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NRC STAFF PROPOSES \$300,000 FINE AGAINST NEBRASKA PUBLIC POWER DISTRICT

The Nuclear Regulatory Commission staff has informed Nebraska Public Power District (NPPD) that it proposes to fine the district \$300,000 for apparent violations found earlier this year at the Cooper Nuclear Station near Brownville, Nebraska.

NPPD has 30 days to respond to the citation. During that time, it may pay the civil penalty or protest it. If a protest is denied, the company may ask for a hearing.

Violations on which this civil penalty is based were found in three inspections conducted from May 23 to August 12 at the Cooper plant. NRC and NPPD also discussed the violations during an open enforcement conference September 16 at the NRC regional office in Arlington, Texas.

On the basis of information gathered during the inspections and at the enforcement conference, NRC has determined that a number of significant violations of NRC requirements occurred. They have been grouped into the following three problem areas:

I. The primary containment system

Inspectors found that the system's operability had not been maintained in accordance with plant license requirements; that the system had not been adequately tested; and that design control had not been adequately maintained. As a result, containment integrity was not always intact.

II. Certain safety-related electrical components

NRC determined that NPPD had failed to test electrical relays which would assure the reliability of emergency power supplies in case off-site power was lost. As a result, two critical electrical circuits had been unable to perform their safety-related function since the plant began operation in January 1974.

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III. The control room emergency filter system

Inspections found that the control room emergency filter system was not always operable when required from June 1989 to April 28, 1994, because testing failed to demonstrate that a positive pressure could be maintained in the control room.

NRC conducted special inspections into these areas as the result of notifications and actions by NPPD, including the declaration that emergency diesel generators were inoperable, which resulted in the shutdown of the plant on May 25. The plant continues to be out of service, and NPPD has agreed that it will not be restarted without NRC concurrence.

In his letter informing NPPD of the proposed fine, James L. Milhoan, NRC deputy executive director for operations, said all the violations associated with the three problems represent significant safety issues. He added that NRC believes that "chronic and fundamental weaknesses have negatively affected the safety performance of the CNS facility for an unacceptably long period of time."

Mr. Milhoan said NRC does not disagree with NPPD's analysis as to the cause of the individual violations. But he noted that some of the latest violations are similar to those NRC has found before, some as early as 1992, and he said NRC considers the root causes to be the long-term failure of senior NPPD managers to:

- 1) Implement effective safety processes and procedures;
- 2) Institute a positive station-wide attitude towards identifying and correcting problems;
- 3) Provide effective oversight and monitoring of the plant staff and problems to assure a high level of safety performance; and
- 4) Instill and maintain an attitude among plant staff that emphasizes plant safety.

NPPD has taken steps to bring its test and design control programs up to date, and has modified hardware as appropriate to deal with the specific problems involved in this enforcement action. It also has under way broader corrective measures outlined in four confirmatory action letters issued by the NRC.

Mr. Milhoan further told NPPD in his letter that the proposed civil penalty could have been much higher, considering the utility's past poor regulatory performance, its failure to identify or prevent the violations, and the length of time the

violations existed. But the penalty was set at \$300,000 (twice the base civil penalty amount for each of the three violations) because NPPD: (a) shut down the plant on its own initiative; (b) instituted an extensive improvement program to address the root causes of deficiencies; (c) agreed not to restart without NRC approval; and (d) made significant changes in management oversight of plant activities.

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