

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTIES

Carolina Power and Light Company
Brunswick Units 1 and 2

Docket Nos. 50-324 & 50-325
License Nos. DPR-62 & DPR-71
EA 82-106

On June 28, 1982, while operating at 80% power, Unit 1 reactor lost voltage to certain emergency electrical busses and tripped. It was returned to power on June 29. The licensee's post-trip evaluation of the event revealed that certain relays associated with the emergency electrical busses of Units 1 and 2, although they functioned properly, had not been tested or calibrated as required by technical specifications. Action statements for the relevant limiting conditions for operation required shutdown of Unit 1 (Unit 2 was shut down for refueling) until test and calibration of the relays was accomplished.

On June 30, the licensee requested and was granted NRC approval for continued operation of Unit 1 while the required tests and calibrations were being performed. On July 2, NRC Region II issued a Confirmation of Action Letter confirming the licensee's commitment to review all technical specification surveillance requirements and the administrative control system for assuring that surveillance requirements were met.

On July 15, Region II was informed that the licensee review of technical specification surveillance requirements had revealed additional missed surveillance requirements that were not covered by procedures. The tests involved limiting conditions for operation and required implementation of action statements for continued operation of Unit 1. Upon discovery of these missed surveillances, the licensee wrote the necessary procedures and conducted the required tests. The test results showed that the equipment would have functioned if called upon.

On July 16, NRC inspectors informed Region II and Brunswick management that containment leakage tests of certain penetrations and valves had not been conducted at the required frequency. Although, the licensee had implemented appropriate procedure changes on Unit 2 in June 1982, no procedure change had been implemented for Unit 1 which had similar requirements. On receipt of this information, Unit 1 was shut down. The Region II Administrator and the Executive Vice President of Carolina Power and Light Company discussed the situation by telephone. It was agreed that neither unit would be operated until the licensee had completed a comprehensive review of technical specification surveillance requirements, corrected such violations as might be disclosed by the review, identified the root causes of the violations, and presented the Commission a proposed revision of its management control program to prevent recurrence of similar violations.

On July 20, NRC Region II issued a Confirmation of Action Letter detailing broad commitments made by the licensee in several previous telecommunications. The letter covered certain specific assignments of review responsibility for the corporate Nuclear Safety and corporate Quality Assurance staffs, implementation of an extensive training program, assignment of a full-time operationally qualified corporate representative on site, assignment of a special corporate panel to review the adequacy of corrective actions which the licensee had committed to take, and formal notification of Region II prior to resumption of Unit 1 or Unit 2 power operation.

On August 24 an enforcement conference was held at the Region II office. The Region II Administrator reviewed NRC inspection findings relating to facts disclosed since June 28, expressed NRC concerns about the failure of corporate and facility management controls to prevent the violations indicated by the findings, and asked the licensee what actions had been taken or were planned to reestablish satisfactory management control of licensed activities. The Senior Vice President of CP&L presented recommendations and conclusions furnished to CP&L by a panel of senior management officers from the nuclear power industry, retained by CP&L to review the adequacy and completeness of actions taken by CP&L, and to recommend additional management actions needed to assure future compliance with the Brunswick technical specifications. The Senior Vice President detailed the actions taken by CP&L to implement the panel's recommendations and described actions taken or planned to meet each item identified in Region II Confirmation of Action Letters dated July 2 and July 20. Beyond the commitments previously made, the licensee described an improvement program involving extensive assignments of corporate and facility staff responsibilities designed to achieve basic improvement in management, operations, and quality assurance performance. The management structure for monitoring the improvement program was presented. The individual responsible for each program objective was named; each task was stated and the expected date of task completion was specified. The current status of achievement of the program objectives was described. The licensee stated that commitments made during the conference would be incorporated in its improvement program which would be submitted in a comprehensive report to the Region II Administrator by November 1, 1982. This report was submitted on October 29, 1982.

The actions described in the licensee's long-range improvement program were the subject of an NRC Confirmatory Order issued by the Director of the Office of Inspection and Enforcement on December 22, 1982. On that same date another enforcement conference was held in the Region II Office with senior managers of Carolina Power and Light Company. During that meeting, additional events similar in nature to those identified previously and which had recently been revealed at the licensee's Brunswick facility, were discussed. On January 23, 1983, still another event occurred. This event is still being examined for possible enforcement action. These events heightened the NRC's concerns regarding the safe operation of the licensee's facility.

The NRC inspections, conducted by Region II between July 12 and 22, 1982, confirmed the violations in Items A and B below. These violations show that, since the dates of issuance of the Brunswick licenses, the licensee failed to conduct certain surveillance tests. Although subsequent testing proved that the equipment requiring the surveillance tests was operational, the licensee operated the facility without the necessary assurance that the equipment would have functioned as required. The failures to provide surveillance procedures and conduct the required testing identified in Item A represent a significant flaw in management controls which failed to ensure that, as each technical specification change, modification, or revision was issued, the required surveillance procedures were established and implemented. It also indicates a significant flaw in control of the QA audit program for assuring that surveillance tests required by technical specifications were being conducted. Item B relates to the licensee's failure to correct this problem once the lack of the surveillance procedure identified in the third part of Item A was discovered in 1979 and exemplifies a further flaw in the licensee's QA program, specifically with regard to identification and follow-up on audit or operational surveillance findings. The same flaw was brought to the licensee's attention on two previous occasions: as Item C in the Notice of Violation transmitted by Region II letter dated January 9, 1981 and again on page II.B.8 of NRC Investigation Report Nos. 50-324/80-44 and 50-325/80-46 transmitted on October 21, 1981.

To emphasize the need for significant improvement in management control of the Brunswick facility, particularly with respect to compliance with technical specifications and quality assurance oversight, the Nuclear Regulatory Commission proposes to impose civil penalties in the cumulative amount of Six Hundred Thousand Dollars for this matter. In accordance with the NRC Enforcement Policy 47 FR 9987 (10 CFR Part 2, Appendix C) (March 9, 1982), and pursuant to Section 234 of the Atomic Energy Act of 1954, as amended ("Act"), 42 U.S.C. 2282, PL 96-295, and 10 CFR 2.205, the particular violations and associated civil penalties are set forth below:

- A. License Condition 2.C(2) of License Nos. DPR-71 and DPR-62 requires the licensee to operate the Brunswick facility in accordance with its technical specifications.

Section 4 of the technical specifications identifies specific checks, tests, and calibrations that must be performed at specified intervals to demonstrate operability of systems and components required by Section 3. Technical Specification 6.8.1.a requires the licensee to establish implementing procedures recommended in Appendix A of Regulatory Guide 1.33- November 1972. Item H.2 of the Guide specifies that procedures are required for each surveillance test, inspection, and calibration listed in the technical specifications.

Contrary to the above, the licensee did not establish and maintain procedures for each surveillance test, inspection, and calibration listed in

the technical specifications. Significant examples of this failure to provide surveillance procedures are cited as Items 1 through 4, below. Furthermore, this failure to provide surveillance procedures resulted in failure to perform the surveillance testing required by technical specifications to demonstrate operability:

1. Technical Specification 3.3.3 requires operability of Emergency Core Cooling System (ECCS) actuation instrumentation shown in Table 3.3.3-1 and Technical Specification 4.3.3.1 requires that the operability of the instrumentation be demonstrated by performance of channel checks (once each shift), channel functional tests (each month), and channel calibrations (once each 18 months). However, between June 1980 and July 1982, the licensee did not perform these checks, tests, or calibrations for the 4.16 Kv Emergency Bus Undervoltage (Loss of Voltage and Degraded Voltage) relays as required by Items 5a and 5b of Table 4.3.3-1.
2. Technical Specification 3.6.1.1 requires maintenance of primary containment integrity and Technical Specification 4.6.1.1.a requires that the integrity be demonstrated once each 31 days by verifying that all penetrations, not capable of being closed by operable containment automatic isolation valves and required to be closed during accident conditions, are closed by either valves, blind flanges, or by deactivated automatic valves that are secured in position. However, between December 1977 and July 1982, the licensee did not perform these 31-day verifications.
3. Technical Specification 3.3.2 and Table 3.3.2-1 requires that isolation actuation instrumentation be operable and Technical Specification 4.3.2.1 requires the licensee to demonstrate operability by certain specified checks, tests, and calibrations, one of which is a channel functional test of the reactor water cleanup system isolation upon actuation of the standby liquid control system. This test is required every 18 months. However, this test was not performed on Unit 2 between March 1975 and July 1982. It was not performed on Unit 1 between October 1976 and July 1982.
4. Technical Specification 3.6.1.2.b establishes the maximum allowable leak rate from primary containment through penetrations and valves, except for the main steam isolation valves, subject to Type B and C tests. Technical Specification 4.6.1.2.d requires that these Type B and C tests be conducted, except for tests involving airlocks, every 24 months. However, between April 1979 and July 1982, the licensee did not conduct Type C tests of the traversing incore probe guide tube isolation valves in Unit 1 even though these valves are identified as being primary containment isolation valves in Technical Specification Table 3.6.3-1. The licensee also failed to conduct Type B testing of 36 electrical penetrations through Unit 1 primary containment between February 1980 and July 1982.

If a licensee should have been aware of the existence of a condition which results in an ongoing violation and fails to initiate corrective action, each day the licensee should have been aware of the condition may be considered a separate violation subject to a separate additional civil penalty. In addition, the licensee has been cited for previous similar violations. (Notices of Violation and Inspection Reports 82-05 and 82-16 were issued March 31 and June 18, 1982.) Furthermore, multiple examples of failures to perform surveillance tests were identified during the inspection period. Even when it identified the fact that certain surveillance tests required for Unit 2 had not been performed, the licensee failed to notice that the same technical specification requirements also applied to Unit 1. As a result, the licensee continued to operate in violation of its technical specifications until the Resident Inspector brought this to the licensee's attention. In this case, the licensee was aware on April 4, 1979 that it did not have a procedure for certain surveillance tests and these tests were not being performed. The licensee failed to take corrective action to develop procedures for these and the other surveillance tests, notwithstanding its opportunity to do so. Consequently, each day the licensee operated after April 4, 1979 is considered a separate Severity Level III violation for purposes of computing a civil penalty. In view of the circumstances of this case, we are proposing a cumulative penalty of Five Hundred Thousand Dollars for these violations.
(Civil Penalty \$500,000.)

- B. 10 CFR 50, Appendix B, Criterion XVI and the licensee's accepted QA program require the licensee to establish measures to assure that conditions adverse to quality, such as failures, malfunctions, deficiencies, deviations, defective material and equipment, and nonconformances are promptly identified and corrected. It requires, in the case of significant conditions adverse to quality, that the measures assure that the cause of the condition is determined and corrective action taken to preclude repetition. It requires the licensee to document and report to appropriate level of management the identification of the significant condition adverse to quality, the cause of the condition, and the corrective action taken.

Contrary to the above, when the quality assurance program detected the absence of a surveillance test procedure in a report, submitted on April 4, 1979, covering the results of Site Quality Assurance Surveillance OQAS-79-4(B), the identified condition adverse to quality was not corrected; nor did the licensee determine the cause and take action to preclude recurrence.

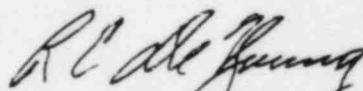
This is a Severity Level III violation (Supplement I)
(Civil Penalty - \$100,000)

Pursuant to the provisions of 10 CFR 2.201, Carolina Power and Light Company is hereby required to submit to the Director, Office of Inspection and Enforcement, U. S. Nuclear Regulatory Commission, Washington, DC 20555, and a copy to the Regional Administrator, U. S. Nuclear Regulatory Commission, Region II, within 30 days of the date of this Notice a written statement or explanation, including for each alleged violation: (1) admission or denial of the alleged violation; (2) the reasons for the violation, if admitted; (3) the corrective steps which have been taken and the results achieved; (4) the corrective steps which will be taken to avoid further violations; and (5) the date when full compliance will be achieved. Consideration may be given to extending the response time for good cause shown. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, this response shall be submitted under oath or affirmation.

Within the same time as provided for the response required above under 10 CFR 2.201, Carolina Power and Light Company may pay the civil penalties in the cumulative amount of \$600,000 or may protest imposition of the civil penalties in whole or in part by a written answer. Should Carolina Power and Light Company fail to answer within the time specified, the Director, Office of Inspection and Enforcement will issue an Order imposing the civil penalties proposed above. Should Carolina Power and Light Company elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalties, such answer may: (1) deny the violations listed in this Notice, in whole or in part; (2) demonstrate extenuating circumstances; (3) show error in this Notice; or (4) show other reasons why the penalties should not be imposed. In addition to protesting the civil penalties, in whole or in part, such answer may request remission or mitigation of the penalties. In requesting mitigation of the proposed penalties, the five factors contained in Section IV(B) of 10 CFR Part 2, Appendix C should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate statements or explanations by specific reference (e.g., giving page and paragraph numbers) to avoid repetition. Carolina Power and Light Company's attention is directed to the other provisions of 10 CFR 2.205, regarding the procedures for imposing a civil penalty.

Upon failure to pay any civil penalty due, which has been subsequently determined in accordance with the applicable provisions of 10 CFR 2.205, this matter may be referred to the Attorney General, and the penalty unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C. 2282.

FOR THE NUCLEAR REGULATORY COMMISSION



Richard C. DeYoung, Director
Office of Inspection and Enforcement

Dated in Bethesda, MD
this 18 day of February 1983