

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Duke Power Company
McGuire Units 1 and 2

Docket Nos. 50-369 and 50-370
License Nos. NPF-9 and NPF-17
EA 84-130

As a result of an inspection conducted on November 2-3, 1984, violations of NRC requirements were identified. Violation 1 concerns operation of Units 1 and 2 since March and April 1983 respectively, with nonconservative instrument Upper Head Injection (UHI). The cause was a personnel error in developing and reviewing a surveillance procedure.

Violations 2 and 3 involve additional problems regarding the operation of Unit 1 with an inoperable UHI system since April 1984, and with a resultant potential, under certain circumstances, for preventing the Emergency Core Cooling System from fulfilling its intended safety function of limiting fuel cladding temperature on Unit 1. Causes for these violations include inadequate plant modification procedures and inadequate post modification functional testing.

In accordance with the General Statement of Policy and Procedure for NRC Enforcement Actions, 10 CFR Part 2, Appendix C, as revised, 49 FR 8583 (March 8, 1984), and pursuant to Section 234 of the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2282, PL 96-295, and 10 CFR 2.205, the particular violations and associated civil penalty are set forth below:

1. Technical Specification 3.5.1.2 for both Units 1 and 2, required prior to November 1, 1984, that the UHI accumulator system be operable in Modes 1, 2, and 3 with pressurizer pressure above 1900 psig and further required that with the Upper Head Injection (UHI) accumulator system inoperable, except as a result of a closed isolation valve(s), the UHI accumulator system be restored to operable status within one hour or the unit be in at least hot standby within the next six hours and in hot shutdown within the following six hours.

Contrary to the above, the licensee operated Unit 1 from March 1983 to November 1, 1984 and Unit 2 from April 1983 to November 1, 1984, in Modes 1, 2, and 3 with the UHI accumulator system inoperable because the accumulator isolation valve closure setpoint was set at a level which was approximately 24 inches too high; and consequently, the volume of water required by Technical Specification 3.2.1.2 would not have injected as required.

2. 10 CFR Part 50, Appendix B, Criterion V, requires that activities affecting quality be prescribed by documented instructions, procedures, or drawings which shall include appropriate quantitative or qualitative acceptance criteria for determining that important activities have been satisfactorily accomplished.

Contrary to the above, Shutdown Request 7508 and Nuclear Modification Design Summary MG-1210 failed to provide adequate instructions and

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acceptance criteria to ensure the UHI accumulator system differential pressure instruments were correctly installed. Plant modifications to Unit 1 were performed in accordance with these instructions and acceptance criteria in April 1984, but the differential pressure instruments were installed backwards.

3. 10 CFR Part 50, Appendix B, Criterion XI, requires that a test program be established to assure that testing required to demonstrate that structures, systems, and components will perform satisfactorily in service is performed in accordance with written test procedures.

Contrary to the above, the licensee's test program failed to assure that the UHI accumulator system was tested in a manner that would confirm that the system would perform satisfactorily in service. Specifically, in April 1984, the functional test of the UHI accumulator system following replacement of the UHI accumulator system differential pressure instruments was performed in accordance with Calibration Procedure IP/O/A/3000/03E, Change 1, which consisted only of a dry calibration of the instruments. This inadequate test failed to reveal that the Unit 1 impulse lines were improperly connected to the differential pressure instruments, rendering the instruments inoperable and preventing required automatic closure of the accumulator isolation valves.

Collectively, the above violations have been evaluated as a Severity Level III problem (Supplement I).
(Cumulative Civil Penalty - \$50,000 assessed equally among the violations.)

Pursuant to 10 CFR 2.201, Duke Power Company is hereby required to submit to the Director, Office of Inspection and Enforcement, USNRC, Washington, D. C. 20555, with a copy to the Regional Administrator, NRC Region II, 101 Marietta Street, N.W., Suite 2900 Atlanta, Georgia 30323, within 30 days of the date of this Notice, a written statement or explanation including for each alleged violation: (1) admission or denial of the alleged violation, (2) the reasons for the violations if admitted, (3) the corrective steps which have been taken and the results achieved, (4) the corrective steps which will be taken to avoid further violations, and (5) the date when full compliance will be achieved. Consideration may be given to extending the response time for good cause shown. Under the authority of Section 182 of the Act, 42 U.S.C 2232, the response shall be submitted under oath or affirmation.

Within the same time as provided for the response required above under 10 CFR 2.201, Duke Power Company may pay the civil penalties in the amount of Fifty Thousand Dollars (\$50,000) for the violations, or may protest imposition of the civil penalty in whole or in part by a written answer. Should Duke Power Company fail to answer within the time specified, the Director, Office of Inspection and Enforcement, will issue an order imposing the civil penalty in the amount proposed above. Should Duke Power Company elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalty, such answer may: (1) deny the violations listed in this Notice in whole or in part, (2) demonstrate extenuating circumstances, (3) show error in this Notice, or (4) 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. In requesting mitigation of the proposed penalty,

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the five factors addressed in Section V(B) of 10 CFR Part 2, Appendix C, as revised, 49 FR 8583 (March 8, 1984), should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. Duke Power Company's attention is directed to the other provisions of 10 CFR 2.205 regarding the procedure for imposing a civil penalty.

Upon failure to pay the penalty due, which has been subsequently determined in accordance with the applicable provisions of 10 CFR 2.205, this matter may be referred to the Attorney General, and the penalty, unless compromised, remitted, or mitigated may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C 2282.

FOR THE NUCLEAR REGULATORY COMMISSION

ORIGINAL SIGNED BY
JOHN A. OLSHINSKI

J. Nelson Grace
Regional Administrator

Dated at Atlanta, Georgia
this 20th day of February 1985

February 13, 1985
EN 85-11

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OFFICE OF INSPECTION AND ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Duke Power Company
McGuire Nuclear Station, Units 1 and 2
Docket Nos. 50-369 and 50-370

Subject: PROPOSED IMPOSITION OF CIVIL PENALTY - \$50,000

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$50,000 will be issued on or about February 19, 1985 to the Duke Power Company. This action involves the failure of the Upper Head Injection (UHI) accumulator system isolation valves to close at the required UHI accumulator water level.

It should be noted that the licensee has not been specifically informed of the enforcement action. The Regional Administrator has been authorized by the Director, Office of Inspection and Enforcement to sign this action. The schedule of issuance and notification is:

Mailing of Notice February 19, 1985
Telephone Notification of Licensee February 19, 1985

A news release has been prepared and will be issued about the time the licensee receives the Notice. The State of North Carolina will be notified.

The licensee has thirty days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

Contact: B. Beach, IE 24766 J. Axelrad, IE 24909

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PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL FEBRUARY 19, 1985.

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Duke Power Company

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