December 22, 1995

EA 95-268

Mr. Donald A. Reid Vice President, Operations Vermont Yankee Nuclear Power Corporation RD 5, Box 169 Ferry Road Brattleboro, Vermont 05301

SUBJECT: NRC INSPECTION REPORT NO. 50-271/95-26

Dear Mr. Reid:

This refers to the safety inspection conducted by Mr. Ram S. Bhatia and contractors of this office from October 23 thru November 9, 1995, at the Vermont Yankee Nuclear Power Station in Vernon, Vermont. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements. At the conclusion of the inspection, the findings were discussed with you and your staff identified in the enclosed report. Also, an exit meeting was conducted by telephone by the NRC on December 4, 1995, with Mr. R. Wanczyk, Mr. J. Thayer, and members of your staff to summarize our final inspection findings.

Areas examined during the inspection are identified in the report. The inspection reviewed issues important to public health and safety, and consisted of an independent evaluation of your 10 CFR Appendix R fire protection program, recently identified concerns with that program, and your corrective actions taken to address the previously identified open issue with the emergency lighting system. Within these areas, the inspection consisted of selected examination of procedures and representative records, interviews with personnel and observation of activities in progress.

Based on the results of this inspection, three apparent violations were identified and are being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), (60 FR 34381; June 30, 1995). These apparent violations were identified pertaining to deficiencies in your analyses, plans and procedures for coping with postulated fires, including the: 1) possible unavailability of reactor coolant inventory control (RCIC) system in the event of a fire due to sustained hot short concerns in RCIC control circuits; 2) unachievable planned repair on one automatic depressurization system (ACS) valve and unavailability of RCIC system due to inadequate time available to take actions, as shown by the revised safe shutdown capability analysis; 3) unauthorized repairs (fuse replacements) included in strategies to achieve hot shutdown, in that the repairs involve several systems beyond the NRC-approved exemption for the RCIC and residual heat removal (RHR) systems.

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Mr. Donald A. Reid

Accordingly, no Notice of Violation is presently being issued for these inspection findings. In addition, please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review.

An open predecisional enforcement conference to discuss these apparent violations has been scheduled for January 11, 1996. The decision to hold a predecisional enforcement conference does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. This conference is being held to obtain information to enable the NRC to make an enforcement decision, such as a common understanding of the facts, root causes, missed opportunities to identify the apparent violation sooner, corrective actions, significance of the issues and the need for lasting and effective corrective action. In particular, we expect you to address why such significant concerns were not detected and corrected in your Appendix R program in spite of a self-assessment completed in 1985 which contained similar issues, and then again in 1987 when the NRC issued a violation containing similar issues, and other opportunities that were missed. In addition, the conference is an opportunity for you to point out any errors in our inspection report, and for you to provide any information concerning your perspectives on: 1) the severity of the violations; 2) the application of the factors that the NRC considers when it determines the amount of a civil penalty that may be assessed in accordance with Section VI.B.2 of the Enforcement Policy; and 3) any other application of the Enforcement Policy to this case, including the exercise of discretion in accordance with Section VII.

You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding these apparent violations is required at this time.

The inspectors also determined that your compensatory measures to address the recently identified Appendix R deficiencies were prompt and appropriate. The inspectors determined that the alternate safe shutdown procedure, as currently implemented with the compensatory measures in place, were adequate to safely shutdown the plant.

The inspectors found that installed 8-hour battery-operated emergency lighting appeared to be adequate. Since your staff is reviewing 'he overall Appendix R program, this issue was updated in this report and will Le re-inspected at a later date. In addition, two new unresolved items, pertaining to equipment verification in the safe shutdown procedure and RHR valve mis-operation, were identified.

Mr. Donald A. Reid

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

Sincerely,

James T. Wiggins, Director Division of Reactor Safety

Docket No. 50-271

Enclosures:

1. NRC Region I Inspection Report No. 50-271/95-26

w/Attachments 1 and 2

2. Copy of Enforcement Policy (60 FR 34387; June 30, 1995)

cc w/encls:

R. Wanczyk, Plant Manager J. Thayer, Vice President, Engineering, Vermont Yankee

J. Duffy, Licensing Engineer, Vermont Yankee Nuclear Power Corporation

- J. Gilroy, Director, Vermont Public Interest Research Group, Inc.
- D. Tefft, Administrator, Bureau of Radiological Health, State of New Hampshire

Chief, Safety Unit, Office of the Attorney General, Commonwealth of Massachusetts

- W. D. Meinert, Nuclear Engineer
- R. Gad, Esquire
- G. Bisbee, Esquire

R. Sedano, Vermont Department of Public Service

T. Rapone, Massachusetts Executive Office of Public Safety

State of New Hampshire, SLO Designee

State of Vermont, SLO Designee

Commonwealth of Massachusetts, SLO Designee

Mr. Donald A. Reid

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