

May 23, 1997

EA No: 97-225

Mr. J. E. Cross
President
Generation Group
Duquesne Light Company (DLC)
Post Office Box 4
Shippingport, Pennsylvania 15077

SUBJECT: NRC INTEGRATED INSPECTION REPORT 50-334/97-02, 50-412/97-02

Dear Mr. Cross:

The NRC conducted an inspection of the Beaver Valley Power Station (BVPS) facilities from March 16 to April 26, 1997. The enclosed report presents the results of that inspection.

During the 6-week period covered by this inspection, your conduct of activities at the BVPS facilities was generally characterized by safe operation. Station staff, particularly operators and engineering personnel, responded well to the challenge of the dual unit trip on March 19, 1997. Your root cause analysis was comprehensive and corrective actions were thorough.

The NRC is concerned, however, about missed technical specification surveillances that were identified during this period. Considered individually, these missed surveillances had minimal safety consequence; however, collectively they indicated weaknesses in the surveillance test program, particularly in the areas of procedural support, scheduling and coordination. The NRC notes that these were licensee identified, indicating good problem identification and you have committed to evaluate the overall surveillance test scheduling and coordination process for both units by June 30, 1997.

Six apparent violations were identified in connection with the above missed surveillances and are being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600. No Notice of Violation is presently being issued for these inspection findings. The circumstances surrounding these apparent violations, the significance of the issues, and the need for lasting and effective corrective action were discussed with members of your staff at the inspection exit meeting on May 7, 1997, and later in a telephone conversation between you and Mr. Peter W. Eselgroth of my staff on May 21, 1997. As a result, Mr. Eselgroth indicated it may not be necessary to conduct a predecisional enforcement conference in order to enable the NRC to make an enforcement decision. However, you stated your preference to have a predecisional enforcement conference.

A predecisional enforcement conference to discuss these apparent violations has been scheduled for June 13, 1997. Holding a predecisional enforcement conference does not

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mean that the NRC has determined that these violations have occurred or that enforcement action will be taken. This conference is being held to obtain information to enable the NRC to make an enforcement decision, such as a common understanding of the facts, root causes, missed opportunities to identify the apparent violations sooner, corrective actions, significance of issues and the need for lasting and effective corrective action.

The conference provides an opportunity for you to point out any errors in our inspection report and for you to provide any information concerning your perspectives on 1) the severity of the violations, 2) the application of the factors that the NRC considers when it determines the amount of a civil penalty that may be assessed in accordance with Section VI.B.2 of the Enforcement Policy, and 3) any other application of the Enforcement Policy to this case, including the exercise of discretion in accordance with Section VII. This conference will be open to public observation.

Please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review. You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding these apparent violations is required at this time. In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

Sincerely,

Original Signed By:

Charles W. Hehl, Director
Division of Reactor Projects

Docket Nos. : 50-334, 50-412
License Nos.: DPR-66, NPF-73

Enclosures: Inspection Reports 50-334/97-02, 50-412/97-02

cc w/encls:

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 R. LeGrand, Vice President, Nuclear Operations
 R. Hansen, Manager (Acting), Nuclear Engineering Department
 B. Tuite, General Manager, Nuclear Operations Unit
 K. Ostrowski, Manager, Quality Services Unit
 J. Arias, Director, Safety & Licensing Department
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