

UNITED STATES
 ATOMIC ENERGY COMMISSION
 DIRECTORATE OF REGULATORY OPERATIONS
 REGION 1
 631 PARK AVENUE
 KING OF PRUSSIA, PENNSYLVANIA 19406

APR 25 1975

APR 25 1975

John G. Davis, Deputy Director for Field Operations, IE:HQ

QUALITY ASSURANCE PROGRAM FOR OPERATIONS
 IE INSPECTION REPORT NO. 75-07
 LICENSE NO. DPR-16
 DOCKET NO. 50-219
 JERSEY CENTRAL POWER AND LIGHT COMPANY (OYSTER CREEK)
 TRACK NO. F14099HO

Concerning the referenced inspection, we recommend the enclosed draft enforcement letter and Notice of Proposed Imposition of Civil Penalty amounting to \$19,000 for Dr. Knuth's signature.

We believe that a more desirable alternative consists of issuance of a single violation with examples, and have also enclosed a second Appendix A-1 in this format for your consideration.

Enclosures II and III describe the licensee's prior commitments with respect to program completion and implementation, and history of non-compliance.

James P. O'Reilly
 Director

Enclosures:

- I. Draft of Enforcement Letter
w/3 Appendices
- II. Chronology of Licensee History
Concerning Quality Assurance
- III. Licensee's History of Noncompliance

cc: F. A. Dreher, IE:HQ
 W. F. Ellis, IE:HQ

| | | | | | | | | | | | | |
|--------------------|-----------------|--------------|---------|-----------|---------|----------|----------------|----------|-----------------------|-----------|----------|------------|
| CRESS MC 021439 | OFFICE ▶ ROB | WARuhlman/bv | ROB | DLCaphton | ROB | ECMcCabe | ASST: DIRECTOR | GLSnyder | ROB: CHIEF BKRRRKO | ETBrunner | DIRECTOR | JPO'Reilly |
| SURNAME ▶ | EGGreenman | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 |
| DATE ▶ | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 | 4-23-75 |

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APR 25 1975

Jersey Central Power and Light Company
Attention: Dr. S. Bartnoff
President
Madison Avenue at Punch Bowl Road
Morristown, New Jersey 07960

Gentlemen:

This refers to the inspection conducted on March 10-14, 1975, by Messrs. Ruhlman, Greenman, Glasscock and Smith of our Region I office at your Oyster Creek Nuclear Generating Station of activities authorized by AEC License No. DPR-16, and to the discussions of our findings held by Mr. Brunner and other members of this office with Mr. Finrock and other members of your staff at the conclusion of the inspection, and to subsequent telephone discussions between Mr. Ruhlman and Mr. Carroll on March 26, 1975 and between Mr. Brunner and Mr. Finrock on April 1, 1975.

Based on the results of this inspection it appears that certain of your activities were not conducted in full compliance with NRC requirements as set forth in the Notice of Violation, enclosed herewith as Appendix A. The items of noncompliance identified in Appendix A are the result of your failure to implement the Operational Quality Assurance Plan (FSAR Amendment 71) transmitted to the Division of Reactor Licensing by your letter dated March 22, 1973, as supplemented and revised by submittal of FSAR Amendment 71 Revision 1 dated December 19, 1973 and FSAR Amendment 71 Revision 2 dated October 1, 1974.

As you are aware from "Criteria for Determining Enforcement Action and Categories of Noncompliance with AEC Regulatory Requirements-Modifications" which was provided to you by a letter dated December 31, 1974, the enforcement actions available to the Commission in the exercise of its regulatory responsibilities include administrative actions in the form of written notices of violations, civil monetary penalties, and orders pertaining to the modification, suspension or revocation of a license. After careful evaluation of the items of noncompliance identified in Appendix A and the results of our inspection, this office proposes to impose civil penalties pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (42 USC-2282) and 10 CFR 2.205 in the amount of Nineteen Thousand Dollars (\$19,000) as set forth in the "Notice of Proposed Imposition of Civil Penalties", enclosed herewith as Appendix B.

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|---------|------------|---------|---------|----------|---------|------|
| OFFICE | CRESS | | | | | |
| SURNAME | Ruhlman/by | McCabe | Brunner | O'Reilly | | |
| DATE | 4/23/75 | 4/23/75 | 4/23 | | 4/23/75 | 4/25 |

In addition to the corrective actions regarding the specific items listed in Appendix A, we are concerned about the implementation of your Operational Quality Assurance Program with respect to adherence to WASH 1283, Revision 1, WASH 1284 and WASH 1309 in accordance with pages 24 and 24a of your Operational Quality Assurance Plan (FSAR Amendment 71). Consequently, in your reply, you should describe, in particular, those actions taken or planned to completely implement these standards, including a schedule for accomplishing the activities.

Your reply to this letter will be considered in determining whether any further enforcement action, such as modification, suspension, or revocation of the license, is appropriate.

Sincerely,

Donald F. Knuth, Director
Office of Inspection and Enforcement

Enclosures:

1. Appendix A, Notice of Violation
2. Appendix B, Notice of Proposed Imposition of Civil Penalties

cc: I. R. Finfrock, Jr., Vice President-Generation
A. Z. Roisman, Counsel for Citizens Committee for Protection of the Environment

APPENDIX A

Jersey Central Power and Light Company
Attention: Dr. S. Bartnoff
President
Madison Avenue at Punch Bowl Road
Morristown, New Jersey 07960

Docket No. 50-219
License No. DPR-16

NOTICE OF VIOLATION

Gentlemen:

Based on the results of the NRC inspection conducted on March 10-14, 1975, it appears that certain of your activities were not in full compliance with NRC regulations and the conditions of your license as indicated below:

- A. Contrary to 10 CFR 50, Appendix B, Criterion VI, "Document Control", measures established did not meet requirements. Examples include:
1. FSAR Amendment 71, the Oyster Creek Operational Quality Assurance Plan (OQAP), Section V, and Technical Specification (TS) 6.2.D and 6.2.E, require PORC review and Station Superintendent approval which was not accomplished in that a draft procedure was observed in use by the inspector on March 12, 1975 for the purpose of obtaining a radioactive Air Ejector Off Gas Sample.
 2. The OQAP, Section V and TS 6.1.C.1.d required review of surveillance procedures was not conducted for eight (8) of twenty-five (25) procedures sampled. PORC review of the eight (8) examples was completed prior to the end of the inspection on March 14, 1975. Nonetheless, the 32% discrepancy rate in PORC review of facility surveillance procedures indicated by the sample taken on March 12, 1975 requires generic corrective action.
 3. The OQAP, Section V and TS 6.1.F required PORC review and Station Superintendent approval was not performed, in that a January 24, 1974 temporary change to Procedure 609, related to nitrogen pressure requirements for operating containment isolation components, did not receive the required review and approval.

4. The OQAP, Section V requirements are not satisfied in that engineering drawings for safety-related equipment are not provided to or used at the Corporate Engineering Offices as of March 13, 1975 where personnel perform design reviews and make day-to-day engineering decisions.

This infraction had the potential for causing or contributing to an occurrence related to safety.

(Civil Penalty = \$4,000)

- B. Contrary to 10 CFR 50, Appendix B, Criterion II, "Quality Assurance Program", safety related maintenance activities are not sufficiently controlled, in that as of March 14, 1975 there were no established means of categorizing job orders as being safety related.

This item is a deficiency.

(Civil Penalty = \$1,000)

- C. Contrary to 10 CFR 50, Appendix B, Criterion V "Instructions, Procedures and Drawings":

1. Administrative controls over plant operations and maintenance did not meet requirements. Examples include:

- a. The OQAP, Section II required Safety System Boundary and Classification Book was not in existence, thus the definition of what system parts and components are safety related was incomplete.
- b. The OQAP, Section XI requirements for establishing procedural controls assuring compliance with 10 CFR 50, Appendix B, Criterion XI post-maintenance testing to demonstrate satisfactory performance in service has not been fulfilled, in that no mechanism has been established for defining tests required subsequent to routine maintenance for which detailed procedures are not provided, and the responsibility for deciding what post-maintenance testing is required in such cases is not assigned.

- c. The OQAP, Section V and TS 6.2.C requirements were not met, in that the diesel fuel inventory log entries which serve to document maintenance of minimum fuel levels established by the Technical Specifications were not made as required by Procedure 301 for the period January 6 - February 3, 1975, Station Battery "B" discharge test log entries required by Procedure 601 were not made on December 18-20, 1974, and Control Rod Drive System testing log entries required by Procedure 603.3 were not made on January 27, 1975.

This infraction had the potential for causing or contributing to an occurrence related to safety.

(Civil Penalty = \$3,000)

2. Personnel training and classification requirements were not met. Examples include:
 - a. The OQAP, Section V and Procedure 102 requirements for implementation of training activities were not met, in that Maintenance Department training was not conducted in accordance with the Oyster Creek Training Manual. However, the licensee revised Procedure 102 to indicate training practices in existence. This action was completed prior to the completion of the inspection.
 - b. The OQAP, Section II and ANSI N45.2.6-1973, Section 2.2 and 3.1 requirements were not met, in that site personnel engaged in maintenance testing, examination, and certification activities do not have the required certification or definition of capability levels, with the exception of QA auditors and welding and NDE personnel.

This item is a deficiency.

(Civil Penalty = \$2,000)

3. Record storage requirements are not met, in that storage facilities physically meeting OQAP, Section II and ANSI N45.2.9-1974 requirements have not been provided.

This item is a deficiency.

(Civil Penalty = \$1,000)

4. Engineering and Quality Assurance review requirements were not met. Examples include:

- a. The OQAP, Section V required procedural controls have not been established to assure that OQAP, Section III and 10 CFR 50, Appendix B, Criterion III Design Reviews consider the Design Bases defined in 10 CFR 50.2(u) for facility equipment changes, procedural changes, and tests or experiments, or for assuring required drawing control, design interface identification and control, coordination between participating design organizations, and verification of design adequacy.
- b. The OQAP, Section VI requirements are not being met, in that procedural controls establishing the responsibility for making 10 CFR 50.59 safety evaluations for modifications, tests, and experiments are not provided, nor do procedures provide for the processing of such items to assure that TS 6.1.C.1.d(2) and (4) and 6.1.C.1.e(4) required committee reviews are accomplished.
- c. The OQAP, Section V requirements are not being met, in that procedural controls have not been established to assure accomplishment of Generation Department Procedure 2001 required Quality Assurance review of procurement documents. (No inadequacies were detected in procurement documents).
- d. The OQAP, Section V and Instruction SQA-1-74-G-004 required QA review of twelve (12) safety-related job orders processed during February, 1975 was not conducted.

This infraction had the potential for causing or contributing to an occurrence related to safety.

(Civil Penalty = \$3,000)

- D. Contrary to 10 CFR 50, Appendix B, Criterion VIII, "Identification and Control of Materials, Parts and Components", the OQAP, Section VIII required identification and control over materials used in two (2) of seven (7) safety-related job orders was not maintained. Specific job orders identified without material control were 8648, Core Spray System, and 8626, Fuel Pool Filter.

This item is a deficiency.

(Civil Penalty = \$1,000)

- E. Contrary to 10 CFR 50, Appendix E, Criterion XVI, "Corrective Action", the OQAP, Appendix A defined safety-related Condensate Transfer System was returned to service following work on October 25, 1974, with three (3) identified nonconformances unresolved.

This infraction had the potential for causing or contributing to an occurrence related to safety.

(Civil Penalty = \$3,000)

- F. Contrary to 10 CFR 55, Appendix A, Item 4a; to 10 CFR 50.54(1-1); and to the Oyster Creek Operator Requalification Program, none of the twenty (20) licensed operators/senior operators received an annual examination prior to December 17, 1974 as required. However, the last operator took and successfully passed his annual examination on March 13, 1975, prior to the completion of this inspection.

This item is a deficiency.

(Civil Penalty = \$1,000)

FOR THE NUCLEAR REGULATORY COMMISSION

Donald F. Knuth, Director
Office of Inspection and Enforcement

APPENDIX A-1

Jersey Central Power and Light Company
Attention: Dr. S. Bartnoff
President
Madison Avenue at Punch Bowl Road
Morristown, New Jersey 07960

Docket No. 50-219
License No. DPR-16

NOTICE OF VIOLATION

Gentlemen:

Based on the results of the NRC inspection conducted on March 10-14, 1975, it appears that certain of your activities were not in full compliance with NRC regulations and the conditions of your License as indicated below.

Contrary to Criterion II, Appendix B, 10 CFR 50 and the Oyster Creek Operational Quality Assurance Plan (FSAR Amendment 71), an operational quality assurance program complying with requirements of the Code of Federal Regulations and the Oyster Creek FSAR has not been carried out at the Oyster Creek Facility at a time consistent with accomplishment of safety-related activities. Numerous Items of Noncompliance with 10 CFR 50, Appendix B, Criteria II, V, VI, VIII and XVI were identified, with several of these also being contrary to the Oyster Creek Technical Specifications. These, when viewed collectively, show a breakdown in management and procedural controls with respect to Quality Assurance implementation. Illustrative examples include:

1. Conducting a safety related activity involving sampling of offgas activity with an unapproved procedure;
2. Returning a safety related system as defined in Operational Quality Assurance Plan, Appendix A, Section III.f, (Condensate Transfer) to operation without required resolution of QA identified nonconformances; and
3. Failure of station management (PORC) to conduct required reviews of surveillance procedures and temporary changes as well as examples of plant personnel failure to adhere to approved procedures concerning activities affecting quality.

This violation has the potential for causing or contributing to an occurrence related to safety.

(Civil Penalty - \$5,000)

FOR THE NUCLEAR REGULATORY COMMISSION

Donald F. Knuth, Director
Office of Inspection and
Enforcement

APPENDIX B

NOTICE OF PROPOSED IMPOSITION OF CIVIL PENALTIES

Jersey Central Power and Light Company
Attention: Dr. S. Bartnoff
President
Madison Avenue at Punch Bowl Road
Morristown, New Jersey 07960
License No. DPR-16

Gentlemen:

This office proposes to impose a civil penalty pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (42 USC 2282), and to 10 CFR 2.205 in the cumulative amount of Nineteen Thousand Dollars (\$19,000.) for the specific items of noncompliance set forth in Appendix A to the cover letter. In proposing to impose civil penalties pursuant to this section of the Act and in fixing the proposed amount of the penalties, the facts identified in the statement of considerations published in the Federal Register with the rule making action which adopted 10 CFR 2.205 (36 FR 16894) August 27, 1971, have been taken into account.

You may within twenty days (20) of the date of this notice, pay the civil penalty in the amount of Nineteen Thousand Dollars (\$19,000) or you may protest the imposition of the civil penalty in whole, or in part, by a written answer. Should you fail to answer within the time specified, this office will issue an order imposing the civil penalty in the amount proposed above. Should you elect to file an answer protesting the civil penalty, such answer may (a) deny the violations listed in the Notice of Violation in whole or in part, (b) demonstrate extenuating circumstances, (c) show error in the Notice of Violation or (d) show other reasons why the penalty should not be imposed. In addition to protesting the civil penalty in whole or in part, such answer may request remission or mitigation of the penalty.

Any written answer in accordance with 10 CFR 2.205 should be set forth separately from your statement or explanation in reply pursuant to 10 CFR 2.201, but you may incorporate by specific reference (e.g., giving page and paragraph numbers) to avoid repetition.

Your attention is directed to the provisions of 10 CFR 2.205 regarding, in particular, failure to answer and ensuing orders; answer, consideration by this office, and ensuing orders; request for hearings, hearings and ensuing orders; compromise; and collection. Upon failure to pay any civil penalty due, which may be subsequently determined in accordance with the applicable provisions of 10 CFR 2.205, the matter may be referenced to the Attorney General, and the penalty, unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Atomic Energy Act of 1954, as amended (42 USC 2282).

This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice" Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office within twenty (20) days of your receipt of this notice a written statement or explanation in reply including (1) corrective actions which have been taken by you and the results achieved; (2) corrective actions which will be taken to avoid further violations; and (3) the date when full compliance will be achieved.

For the NUCLEAR REGULATORY COMMISSION

Donald F. Knuth, Director Office of
Inspection and Enforcement

Enclosure II

EXCERPTS

OYSTER CREEK QUALITY ASSURANCE

| <u>Date</u> | <u>Item</u> |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| November 8, 1972 | Region I (J. P. O'Reilly) ltr to JCP&L (R. H. Sims) re October 13, 1972 Management Meeting at IE:I. Noteworthy Quote: "It is our understanding...that your formal Quality Assurance Plan will be approved and issued by November 15, 1972, and that the detailed implementing procedures required by your plan will be issued by January 15, 1973. It is further understood that all aspects of your QA program as required by the above plan will be fully implemented by March 31, 1973." |
| December 8, 1972 | JCP&L ltr (I. R. Finfrock) to Region I (J. P. O'Reilly). Noteworthy Quote: "We have found that we have underestimated the time it would take to approve and issue our formal 'Quality Assurance Plan'...every possible effort would be made to complete this plan by December 15, 1972." |
| March 15, 1973 | JCP&L submitted FSAR Amendment 71, Operating Quality Assurance Plan. (Major revision of previous amendment) |
| September 17, 1973 | J. P. O'Reilly Note to File re September 14, 1973 telephone calls: to the President of JCP&L (Dr. Bartnoff) re QA for Operations, especially staffing; and to the President, GPU (Mr. Coombs) re support provided by GPU. |
| December 18, 1973 | USAEC (J. G. Davis, DDFO) ltr to JCP&L (Dr. S. Bartnoff, President) re November 5, 1973 Management Meeting at Region I. Noteworthy Quote: "We understand...that...implementing procedures for the Quality Assurance Program are being prepared, and that the GPU organization is providing additional support at the facility in deficient areas." |
| December 19, 1973 | JCP&L submission of FSAR Amendment 71, Revision 1. (A major revision) |

| <u>Date</u> | <u>Item</u> |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| January 18, 1974 | JCP&L (S. Bartnoff, President) ltr to USAEC-DRO-DDFO (J. G. Davis). Noteworthy Quote: "Recognizing that an Operational Quality Assurance Program is important and should be established at the earliest date, Jersey Central Power and Light Company is presently establishing a program which reflects both the urgency and expanded requirements being placed on utility operational quality assurance programs today." This letter also indicated that procedure issue would begin in April 1974. |
| October 1, 1974 | JCP&L submission of FSAR Amendment 71, Revision 2. (Changes about 20% of the pages in the OQAP) |
| March 10-14, 1975 | Inspection at Oyster Creek verified that QA Program is not implemented. |

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APR 25 1975

Memo to File

JERSEY CENTRAL POWER AND LIGHT COMPANY
OYSTER CREEK (DOCKET NO. 50-219)
TRAINING DISCUSSIONS WITH OPERATORS

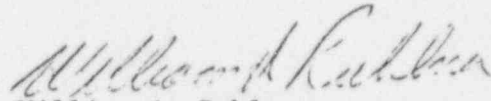
On December 12, 1974 another memo to file, same subject, was generated by the Project Inspector Mr. Greenman. In that memo, Mr. Greenman documented certain disparaging remarks made by operators interviewed with respect to preparation of instructors and the quality of the lectures in the Operator Requalification Program.

I reviewed this item during the course of this inspection. Along with the two (2) operators previously interviewed by Mr. Greenman, I sampled an additional six (6) operators/senior operators. The two (2) operators previously interviewed repeated essentially the same opinions as those they had previously expressed. However, I feel that their opinions can be reasonably discounted in light of the following facts:

- (1) none of the other operators/senior operators shared their opinions, or if shared, they did not express them to me;
- (2) these two (2) licensed operators are assigned to the same shift and, if dissatisfied, would have considerable time to develop the same "opinion";
- (3) contrary to their expressed opinions that the operator requal program was not preparing them for their annual examination, both they and all of the other operators took and successfully passed (over 70%) their annual examination. (Actual examination statistics are documented in Report 50-219/75-07, Details, Section I, Paragraph 6a(9))

Since IE does not evaluate the examination for content, the adequacy of the annual examination was not determined. However, Mr. Jerry Holman of the Operator Licensing Branch has been informed of the contents of both the December 12, 1974 memo of Mr. Greenman, and the contents of this memo. Mr. Holman stated the RL personnel would pay particular attention

to the adequacy of the annual examination during their schedule examination of licensed candidates at Oyster Creek currently scheduled for April 1975. In addition, Mr. Holman is to receive a copy of this memo and the 50-219/75-07 report prior to the scheduled April RL visit to the site.



William A. Ruhlman
Reactor Inspector

cc: McCabe
Greenman
Caphton
O'Reilly
Holman