NOTICE OF VIOLATION

IES Utilities Incorporated Duane Arnold Energy Center

Docket No. 50-331 License No. DPR-49

During an NRC inspection conducted on August 17 through September 21, 1995, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600 (60 FR 34381, June 30, 1995), the violation is listed below:

Criterion V of 10 CFR Part 50, Appendix B, requires that activities affecting quality be accomplished in accordance with procedures. Administrative Control Procedure 1410.5, "Tagout Procedure," Revision 17, required that correct valve position be determined prior to restoring systems.

Contrary to the above, during restoration on September 6, 1995, of a tagout on the containment atmosphere dilution system, an activity affecting quality, the correct valve position was not determined for two valves prior to restoration of the system and as a result, the two valves were found to be out of position on September 12, 1995. (50-331/95008-01(DRP))

This is a Severity Level IV violation (Supplement 1).

Pursuant to the provisions of 10 CFR Part 2.201, Duane Arnold Energy Center is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington D.C. 20555 with a copy to the U.S. Nuclear Regulatory Commission, Region III, 801 Warrenville Road, Lisle, Illinois 60532-4351, and a copy to the NRC Resident Inspector at the Duane Arnold Energy Center within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

Dated at Lisle, Illinois this <u>25</u> day of October 1995