enforcement conference, and for which the enforcement conference was ineffective in achieving the required corrective action." Not only was there no previous enforcement conference in this case, but Iowa Electric has clearly been fully cooperative in remedying all problems previously brought to its attention by the NRC.

5. Multiple Occurrences:

Item IV.B.5 of Appendix C is not a factor in the Proposed Imposition of Civil Penalties, since the occurrences involved here do not constitute "multiple examples of a particular violation identified during the inspection period."

Conclusion

Since the proposed civil penalties are \$30,000 for the severity level III violation and \$10,000 for the severity level IV violation, both of which are less than the applicable base penalty, Iowa Electric recognizes that NRC has already considered some of the specific circumstances here involved and determined that they warrant a downward adjustment under the five factors enumerated above. We believe further that when one takes into account that four (Items A.2, A.3, B.4.a, and B.4.b) of the nine items of violation appear not be substantiated; that the remaining violations (A.1, A.3 and B.1-3) all stem from the same event; and that such event would not, in and of itself, have caused an unacceptable plant response during an accident, then the severity level of all of the violations is called into question. In these circumstances, it would not be inappropriate to reclassify the alleged severity level III violations as severity level IV and to reduce the \$30,000 penalty to the range of the base penalty for a severity level IV violation. In addition, since the violations previously classified by the NRC as severity level IV do not warrant a civil penalty under the NRC guidelines and are closely associated with the severity level III violations, it would appear appropriate to consider them incorporated within such violations and not to impose a separate civil penalty. Therefore, the \$10,000 civil penalty should be completely remitted or substantially reduced.