February 18, 1992 EN 92-017

Des

OFFICE OF ENFORCEMENT NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Philadelphia Electric Company (Peach Bottom) Docket Nos. 50-277 and 50-278

(EA 92-001)

PROPOSED IMPOSITION OF CIVIL PENALTIES - \$285,000 Subject:

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalties in the amount of \$285,000 will be issued on or about February 21, 1992 to Philadelphia Electric Company. This action is based on two violations associated with the Automatic Depressurization System (ADS). The first violation involved the incorrect installation of thermal insulation around all of the Unit 3 ADS safety relief valves, which rendered them inoperable for an entire operating cycle. This violation was classified at a Severity Level II because the common mode failure in conjunction with an inoperable HPSI system for over 500 hours, seriously compromised the ability of the Unit co handle certain design basis accidents (small break LOCAs). The civil penalty was escalated 100% for duration. The second violation concerned the licensee's failure to take adequate corrective action for this problem at Unit 2. Specifically, the NRL inspector found the insulation incorrectly installed on one valve after the licenses had inspected it prior to returning the reactor to power about two months earlier. This Severity Level III violation was escalated for NRC identification, poor past performance and duration. Mitigation was applied for the licensee's subsequent corrective actions.

It should be noted that the licensee has not been specifical' informed of the enforcement action. The schedule of issuance and notification is:

February 21, 1992 Mailing of Notice Telephone Notification of Licensee February 21, 1992

The Commonwealth of Penr Jlvania will be notified.

The licensee has thirty days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

Contact: W. Troskoski DE, 504-3281 J. Lieberman, DE, 504-2741

Dist bution MNBB Sizs PHIL Sizs NL Si Op Ctr IRM RES OWFN 572 OWEN STARY Chairman Selin EDO DEDR Comm. Rogers DEDS Comm. Curtiss Comm. Remick OE NMSS Comm. de Planque NRR SECY OI A00 OGC GPA Regional Offices MAIL SP RI STAT RIV STAT ADM: Doc. Mgt. Br. 9202250340 920218 PDR 1&E POR ACRS PDR RIII OIG PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL PUBLICLY ANNOUNCED