

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of)
)
GEORGIA POWER COMPANY) Docket Nos. 50-425/50-425
(Vogtle Electric Generating) License Nos. NPF-68/NPF-81
Plant, Units 1 & 2) EA 94-037

DEMAND FOR INFORMATION
REGARDING GEORGE BOCKHOLD, JR.

I

Georgia Power Company (Licensee) is the holder of Facility License Nos. NPF-68, and NPF-81 (Licenses) issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR Part 50. The Licenses authorize the operation of the Vogtle Electric Generating Plant (VEGP) Units 1 and 2, in accordance with conditions specified therein.

II

On December 17, 1993, an investigation of licensed activities was completed by the NRC's Office of Investigations (OI) at Licensee's VEGP facility. The investigation was initiated in response to information received in June 1990 by NRC Region II alleging, in part, that material false statements were made to the NRC by senior Licensee officials regarding the reliability of the Diesel Generators (DGs). The pertinent events involved in this matter are described below.

On March 20, 1990, during a refueling outage at VEGP Unit 1, GPC declared a Site Area Emergency (SAE) when offsite power was lost concurrent with the failure of the only Unit 1 DG that was available (1A). The other Unit 1 DG (1B) was unavailable due to maintenance activities.

The NRC immediately responded to the SAE at the VEGP site with an Augmented Inspection Team (AIT). The NRC effort was upgraded to an Incident Investigation Team (IIT) on March 23, 1990. The IIT was composed of NRC Headquarters technical staff and industry personnel. The results of this investigation are documented in NUREG-1410, "Loss of Vital AC Power and the Residual Heat Removal System During Mid-Loop Operations at Vogtle Unit 1 on March 20, 1990."

On March 23, 1990, the NRC issued a Confirmation of Action Letter (CAL) to GPC that, among other things, confirmed that GPC had agreed not to return VEGP Unit 1 to criticality until the Regional Administrator was satisfied that appropriate corrective actions had been taken, and that the plant could safely return to power operations.

On April 9, 1990, GPC made a presentation to the NRC in the Region II offices in support of GPC's request to return VEGP Unit 1 to power operations. As part of this presentation, GPC provided information on DG starts in response to a specific NRC request that GPC address DG reliability in its April 9 presentation. GPC submitted a written summary of its April 9 presentation in an April 9, 1990 letter, "Vogtle Electric Generating Plant Confirmation of Action Letter."

On April 12, 1990, the NRC formally granted permission for VEGP Unit 1 to return to criticality and resume power operations.

On April 19, 1990, pursuant to 10 CFR 50.73, GPC submitted Licensee Event Report (LER) 50-424/90-006, "Loss of Offsite Power Leads to Site Area Emergency."

On June 29, 1990, GPC submitted a revised LER, 50-424/90-006-01. The purpose of the submittal was to clarify information related to successful DG starts that were discussed in the April 9, 1990 letter and the April 19, 1990 LER, and to update the status of corrective actions in the original LER.

From August 6 through August 17, 1990, the NRC conducted a Special Team Inspection at VEGP, as a result of NRC concerns about, and allegations related to, VEGP operational activities. This inspection examined the technical validity and safety significance of the allegations, but did not investigate alleged wrongdoing. The Special Team informed GPC that the June 29, 1990 submittal failed to address the April 9, 1990 data and requested that GPC clarify DG starts reported on April 9, 1990. Results of this inspection are documented, in part, in NRC Inspection Report No. 50-424,425/90-19, Supplement 1, dated November 1, 1991.

On August 30, 1990, GPC submitted a letter, "Clarification of Response to Confirmation of Action Letter." The purpose of the submittal was to clarify the diesel start information that was addressed in the April 9, 1990 submittal.

III

The NRC has reviewed the evidence associated with these events, submittals, and representations to the NRC. Specifically, the NRC reviewed information gathered as part of the OI investigation, information gathered during the IIT, NUREG-1410, Supplement 1 of NRC Inspection Report 90-19, discovery responses in the Vogtle operating license amendment proceeding (Docket Nos. 50-424 OLA-3, 50-425 OLA-3), and other related information. The NRC has identified apparent violations of regulatory requirements involving five separate instances that occurred from April 9 to August 30, 1990, where the Licensee failed to provide information that was complete and accurate in all material respects. These violations are addressed in the Notice of Violation and Proposed Imposition of Civil Penalties issued to the Licensee on this date, and incorporated herein by reference.

The NRC has also determined that the VEGP General Manager at the time of the violations, Mr. George Bockhold, Jr., played a major role in the original formulation of much of the data on DG reliability and in the submittals and events associated with four of these violations and that his actions reflected a substantial failure to carry out his responsibilities. The circumstances surrounding these performance failures are described below.

Prior to GPC briefing the Regional Administrator, Region II, on VEGP's readiness for restart, the NRC asked GPC to address DG reliability as part of its restart presentation on April 9, 1990. For that presentation, Mr. Bockhold was personally involved in the preparation of data regarding DG

reliability and tasked the Unit Superintendent with collecting the number of successful DG starts for the 1A and 1B DGs. Although Mr. Bockhold was aware of problems on DG 1B during overhaul, he failed to adequately specify the starting point for the count to ensure that the count did not include these problems and failed to ensure that the Unit Superintendent understood his criteria for "successful starts." In fact, Mr. Bockhold stated no criteria for successful starts, a term not formally defined, when he directed the Unit Superintendent to gather successful DG starts. Mr. Bockhold subsequently failed to ensure that the data the Unit Superintendent provided was the information he sought and intended to present to the NRC. Specifically, Mr. Bockhold did not determine the point at which the Unit Superintendent began his count (i.e., the specific start number, date or time) or whether the Unit Superintendent's data included any problems or failures. Information was then presented to the NRC in the April 9, 1990 oral presentation by Mr. Bockhold and the April 9, 1990 letter submitted by GPC, after being reviewed by Mr. Bockhold, that there were 18 and 19 consecutive successful starts on the 1A and 1B DGs, respectively, without problems or failures. Because of, in part, Mr. Bockhold's performance failures identified above, GPC's report of starts in the presentation and letter included three 1B DG starts with problems that occurred during DG overhaul and maintenance activities (a high lube oil temperature trip on March 22, 1990; a low jacket water pressure/turbo lube oil pressure low trip on March 23, 1990; and a failure to trip on a high jacket water temperature alarm occurring on March 24, 1990). The correct number of consecutive successful starts without problems or failures was 12 for 1B DG--a number significantly less than that reported by GPC to the NRC on April 9, 1990. As a result of Mr. Bockhold's

failures, the NRC relied, in part, upon inaccurate information provided by GPC in the April 9, 1990 oral presentation and letter in reaching the NRC decision to allow Unit 1 to return to power operation.

LER 90-006, submitted to the NRC on April 19, 1990, was based, in part, on information presented to the NRC on April 9, 1990. During review of the draft LER, site personnel questioned its accuracy. Given that there were trips in the 1B DG after March 20, 1990, they did not think that the statement concerning "no problems or failures" was correct. A teleconference was subsequently held between site and corporate personnel to address concerns that a count beginning on March 20, 1990 would include trips. During this conversation, Mr. Bockhold confirmed that the start count reported on April 9, 1990 began later than the problems--after completion of "a comprehensive test program" (CTP) of the DG control systems. By agreeing to the use of the term CTP in the LER, Mr. Bockhold agreed to the use of a term that was inadequate to specify the start point for the April 9, 1990 start count that Mr. Bockhold intended to convey. Mr. Bockhold intended to convey that the count began after testing of the DG control systems which did not require diesel starts, i.e., the calibration of the Calcon sensors and logic testing of the control systems. However, it was reasonable to interpret that the CTP was completed with the first successful test to demonstrate operability, a point in time significantly later than the point intended by Mr. Bockhold. This was the interpretation given to this term by many individuals within GPC and the NRC. Mr. Bockhold had no sound basis for agreeing that the term CTP was adequate to convey what he intended, i.e., that the count being used as the basis for the April 19, 1990 LER began after testing of the DG control systems that did not

require diesel starts. As a result of Mr. Bockhold's failure to adequately specify when he intended to begin the start count, the 1A and 1B DG start counts reported on April 19, 1990 overstated the actual counts by including starts that were part of a CTP.

In light of the questions raised about the accuracy of the DG start information, Mr. Bockhold failed to take sufficient action to ensure that these questions were resolved. Sufficient actions, if taken, could have enabled GPC to identify errors in the April 9, 1990 letter before the issuance of the LER. Given these questions and the fact that Mr. Bockhold was uniquely aware of the informal means by which the data was developed for the April 9, 1990 letter, a reexamination of the April 9, 1990 data was warranted before submission of LER 90-C06. There is no evidence to show that Mr. Bockhold, knowing that the April 9, 1990 information was quickly assembled and reported to him informally, directed any review of the data to assure that the information in the April 19, 1990 LER was accurate. There is no evidence that Mr. Bockhold made any effort to contact the Unit Superintendent who had collected the data which Mr. Bockhold was relying on. Mr. Bockhold's statement during an April 19, 1990 phone call that the count he presented on April 9, 1990 had been "verified correct" by the Unit Superintendent implied that no further investigation of the data was necessary and may have led some GPC personnel to conclude that an adequate review of the DG start data had been completed, when it had not. The Vice President - Vogtle Project's response that "You ought to use those numbers" indicated that he relied on Mr. Bockhold's assurances that the data was correct. The Senior Vice

President - Nuclear Operations also stated that he thought the April 19, 1990 data had been checked.

On May 2, 1990, Mr. Bockhold was given a list of DG starts that showed that the start counts reported in the April 9, 1990 presentation, the April 9, 1990 CAL response letter, and the April 19, 1990 LER were incorrect. Mr. Bockhold agreed that the LER needed to be revised to reflect the correct number of starts. Mr. Bockhold also agreed that the April 9, 1990 letter needed to be corrected because he asked and was informed that the April 9, 1990 error was different than the April 19, 1990 error. It was also agreed that uniform language would be used to correct both documents. The June 29, 1990 LER was submitted in part to make these corrections. Mr. Bockhold reviewed a draft of the June 29, 1990 LER revision, but he failed to ensure that it was accurate and complete in all material respects. Specifically, the June 29, 1990 submittal stated that it would clarify the April 9, 1990 letter but no such clarification, or even a relevant discussion of the April 9, 1990 information, was included in the June 29, 1990 submittal. Mr. Bockhold's failure contributed to the Licensee's failure to provide complete information in the cover letter transmitting the June 29, 1990 LER revision.

During the NRC's Special Team Inspection exit interview on August 17, 1990, GPC was specifically notified by the NRC that the revised LER did not adequately clarify the DG start information contained in the April 9, 1990 letter, and NRC requested GPC to provide clarification of this submittal. GPC forwarded a submittal to the NRC on August 30, 1990 regarding the April 9, 1990 letter. A draft of the August 30, 1990 letter, sent to the site for

review, erroneously suggested that one of the reasons for the error in the April 9, 1990 letter was "confusion in the distinction between a successful start and a valid test" by the individuals who prepared the DG start information for the April 9, 1990 letter. During an August 29, 1990 Plant Review Board (PRB) meeting which, among other things, reviewed the proposed August 30, 1990 submittal to the NRC, the VEGP Manager - Technical Support raised concerns about the accuracy of that statement. Mr. Bockhold admitted to the PRB that the Unit Superintendent (who originally collected the DG start data at Mr. Bockhold's direction) was not confused about the distinction between successful starts and valid tests when the start data was collected for the April 9, 1990 letter, but stated that the sentence was not in error because other people were confused. Mr. Bockhold acknowledged that there was confusion among individuals after April 9, 1990, but admitted that the Unit Superintendent was not confused when he developed the information. Confusion after April 9, 1990 was not relevant in explaining the reasons for the error in the April 9, 1990 letter. By retaining this wording, the first reason was inaccurate. As a result of Mr. Bockhold's failure to adequately resolve this concern, the August 30, 1990 letter was inaccurate.

IV

The performance failures recounted above collectively represent a very substantial failure on the part of Mr. Bockhold, a senior Licensee official, to ensure that information provided to the NRC is accurate and complete in all material respects. Mr. Bockhold was aware of the NRC's interest in DG reliability in the context of an NRC decision on restart and he was aware of

questions and concerns about the adequacy, accuracy, and completeness of information that GPC was providing to the NRC on this issue, yet he failed to adequately address these concerns. Mr. Bockhold's actions and inactions as the senior manager significantly contributed to the perpetuation and escalation of the errors and omissions in the Licensee's submittals to the NRC. Mr. Bockhold's failures involved documents of significant regulatory importance. The NRC considers these failures particularly significant, because as VEGP General Manager, Mr. Bockhold was in a position of considerable responsibility and influence and he appears to have not only used that stature to affect the submittals to the NRC, but through his actions he rendered ineffective the efforts of others, including the PRB, to provide accurate information to the NRC. These performance failures raise a question as to whether the Licensee, with Mr. Bockhold involved, will, in the future, provide complete and accurate information to the NRC and otherwise comply with NRC requirements.

Therefore, further information is needed to determine whether the Commission can have reasonable assurance that in the future the Licensee, with the involvement of Mr. Bockhold, will provide complete and accurate information to the Commission and otherwise conduct activities in accordance with the Commission's requirements and why the Commission should not issue an order removing, or restricting the participation of Mr. Bockhold in NRC licensed activities.

Accordingly, pursuant to sections 161c, 161n, 132 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.204 and 10 CFR 50.54(f), in order for the Commission to determine whether the Licenses should be modified to restrict the participation of Mr. Bockhold in licensed activities or other enforcement action taken to ensure compliance with NRC regulatory requirements, the Licensee is required to submit to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, within 30 days of the date of this Demand for Information, the following information, in writing and under oath or affirmation:

- A. A description of Mr. George Bockhold, Jr.'s current position and responsibilities.
- B. An explanation of why, notwithstanding his knowledge of the NRC's interest in DG reliability and the importance of information on this issue to an NRC decision on restart, Mr. Bockhold failed to take sufficient steps to ensure that information presented to the NRC in the April 9, 1990 presentation and letter regarding DG reliability was accurate and complete.
- C. An explanation of why, notwithstanding his lack of a sound basis for agreeing that the term CTP was adequate to convey what he intended (i.e., that the DG start count being used as the basis for the April 19, 1990 LER began after testing of the DG control systems that did not

require diesel starts), Mr. Bockhold allowed this language to be included in the April 19, 1990 LER.

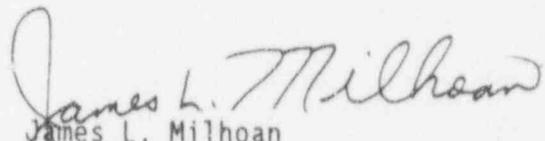
- D. An explanation of why, notwithstanding his knowledge that questions had been raised regarding the accuracy of the DG start information and his knowledge of the informal means by which the data he was relying on was developed, Mr. Bockhold failed to take sufficient steps to ensure that information included in the April 19, 1990 LER was complete and accurate.
- E. An explanation of why, notwithstanding his review of the June 29, 1990 letter, which stated that it would clarify the April 9, 1990 letter, Mr. Bockhold failed to ensure that the June 29, 1990 cover letter clarified the April 9, 1990 letter.
- F. An explanation of why, notwithstanding his knowledge that the Unit Superintendent was not confused about the distinction between successful starts and valid tests when the Unit Superintendent collected start data for the April 9, 1990 presentation and letter, Mr. Bockhold allowed the information to be included in the August 30, 1990 letter as one of the reasons for the error in the April 9, 1990 letter.
- G. An explanation of the corrective actions taken, or planned by the Licensee to address Mr. Bockhold's performance failures.

- H. Given the four violations of NRC requirements, an explanation as to why NRC should have confidence that the Licensee, with the involvement of Mr. Bockhold, will in the future conduct licensed activities in accordance with all NRC requirements, including the requirements of 10 CFR 50.9, "Completeness and accuracy of information."

Copies of the response also shall be sent to the Assistant General Counsel for Hearings and Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555 and to the Regional Administrator, NRC Region II, 101 Marietta Street, Suite 2900, Atlanta, GA 30323.

After reviewing your response, the NRC will determine whether further action is necessary to ensure compliance with regulatory requirements.

FOR THE NUCLEAR REGULATORY COMMISSION


James L. Milhoan
Deputy Executive Director
for Nuclear Reactor Regulation,
Regional Operations, and Research

Dated at Rockville, Maryland
this 9th day of May 1994