

July 9, 1992

Docket No. 50-440  
License No. NPF-58

Centerior Service Company  
ATTN: Mr. Michael D. Lyster  
Vice President  
Nuclear - Perry  
c/o The Cleveland Electric Illuminating  
Company  
10 Center Road  
Perry, OH 44081

Dear Mr. Lyster:

SUBJECT: NRC INSPECTION REPORT NO. 50-440/92004

This refers to the inspection conducted by F. Maura of this office on March 26 through June 23, 1992. The inspection included a review of activities authorized for your Perry Nuclear Power Plant facility. At the conclusion of the site portion of the inspection, the findings were discussed with those members of your staff identified in the enclosed report.

Areas examined during the inspection are identified in the report. This inspection was conducted to witness the performance of the local leak rate testing (LLRT) of the main steam lines (MSL), to review the results of the tests, and to review the corrective actions planned to improve the performance of the MSL containment isolation valves. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observation of activities in progress. Additional information was obtained during telephone discussions with Mr. V. Concel and others of your staff on April 14 and 29, and May 6, 1992. In addition, a management meeting was conducted, at your request, at the Region III office in Glen Ellyn, Illinois on May 27, 1992. During the meeting you presented your findings regarding the root causes of the MSLs excessive leakage and the corrective actions to prevent recurrence.

Based on the results of this inspection, certain of your activities appeared to be in violation of NRC requirements, as specified in the enclosed Notice of Violation (Notice). This repeat violation is of concern because it involved your failure to: (1) take adequate measures to assure that the root causes of the excessively leaking MSL penetrations boundary valves were determined at the time the failures occurred in 1987, 1989 and

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1990, (2) ensure that long term corrective actions were taken to preclude repetition, and (3) ensure that the valves were capable of performing their safety function throughout an entire fuel cycle, as required by 10 CFR Part 50, Appendix B, Criteria II, XVI, and your Quality Assurance Program.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

As a result of our discussions during the May 27 meeting and the exit meeting on June 23, 1992, it is our understanding that:

1. You will local leak rate test (LLRT) the "C" MSL and one of the three other MSLs. The testing will be performed any time between January 1 and May 31, 1993, provided an outage expected to exceed 7 days occurs.
2. If the MSL with the modified MSIVs fails its LLRT, the other two MSLs, with modified MSIVs, will also be tested.
3. If the "C" MSL fails its LLRT as a result of MSIV failure, the failed MSIV(s) will be modified.

We request that you confirm the above understanding in your response to the Notice.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter, the enclosures, and your response to this letter will be placed in the NRC Public Document Room.

The responses directed by this letter and the accompanying 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.

July 9, 1992

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

original signed by G. C. Wright  
for

H. J. Miller, Director  
Division of Reactor Safety

Enclosures:

- 1. Inspection Report  
No. 50-440/92004 (DRS)
- 2. MSIV Performance Presentation,  
May 27, 1992.

cc w/enclosures:

- F. R. Stead, Director, Nuclear Support Department
- R. A. Stratman, General Manager, Perry Nuclear Power Plant
- Kevin P. Donovan, Manager, Licensing and Compliance Section
- S. F. Kensicki, Director, Perry Nuclear Engineering Dept.
- H. Ray Caldwell, General Superintendent Nuclear Operations DCD/DCB (RIDS) Licensing Fee & Debt Collection Branch
- Resident Inspector, RIII
- Terry J. Lodge, Esq.
- James R. Williams, State of Ohio
- Robert E. Own, Ohio Department of Health
- A. Grandjean, State of Ohio, Public Utilities Commission
- Clinton SRI

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