

APPENDIX

NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY

Louisiana Power and Light Company
Waterford 3 Steam Electric Station

Docket No. 50-382
Construction Permit: CPPR-103
EA 82-109

During April, May, and June 1982, EBASCO submitted four Emergency Core Cooling Systems (ECCS) to the Louisiana Power and Light Company (LP&L) for turnover. Following an LP&L audit of these systems, they were rejected by LP&L. LP&L reported its audit findings to the NRC. LP&L found that records for these systems did not represent their true as-built status. As a result NRC conducted an inspection during the period May 16 to July 15, 1982.

During this inspection a significant violation of NRC quality assurance requirements was identified. As discussed in inspection report 50-382/82-14, the four ECCS systems were not QA/QC acceptable. Installation of safety-related instrument impulse piping was found to have been improperly conducted and documented. Further NRC and LP&L reviews identified hanger weld and orientation problems involving these safety-related systems.

In order to emphasize the importance of your participation in quality assurance activities and your responsibility to ensure that contractors are properly implementing quality assurance programs, the NRC proposes to impose a civil penalty of \$20,000 for these matters. In accordance with the NRC Enforcement Policy (10 CFR Part 2, Appendix C), 47 FR 9987 (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 the associated civil penalty are set forth below:

VIOLATION ASSESSED CIVIL PENALTY

10 CFR 50 Appendix B, Criterion II, requires that, "The quality assurance program shall provide control over activities affecting the quality of the identified structures, systems, and components to an extent consistent with their importance to safety. Activities affecting quality shall be accomplished under suitably controlled conditions."

Contrary to the above, Louisiana Power and Light Company failed to adequately control activities affecting the quality of safety-related work. Specifically, LP&L failed to ensure that Ebasco Services, Inc., as construction manager, was adequately controlling the quality of safety systems and providing the complete and accurate documentation of quality required for these systems. This failure is illustrated by the fact that on April 30, May 20, May 22, and June 22, 1982, Ebasco QA signed four ASP-IV-50-6 forms indicating that four safety systems were ready for turn-over to LP&L. These safety systems were containment spray, low pressure

Notice of Violation

- 2 -

safety injection, safety injection tanks, and high pressure safety injection. The pertinent fabrication and installation records specified that these systems were ready for turnover. Subsequently, the LP&L construction QA and startup organizations rejected all four system turnover packages due to numerous findings which the quality records and exception lists did not accurately identify. These findings included previously unidentified installation errors, as-built drawings that did not match actual field installation, field installations which included work that was not in compliance with procedures and specifications, QC inspections that had not identified unacceptable field installations, and QC records that were not consistent with current as-built drawings. These deficiencies in the control of activities affecting quality should have been identified by LP&L prior to system turnover.

This is a Severity Level III Violation (Supplement II)
Civil Penalty - \$20,000

Pursuant to the provisions of 10 CFR 2.201, the Louisiana Power and Light Company is hereby required to submit to the Director, Office of Inspection and Enforcement, USNRC, Washington, D.C., 20555, 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, 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, the Louisiana Power and Light Company may pay the civil penalty in the amount of \$20,000 or may protest imposition of the civil penalty in whole or in part by a written answer. Should the Louisiana 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 penalty in the amount proposed above. Should the Louisiana Power and Light Company elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalty, such answer may: (1) deny the violation 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 penalty should not be imposed. In addition to protesting the civil penalty in whole or in part, such answer may request mitigation of the penalty. In requesting mitigation of the proposed penalty, the five factors contained in Section 10(B) of 10 CFR Part 2, Appendix C should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set

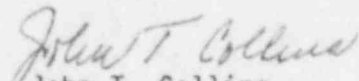
Notice of Violation

- 3 -

forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. The Louisiana Power and Light Company's attention is directed to the other provisions of 10 CFR 2.205, regarding the procedure for imposing a civil penalty.

Upon failure to pay any civil penalty due, which have 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


John T. Collins
Regional Administrator

DEC 6 1982

Dated at Arlington, Texas
this 6 day of December 1982