



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

SEP 11 1975

W. F. Ellis, Enforcement Specialist, Field Coordination and Enforcement Branch, Office of Inspection and Enforcement, HQ

**JERSEY CENTRAL POWER AND LIGHT COMPANY - PROPOSED CIVIL PENALTY**

This is in response to your memo dated September 5, same subject, which in part summarizes portions of our telephone discussion on September 2, 1975. We believe that several additional statements are necessary to place things in the proper context. This we have done as well as having provided the information which you requested.

In our telephone discussion of September 2, 1975, you stated a need to reduce the amount of the proposed civil penalty. You suggested the method whereby each item of noncompliance in the Notice of Violation will be reduced to the extent that all items related to any one criterion of Appendix B will be equal to the amount set out in the Manual Chapter 0800 guidance for an item of noncompliance in the appropriate category. My response was that this was in conflict with the guidance of Manual Chapter 0800, but except for that, there was no objection from Region I.

It is true that Region I feels the items of noncompliance in the Notice of Violation as it exists now are properly categorized. It is also true that we have discussed this and you stated that your own independent review led to the same conclusion.

As you pointed out in your memo, a breakdown in management or procedural controls is defined by Manual Chapter 0800 as being evidenced by items of noncompliance in several areas of the QA criteria and license requirements. The Notice of Violation in its present form contains fourteen (14) items of noncompliance associated with seven (7) of the QA criteria. Thus it appears to meet all of the requirements of Manual Chapter 0800.

We agree that the items of noncompliance must involve matters of real safety significance. Indeed, seven (7) of the fourteen (14) citations against Appendix B are infractions.

It is true, as you have stated, that many of the items of noncompliance are procedural matters. Procedural matters can have great importance. For example, the "paperwork" items of noncompliance (procedural matters)

TRANSMITTED VIA FACSIMILE *11 Sep 75 4:15*

W.P.C.	OFFICE ▶	ASST:DIRECTOR				
	SURNAME ▶	GLSnyder/bv				
9-10-75	DATE ▶	9- -75				

Form AEC-318 (Rev. 9-53) ABCM 0240

9604240034 960213  
 PDR FOIA  
 DEKOK95-258 PDR

*61756*

which most certainly caused the accidental criticality at Vermont Yankee, would have been categorized as deficiencies prior to the accident occurring.

In the matter of Oyster Creek, several of the infractions are particularly significant. If infractions were further subcategorized, they would appear in the more important subcategory. For example, item number 7 in the Notice of Violation, involving the return of the condensate transfer system, a safety-related system, to service with five licensee identified nonconformances, including the failure to hydrostatically test the repaired system, is particularly significant. Other particularly significant items are 1 and 2 in the Notice of Violation. Failure to have a knowledgeable and thorough review of safety-related procedures prior to implementation and failure to review and subsequently approve a temporary change to a safety-related procedure, must be considered significant safety matters and are indications of a breakdown in the licensee's management system.

We categorize the licensee's Operational Quality Assurance Program as having improved since the inspection. Management meetings have been held twice since the inspection; once on May 8, at our request, and once on September 9, at their request. We believe that we have their attention in this area, but attribute part of this to their fully expecting a civil penalty. We also believe that not only does the licensee expect this NRC action, but their service organization (GPU) and others, such as Yankee Atomic Electric, expect that a civil penalty will be forthcoming at Jersey Central. While the licensee is responsive and has made improvements, we consider it vital that the civil penalty action proceed. We believe that this action will have a direct and beneficial affect on the Quality Assurance Program at Forked River as well.

Relative to having only 86 sanction points, as you have pointed out, MC0800 is only a guide. The recent civil penalty was levied on BECO with only 30 sanction points. The issue at Oyster Creek is sound and a civil penalty will provide the emphasis needed to insure continuing licensee management attention to the issue.

Gary L. Snyder  
Acting Assistant to the Director

cc: F. Dreher, IE:HQ

bcc: E. Brunner  
R. Carlson  
R. Haynes  
E. McCabe  
D. Capton  
E. Greenman