

DCD/DCB

December 8, 1992

Docket No. 50-301
License No. DPR-27
EA 92-205

Wisconsin Electric Power Company
ATTN: Mr. R. E. Link, Vice President
Nuclear Power
231 West Michigan Street - P379
Milwaukee, Wisconsin 53201

Dear Mr. Link:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL
PENALTY - \$75,000
(NRC INSPECTION REPORT 50-301/92018)

This refers to the safety inspection conducted during the period from August 24, 1992, through October 12, 1992, at the Point Beach Nuclear Plant Unit 2. During this inspection, significant violations of NRC requirements were identified, and on November 6, 1992, an enforcement conference was conducted in the Region III office. Attending the enforcement conference were you, Dr. Carl Paperiello, Deputy Regional Administrator, and other members of our respective staffs. The report documenting the inspection was sent to you by letter dated October 30, 1992. The report summarizing the enforcement conference was sent to you by letter dated November 18, 1992.

During performance of an annual containment spray leakage reduction test on the "A" train for Unit 2 on September 17, 1992, the discharge pressure of containment spray pump P-14A was observed by operators to be lower than that for containment spray pump P-14B. During the quarterly containment spray pump test on the "A" train for Unit 2 on September 18, 1992, operators observed abnormally low discharge pressure and noises on containment spray pump P-14A. Subsequent disassembly of the pump revealed a foam disk wrapped in duct tape blocking the impeller of the pump.

Plant personnel believe that the disk was inserted into an existing section of piping when it was cut to install a "T" connection for modification IWP 88-098 which was performed during the fall 1991 refueling outage. This modification allows full flow testing of containment spray (CS), safety injection (SI), and residual heat removal (RHR) systems as recommended by NUREG-0578. The modification consisted of 6-inch diameter (15 cm)

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piping connecting the various pump discharges to the refueling water storage tank (RWST). Post-modification testing had verified that all newly installed pipe was free of blockage. However, the existing piping that was not modified as part of the full flow test line modification was not tested.

In addition to being used to perform the annual containment spray leakage test, this line is used during the recirculation mode of safety injection. Therefore, the disk remaining in the system following the modification rendered the "A" train safety injection system piping inoperable.

The violations are described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) and involve the failure to ensure that foreign material exclusion requirements were adequately implemented during modification activities associated with the fall 1991 refueling outage. The Notice also pertains to restarting the plant and operating it for nearly a year with one train of the safety injection system piping being inoperable in violation of technical specifications (TS). The violations in the aggregate represent a significant safety concern and are categorized as a Severity Level III problem in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy) 10 CFR Part 2, Appendix C.

The root cause of leaving the foam disk in the system was inadequate procedures for material exclusion control. You indicated at the enforcement conference that inserting such foreign material exclusion disks in piping systems during modification work is not prohibited by plant procedures, and that the decision to use these was left up to the craft personnel doing the work. In this case, the contract craft personnel performing the work chose to use a disk, but neither their procedures nor QC inspection personnel identified that the disk remained in the system upon completion of the modification. Additionally, your personnel had not reviewed the contractor's procedure prior to its use to verify if it contained adequate controls. Therefore, the plant was in violation of the TS that prohibits plant startup unless all valves and piping associated with the safety injection system that are required to function during accident conditions are operable. The plant was made critical in November 1991 and operated until the problem was discovered in September 1992.

The staff recognizes that immediate corrective actions were taken when the problem was identified. You formed an incident investigation team to thoroughly review the event and performed extensive radiographic and boroscopic examinations of as much of the CS, RHR, and SI systems for both Units 1 and 2 as were

accessible. In the longer term, you are revising your procedures to better control such work (using INPO good practices guidelines) and are creating and implementing an enhanced foreign material exclusion program. Also, the maintenance group's job observation checklist will be revised to include observation of foreign material exclusion practices on the job.

Nevertheless, due to the safety significance of this violation, and to emphasize the importance of ensuring that modification activities performed on safety systems are properly implemented and executed under strict compliance with foreign material exclusion requirements, and that adequate contractor oversight is provided, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Nuclear Reactor Regulation, Regional Operations and Research, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$75,000 for the Severity Level III problem.

The base civil penalty for a Severity Level III problem is \$50,000. The escalation and mitigation factors in the Enforcement Policy were considered. Mitigation of 25 percent was appropriate for your initiative in identifying the root cause of this self-disclosing event. Mitigation of 25 percent was also appropriate for your corrective actions that involved procedural, job observation checklist, and work control improvements and a significant effort to verify the scope of the potential problem through testing and inspection. The Enforcement Policy permits 50 percent mitigation for corrective actions but the full allowance for this factor was not appropriate because you did not broadly address the issue of contractor oversight (i.e., training and supervision). Specifically, you have taken corrective actions for future contractor work involving foreign material exclusion which will prevent problems similar to those in this event. However, you have not addressed whether there is a broader problem in maintaining oversight of contractors. The civil penalty was escalated 100 percent because of the duration of this avoidable and safety significant problem that resulted in operating the plant for nearly a year with one train of the SI system piping inoperable. The other factors in the Enforcement Policy were considered and no further adjustment was appropriate. Based on the assessment of the civil penalty adjustment factors, the base civil penalty was escalated 50 percent.

You are required to respond to this letter and should follow the instruction 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

Wisconsin Electric
Power Company

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December 8, 1992

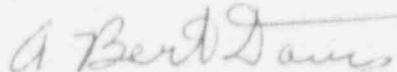
including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

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.

The response directed by this letter and the enclosed 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.

Should you have any questions concerning this letter, please contact us.

Sincerely,



A. Bert Davis
Regional Administrator

Enclosure: Notice of Violation and
Proposed Imposition of Civil Penalty

cc w/enclosure:
DCD/DCB (RIDS)
G. J. Maxfield, Plant Manager
OC/LFDCB
Resident Inspector, Point Beach
Virgil Kanable, Chief
Boiler Section
Charles Thompson, Chairman
Wisconsin Public Service
Commission
Robert M. Thompson, Administrator
WI Div. of Emergency Govt.

December 8, 1992

Wisconsin Electric
Power Company

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IMS;RIII

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*Concurrence received via fax.

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RIII
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Greenman

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D:OE*

JLieberman
FAX BY FAX
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DEDR
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RIII
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Davis

12/4/92

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Wisconsin Electric Power Co.
Point Beach Nuclear Plant
Unit 2

Docket No. 50-301
License No. DPR-30
EA 92-205

During an inspection conducted from August 24 through October 12, 1992, violations of NRC requirements were identified. In accordance with the "Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C, the Nuclear Regulatory Commission proposes to impose a civil penalty pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violations and associated civil penalty are set forth below:

- A. Technical Specification 15.3.3.A.1.g requires, in part, that a reactor shall not be made critical, except for low temperature physics tests, unless all valves and piping associated with the safety injection system components that are required to function during accident conditions are operable.

Contrary to the above, on or about November 13, 1991, the Unit 2 reactor was made critical, not in connection with low temperature physics tests, while the piping associated with train A of the containment recirculation mode of safety injection, which is required to function during accident conditions, was inoperable. Specifically, a foreign material exclusion disk had been left in a section of the system piping leading to the suction of the train A safety injection pump.

- B. 10 CFR Part 50, Appendix B, Criterion V, "Instructions, Procedures, and Drawings", requires, in part, that activities affecting quality be prescribed by procedures of a type appropriate to the circumstances and shall include appropriate quantitative or qualitative acceptance criteria for determining that important activities have been satisfactorily accomplished.

Contrary to the above, on or about October 17, 1991, Procedure QAP-105-PB, "Cleanliness Inspection of Fluid Systems and Components," Revision 1, a procedure affecting quality, did not include appropriate guidance or acceptance criteria to ensure that debris was not left inside the safety injection and containment spray pump suction during performance of modification IWP 88-098.

This is a Severity Level III problem (Supplement I).
Civil Penalty - \$75,000

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Pursuant to the provisions of 10 CFR 2.201, Wisconsin Electric Power Company (Licensee) is hereby required to submit a written statement of explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice of Violation and Proposed Imposition of Civil Penalty (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each alleged violation: (1) admission or denial of the alleged violation, (2) the reasons for the violation if admitted, and if denied, the reasons why, (3) the corrective steps that have been taken and the results achieved, (4) the corrective steps that will be taken to avoid further violations, and (5) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, an order or a demand for information may be issued as to why the license should not be modified, suspended, or revoked or why such other actions as may be proper should not be taken. 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, this response shall be submitted under oath or affirmation.

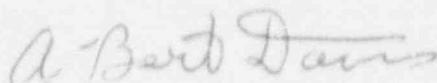
Within the same time as provided for the response required under 10 CFR 2.201, the Licensee may pay the civil penalty by letter addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, money order, or electronic transfer payable to the Treasurer of the United States in the amount of the civil penalty proposed above, or may protest imposition of the civil penalty in whole or in part, by a written answer addressed to the Director, Office of Enforcement, U. S. Nuclear Regulatory Commission. Should the Licensee fail to answer within the time specified, an order imposing the civil penalty will be issued. Should the Licensee elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalty, in whole or in part, such answer should be clearly marked as an "Answer to a Notice of Violation" and 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, the factors addressed in Section V.B of 10 CFR Part 2, Appendix C, 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 parts of the 10 CFR 2.201 reply by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. The attention of the Licensee is directed to the other provisions of 10 CFR 2.205, regarding the procedure for imposing a civil penalty.

Upon failure to pay any civil penalty due which subsequently has been 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. 2282c.

The responses noted above (Reply to Notice of Violation, letter with payment of civil penalty, and Answer to a Notice of Violation) should be addressed to: Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region III, 799 Roosevelt Road, Glen Ellyn, Illinois 60137, and a copy to the NRC Resident Inspector at the Point Beach Nuclear Plant.

FOR THE NUCLEAR REGULATORY COMMISSION



A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois
this 8th day of December 1992