

U. S. NUCLEAR REGULATORY COMMISSION

REGION III

Report No.: 50-255/92017(DRS)

Docket No.: 50-255

License No.: DPR-20


Licensee: Consumers Power Company
1945 West Parnall Road
Jackson, MI 49201

Meeting Conducted: May 1, 1992

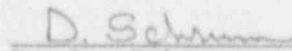
Meeting At: Region III Office, Glen Ellyn, Illinois

Type of Meeting: Enforcement Conference

Inspectors:



G. M. Hausman

5/6/92
Date


D. L. Schrum

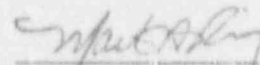
5/6/92
Date

Reviewed By:


F. J. Jablonski, Chief
Maintenance and Outages Section

5/6/92
Date

Approved By:


M. A. Ring, Chief
Engineering Branch

5/6/92
Date

Meeting Summary

Enforcement Conference on May 1, 1992 (Report No. 50-255/92017 (DRS))

Areas Discussed: An Enforcement Conference was held in the NRC Region III of on May 1, 1992. The conference was conducted as a result of the preliminary findings of the inspection conducted in February, March, and April 1992, in which apparent violations of NRC regulations were identified. The inspection findings were documented in Inspection Report No. 50-255/92011, mailed to the licensee on April 27, 1992.

Results: The licensee was informed that the final decision on enforcement action for the apparent violations would be forwarded by separate correspondence. Subsequent to the conference, the NRC evaluated the information related to the apparent violation of 10 CFR 50.9 and determined that the licensee's actions appeared to have been reasonable and that a violation of 10 CFR 50.9 did not occur.

DETAILS

1.0 Persons Present at Conference

Consumers Power Company (CPCo)

M. Morris, Chief Operating Officer
T. Buczwinski, Engineering Programs Manager
P. Donnelly, Plant Safety and Licensing Director
R. Hamm, Instrumentation and Control Section Head
D. Hoffman, Vice President, Nuclear Operations
R. Orosz, Nuclear Engineering and Construction Manager
T. Palmisano, Administration and Planning Manager
G. Slade, Plant General Manager
K. Toner, Electric/I&C/Computer Engineering Manager
D. Vandewalle, Engineering Manager

U. S. Nuclear Regulatory Commission, Region III

H. Miller, Director, Division of Reactor Safety (DRS)
R. Bywater, Reactor Engineer, Division of Reactor Projects (DRP)
R. DeFayette, Director, Enforcement and Investigation
Coordination Staff
M. Gamberoni, Project Engineer, Office of Nuclear Reactor
Regulation (NRR)
C. Hausman, Reactor Inspector, DRS
*J. Heller, Senior Resident Inspector, DRP
F. Jablonski, Chief, Maintenance and Outage Section, DRS
*J. Luehman, Enforcement Specialist, Office of Enforcement
A. Masciantonio, Palisades Project Manager, NRR
P. Pelke, Enforcement Specialist
M. Ring, Engineering Branch Chief, DRS
*R. Roñon, Resident Inspector, DRP
D. Schrum, Reactor Inspector, DRS
W. Shafer, Chief, Branch 2, DRP

* By Telephone

2.0 Enforcement Conference

An enforcement conference was held in the NRC Region III office on May 1, 1992. This conference was conducted as a result of the preliminary findings of the inspection conducted in February, March, and April 1992, in which apparent violations of NRC regulations were identified. Inspection findings are documented in Inspection Report 50-255/92011(DRS), transmitted to the licensee by letter April 27, 1992.

2.1 NRC's Presentation

The purpose of this conference was to: (1) discuss the apparent violations, their causes, and the licensee's corrective actions; (2) discuss areas of concern; (3) determine if there were escalating or mitigating circumstances; and (4) obtain any information that would help determine the appropriate enforcement action. The outline of the NRC's presentation is Attachment 1 to this report.

2.2 Licensee's Presentation

Licensee staff members discussed the circumstances surrounding their involvement with a contractor's report that included several potentially significant environmental qualification problems, and the decision making process regarding the request for a temporary waiver of compliance. The outline of the licensee's presentation is Attachment 2 to this report.

2.2.1 Contractors Report

Regarding the review of the contractor's report, the licensee explained that the report was not immediately reviewed in depth, after receiving it from the contractor, but instead a screening review for operability concerns was conducted. Since no concerns were initially identified, other matters were judged to have higher priorities, and a more detailed review of the report was delayed. There was no documented record of this screening review. Also, since no significant problems were identified during the screening review, none of the problems in the report were put into the licensee's formalized corrective action system. The licensee contended that this did not represent a programmatic breakdown in the corrective action program, but rather only represented an individual's judgment. The licensee noted that the most significant problem resulting from the subsequent detailed review of the contractor's report (MSIV solenoid circuitry) was not clearly described in that report. The licensee also pointed out that once the operability concern with the MSIV solenoid valve circuitry was realized, prompt actions were taken to communicate with the NRC and to resolve the issue.

2.2.2 Temporary Waiver of Compliance (TWOC)

The licensee discussed the amount of information available to the personnel engaged in discussions with the NRC at the time of the request for a TWOC. While some licensee personnel were aware of the existence of the contractor's report, the licensee noted that the only issue uncovered by the detailed review, which up to that time indicated a potential operability concern, was the MSIV solenoid circuitry issue (subject of the TWOC). The licensee described the thought process and actions of personnel involved in the TWOC, the very short "time clock" involved (including the

effects of xenon on the plant's ability to return to power), and their resultant actions to provide clear and complete information to the NRC as the detailed review identified additional issues.

2.3 Conclusion

At the conclusion of the meeting, the licensee was informed that they would be notified in the near future of the final enforcement action. Subsequent to the enforcement conference, the NRC evaluated the information related to the apparent violation of 10 CFR 50.9 and determined that the licensee's actions appeared to have been reasonable and that a violation of 10 CFR 50.9 did not occur.

Attachment 1: Outline of NRC's Presentation

Attachment 2: Outline of Licensee's Presentation

U.S. NUCLEAR REGULATORY COMMISSION

REGION III

CONSUMERS POWER COMPANY

PALISADES

ENFORCEMENT CONFERENCE

MAY 1, 1992

10 A.M.

EA 92-074

REPORT NO. 50-255/92011

REGION III OFFICE

GLEN FURN, ILLINOIS

CONSUMERS POWER COMPANY
ENFORCEMENT CONFERENCE

Agenda
May 1, 1992

INTRODUCTION & PURPOSE

Mr. H. J. Miller, Deputy Director, Division of
Reactor Safety

CHRONOLOGY & APPARENT VIOLATIONS

Mr. Darrell Schrum, Reactor Inspector

ROOT CAUSES, CONTRIBUTING FACTORS AND
NRC CONCERNS

Mr. Mark Ring, Branch Chief

LICENSEE PRESENTATION & DISCUSSION

Mr. D. Hoffman, Vice President, Nuclear
Generation, and Staff

CLOSING REMARKS

Mr. Miller

PURPOSES OF MEETING

- * DISCUSS THE CIRCUMSTANCES SURROUNDING THE LICENSEE'S APPARENT FAILURE TO PROMPTLY IDENTIFY AND CORRECT EQ NON-CONFORMANCES CONTAINED IN A CONTRACTOR'S REPORT.

- * DISCUSS THE LICENSEE'S APPARENT FAILURE TO PROVIDE COMPLETE INFORMATION REGARDING A CONTRACTOR'S REPORT WHEN REQUESTING A TEMPORARY WAIVER OF COMPLIANCE.

- * REVIEW AND DISCUSS THE LICENSEE'S EVALUATION, AND CORRECTIVE AND PREVENTIVE ACTIONS.

CHRONOLOGY OF EVENTS

- * SPRING 1990 - LICENSEE INITIATES CONTRACT TO REVIEW EEQ ISSUES.
- * DECEMBER 1990 - CONTRACTOR ISSUES REPORT TO LICENSEE WITH NUMEROUS POTENTIALLY SIGNIFICANT COMPONENT EQ PROBLEMS. LICENSEE COMPLETES CURSORY REVIEW OF REPORT, BUT TAKES NO APPARENT ACTION.
- * MARCH 1991 - PLANT STARTS UP AFTER SIX MONTH OUTAGE.
- * DECEMBER 1991 - LICENSEE STARTS DETAILED REVIEW OF CONTRACTOR'S REPORT.
- * FEBRUARY 5, 1992 - LICENSEE DECLARES MAIN STEAM ISOLATION VALVES INOPERABLE; REQUESTS TEMPORARY WAIVER OF COMPLIANCE, WHICH NRC GRANTS BASED ON INFORMATION PROVIDED.
- * FEBRUARY 6, 1992, - LICENSEE SHUTS DOWN PLANT BECAUSE ELECTRICAL ISOLATION PROBLEMS COULD NOT BE REPAIRED IN THE TIME ALLOTTED.

SAFETY SIGNIFICANCE

The most significant effect of violation A was to place the plant in a situation where off-site release of radiation greater than 10 CFR 100 limits was possible under design basis conditions (steam line break).

SAFETY SIGNIFICANCE

The effect of violation B was to hinder NRC's review and decision making process to grant a temporary waiver of compliance, which contributed to the plant potentially operating in a non-conservative condition. The temporary waiver may not have been granted had the NRC known all the pertinent facts.

**ROOT CAUSES, CONTRIBUTING FACTORS
AND NRC CONCERNS**

- * **MANAGEMENT EFFECTIVENESS**
- * **COMMUNICATIONS & EXPECTATIONS**
- * **SELF ASSESSMENT**
- * **STAFFING, EXPERIENCE, & TRAINING**
- * **SETTING OF PRIORITIES**
- * **RESPONSE & FOLLOW UP OF ISSUES**
- * **SCHEDULING PRESSURES**

ATTACHMENT 2

NRC ENFORCEMENT CONFERENCE

Timeliness of Corrective Action and
Completeness and Accuracy of Information Provided to NRC
Relative to Equipment Qualification Deficiencies

May 1, 1992

INTRODUCTION

RD Orosz,
Nuclear Engineering and
Construction Manager

CONTRACTOR'S REVIEW OF PALISADES ELECTRICAL
EQUIPMENT QUALIFICATION MASTER LIST

KA Toner,
Electrical/I&C/Computer
Engineering Manager

INITIAL EVALUATION OF CONTRACTOR'S REPORT ON
PALISADES EQ MASTER LIST

RM Hamm,
I&C Engineering Supervisor

CPCO RESPONSE TO MSIV DEFICIENCIES

TJ Palmisano,
Plant Planning and
Administrative Manager

CORRECTIVE ACTIONS

GB Slade,
Plant General Manager

SUMMARY

DP Hoffman,
Vice President - NOD

CONTRACTOR'S REVIEW OF EQ MASTER LIST

- **BACKGROUND**

- EQ lists developed in early 1980's
- EQ Program managed by several groups
- Audits/inspections identified deficiencies

- **REASON FOR INDEPENDENT REVIEW**

- Reconfirm that files clearly established qualification
- Desired expert opinion on Maintenance Program
- Desired validation of earlier work in developing lists

- **SCOPE OF CONTRACTOR'S FIRST REVIEW (CPCO RECEIVED 1/90)**

- Reviewed environmental zones/conditions
- Reviewed qualification files
- Overviewed EQ Maintenance Program
- Conducted limited review of equipment list

- **SCOPE OF CONTRACTOR'S SECOND REVIEW
(CPCO RECEIVED 12/90)**

- Continued review of conditions in certain zones
- Performed more comprehensive review of equipment list

EVALUATION OF CONTRACTOR'S EQ REPORT

- INITIAL EQ OVERVIEW EVALUATION
 - Initiated review 12/89
 - Received report 1/90
 - Address and document response 9/90

- FOLLOW-UP EQUIPMENT DATA BASE REVIEW
 - Initiated review 7/90
 - Received report 12/90
 - Initial evaluation of contractor's findings 1/91

- EVALUATION FINDINGS

- PRIORITIZATION OF FINDINGS

- CONCLUSIONS

**CONTRACTOR EQ REPORT EVALUATION
FOR SEVEN DEVIATION REPORTS**

<u>COMPONENT</u>	<u>CONTRACTOR CONCERN</u>	<u>INITIAL EVALUATION</u>	<u>FINAL EVALUATION</u>
HS-0501B HS-0510B	- Classification Incorrect	Backup MSIV solenoid valve provided in non-harsh environment.	Solenoid valves in both harsh and non-harsh environs share common power supply without adequate electrical isolation. (2/5/92)
SV-0823A SV-0823B SV-0826A SV-0826B	- Classification Incorrect - Equipment ID required to be EQ, not on EQ list.	EQ list references engineering analysis which supports removing valves from list.	Valves not required to be on list. However share common power supply with EQ components without adequate electrical isolation. (2/25/92)
SV-0338 SV-0342 SV-0346 SV-0347	- Classification Incorrect - Equipment ID required to be EQ, not on EQ list.	EQ list references engineering justification which supports removing valves from list.	Valves incorrectly removed from EQ list. Documentation referenced inadequate to support removal from list. (3/5/92)
8/2327 8/2427	- Equipment ID required to be EQ, not on EQ list.	Components provide power to other EQ components on list. Other EQ components were to be removed from list.	Deviation report written based on concerns unrelated to EQ. (2/25/92)
TE-0351B	- RG 1.97 Equipment not classified as such on equipment data base.	Equipment data base in error. Component located in mild environment.	Component located in harsh environment, not EQ qualified. (1/21/92)
RE-2323 RE-2324	- RG 1.97 Equipment not classified as such on equipment data base.	Equipment data base in error. Component qualified based on RG 1.97 review documentation.	Component not EQ qualified. (2/14/92)
FT-1818	- RG 1.97 Equipment not classified as such on equipment data base.	Equipment data base in error. Component located in mild environment.	Component located in harsh environment, not EQ qualified. (2/17/92)

CPCO RESPONSE TO MSIV DEFICIENCY

- **CORRECTIVE ACTION PROCESS**
 - Initial CARB review
 - Operability determination
 - Prompt notification to shift supervisor

- **TECHNICAL SPECIFICATION TIME REQUIREMENTS**
 - 6 hours to be in hot standby
 - 6 hours to be in hot shutdown
 - 24 hours to be in cold shutdown

- **PRC MEETING**
 - Thorough discussion of situation
 - Evaluation of options
 - Need to make a timely decision to request waiver
 - Review justification for waiver

- **COMMUNICATIONS WITH NRC**
 - Thorough discussion of current situation
 - Thorough discussion of waiver request