JUL 6 1984

Docket/License: 50-387/NPF-14

50-388/NPF-22

EA No. 84-5

Pennsylvania Power & Light Company ATTN: Mr. Jack Calhoun Senior Vice-President, Nuclear 2 North Ninth Street Allentown, Pennsylvania 18101

Gentlemen:

Subject: Notice of Violation and Proposed Imposition of Civil Penalty (Inspection Report Nos. 50-387/83-24; 50-387/84-11; 50-388/84-19)

On December 13, 1983, March 20, 1984, and May 7, 1984, Enforcement Conferences were held with Mr. Bruce Kenyon an other members of your staff at the NRC Region I Office to review the circumstances associated with four apparent violations of NRC requirements which occurred at the Susquenanna Steam Electric Station, Units 1 and 2. Two of the violations, which were identified by members of your staff and reported to the NRC, were reviewed during an NRC inspection conducted at Unit 1 on November 7 - 10, 1983. The report of this inspection was sent to you on November 28, 1983. A third violation was identified by NRC inspectors and reviewed during a special NRC inspection conducted at Unit 1 on February 21-24, 1984. The report of this inspection was forwarded to you on March 8, 1984. The fourth violation, which also was identified by a member of your staff, occurred at Unit 2 and was reviewed during a special NRC inspection conducted on April 11-16. The report of this inspection was forwarded to you on May 1, 1984. At the enforcement conferences, the causes of the violations and corrective actions were discussed.

The violation at Unit 2, which is described in the enclosed Notice, involved the inoperability of one of four Source Range Monitors (SRM) during the loading of fuel bundles and the movement of control rods in the Unit 2 reactor vessel. During the time these reactor core alterations were being performed, the SRM was required by the technical specifications to be operable. The SRM was inoperable in that its reactor scram function had been bypassed.

The NRC is concerned that indication existed in the control room to alert operators that the SRM was bypassed, yet core alterations commenced based on a conclusion that the SRM was operable. The plant control room operator knew

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8407190184 840706 PDR ADOCK 05000387 9 PDR that the SRM channel in question was in the bypassed position but apparently did not recognize its significance in relation to technical specification requirements. Further, the indication that the SRM was bypassed existed through two shift turnovers before the SRM was declared inoperable, demonstrating a lack of adequate attention and response to control room indications by plant operators and supervision. The lack of adequate attention and response to control room indications had previously been discussed at an Enforcement Conference with Mr. Kenyon and other members of your staff on March 17, 1983, for a violation involving the inoperability of the Standby Gas Treatment System (SGTS). In that case, the SGTS was inoperable for approximately 24 hours and during that time alarms annunciated at a back panel in the control room but there was no response to those alarms by plant operators. That violation resulted in assessment of a \$60,000 civil penalty on April 22, 1983.

The Unit 1 violations of NRC requirements involve three other examples of failures to adhere to technical specification requirements. The first Unit 1 violation involved entry into a condition specified in the technical specifications, namely, reactor steam dome pressure in excess of 150 psig, without satisfying the stated prerequisites. Specifically, the High Pressure Coolant Injection (HPCI) system was inoperable during reactor start-up. The second Unit 1 violation involved the inoperability, for approximately 51 hours, of the main condenser offgas explosive monitoring system in November 1983. The third Unit 1 violation involved the failure to demonstrate that remaining AC power sources were operable after one offsite power source became inoperable.

The violation involving the inoperable SRM on Unit 2 has been categorized as a Severity Level III violation in accordance with the NRC Enforcement Policy, 10 CFR Part 2, Appendix C, as revised and published in the Federal Register on March 8, 1984 (49 FR 8583). To emphasize the importance of operator response to control room alarms and indications, and adherence to technical specification requirements, I have been authorized, after consultation with the Director, Office of Inspection and Enforcement, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$75,000 for this violation. The base civil penalty amount for a Severity Level III violation is \$50,000. However, the base amount has been increased by 50% because of previous inadequate attention and response to control room alarms and indications by operators. The Unit 1 violations have been categorized as Severity Level IV violations. However, all of the violations involved either ineffective response to indicators and annunciators or failure to recognize the applicability of technical specification requirements or both. I am concerned about the continuation of these problems at Susquehanna, and I will examine closely your response to this enforcement action and your corrective actions.

You are required to respond to the enclosed Notice and you should follow the instructions specified therein in preparing your response.

In accordance with 10 CFR 2.790(a), a copy of this letter and the enclosures will be placed in the NRC Public Document Room.

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,

ORIGINAL SIGNED BY:

for JANOBES M. MLLAN

Regional Administrator

Enclosure: Notice of Violation and Proposed Imposition of Civil Penalty

cc w/encl:

Norman W. Curtis, Vice President, Engineering and Construction - Nuclear

A. R. Sabol, Manager, Nuclear Quality Assurance

W. E. Barberich, Licensing Engineer H. W. Keiser, Superintendent of Plant

bcc w/encl: Region I Docket Room (with concurrences) Section Chief, DPRP Resident Inspector PDR LPDR NSIC ACRS SECY CA R. DeYoung, IE J. Taylor, IE J. Axelrad, IE P. Farron, IE T. Murley, RI J. Lieberman, ELD V. Stello, DED/ROGR Enforcement Coordinators, RII, RIII, RIV, RV F. Ingram, PA G. Messenger, OIA B. Hayes, OI H. Denton, NRR J. Crooks, AEOD E. Jordan, IE J. Partiow, IE IE:ES EA File EDO Rdg File Commonwealth of Pennsylvania

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