
Enforcement Actions: Significant Actions Resolved

Quarterly Progress Report
October - December 1987

**U.S. Nuclear Regulatory
Commission**

Office of Enforcement



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Office of Enforcement
U.S. Nuclear Regulatory Commission
Washington, DC 20555



ABSTRACT

This compilation summarizes significant enforcement actions that have been resolved during one quarterly period (October - December 1987) and includes copies of letters, Notices, and Orders sent by the Nuclear Regulatory Commission to licensees with respect to these enforcement actions. It is anticipated that the information in this publication will be widely disseminated to managers and employees engaged in activities licensed by the NRC, so that actions can be taken to improve safety by avoiding future violations similar to those described in this publication.

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ENFORCEMENT ACTIONS: SIGNIFICANT ACTIONS RESOLVED

October - December 1987

INTRODUCTION

This issue of NUREG-0940 is being published to inform NRC licensees about significant enforcement actions and their resolution for the fourth quarter of 1987. On April 12, 1987, the Office of Inspection and Enforcement was abolished as a result of the NRC staff reorganization. Enforcement actions are issued by the Deputy Executive Director for Regional Operations (DEDRO) and the Regional Administrator. The Director, Office of Enforcement, may act for the DEDRO in the absence of the DEDRO or as directed. Primarily emphasized are those actions involving civil penalties and Orders that have been issued by the Director of the Office of Inspection and Enforcement (now DEDRO or Director, Office of Enforcement) and the Regional Administrators.

An objective of the NRC Enforcement Program is to encourage licensees to improve their performance and, by example, the performance of the licensed industry. Therefore, it is anticipated that the information in this publication will be widely disseminated to managers and employees engaged in activities licensed by NRC, so all can learn from the errors of others, thus improving performance in the nuclear industry and promoting the public health and safety as well as the common defense and security.

A brief summary of each significant enforcement action that has been resolved in the fourth quarter of 1987 can be found in the section of this report entitled "Summaries." Each summary provides the enforcement action (EA) number to identify the case for reference purposes. The supplement number refers to the activity area in which the violations are classified according to guidance furnished in the U.S. Nuclear Regulatory Commission's "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987). Violations are categorized in terms of five levels of severity to show their relative importance within each of the following activity areas:

- Supplement I - Reactor Operations
- Supplement II - Facility Construction
- Supplement III - Safeguards
- Supplement IV - Health Physics
- Supplement V - Transportation
- Supplement VI - Fuel Cycle and Materials Operations
- Supplement VII - Miscellaneous Matters
- Supplement VIII - Emergency Preparedness

Part I.A of this report consists of copies of completed civil penalty or Order actions involving reactor licensees, arranged alphabetically. Part I.B includes a copy of a Notice of Violation that was issued to a reactor licensee for a Severity Level III violation, but for which no civil penalty was assessed. Part I.C includes a copy of a Notice of Violation that was issued to a non-licensed vendor for a Severity Level III violation, but for which no civil penalty was assessed. Part II.A contains civil penalty or Order actions

Involving materials licensees. Part II.B includes copies of Notices of Violations that have been issued to a materials licensee for Severity Level III violations, but for which no civil penalty was assessed.

Actions still pending on December 31, 1987 will be included in future issues of this publication when they have been resolved.

SUMMARIES

1. REACTOR LICENSEES

A. Civil Penalties and Orders

Carolina Power and Light Company, Raleigh, North Carolina
(H. R. Robinson, Unit 2) EA 87-112, Supplement I

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$50,000 was issued on September 18, 1987 based on violations involving the failure to control valve lineup activities. The first violation resulted in the isolation of the low-pressure injection system, and the second caused the isolation of two of the three safety injection pumps. The licensee responded and paid the civil penalty on October 16, 1987.

Commonwealth Edison Company, Chicago, Illinois
(Zion Generating Station, Units 1 and 2) EA 87-105, Supplement I

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$50,000 was issued on October 2, 1987 based on a violation resulting from the failure to install the control room emergency ventilation system as designed and described in the FSAR. As a result, several significant air leakage paths existed. Because of these unanalyzed leakage paths, in the event of an accident, control room personnel could have received radiation doses in excess of those previously calculated. The licensee responded and paid the civil penalty on October 30, 1987.

Dairyland Power Cooperative, La Crosse, Wisconsin
(LaCrosse Boiling Water Reactor) EA 87-02, Supplement III

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$25,000 was issued on February 24, 1987 based on multiple violations of NRC requirements concerning the licensee's Safeguards Information Protection Program. The civil penalty was mitigated by 50% because of the licensee's unusually prompt and extensive corrective actions. The licensee responded on March 25, 1987. After consideration of the licensee's response, an Order Imposing a Civil Monetary Penalty in the amount of \$25,000 was issued on September 16, 1987. The licensee paid the civil penalty on October 12, 1987.

Duke Power Company, Charlotte, North Carolina
(Oconee Nuclear Station, Units 1, 2, and 3) EA 87-14, Supplement I

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$25,000 was issued on March 12, 1987 based on the failure to provide adequate design control to ensure that the emergency feedwater pumps would remain operable under design-basis transients. This failure in design control resulted in the condition in which the emergency feedwater pumps were susceptible to pump

runout and inadequate net positive suction head under some anticipated design conditions in which the flow control valves remain fully open. The runout conditions could cause damage to the pumps and a potential loss of emergency feedwater function. The licensee responded on April 13, 1987. After consideration of the licensee's response, the staff concluded in a letter dated December 15, 1987 that the violation did not occur as set forth in the Notice. The staff agreed with the licensee's contention that the design change process which added the motor-driven emergency feedwater pumps was commensurate with original design and that the licensee was not aware of the potential short-term damage to the pump bearings until later. The staff concluded that the violation and proposed civil penalty should be withdrawn.

Florida Power and Light Company, Juno Beach, Florida
(Turkey Point Nuclear Plant, Units 3 and 4) EA 87-85, Supplement I

An Order (Effective Immediately) and a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$225,000 was issued on October 19, 1987. The Order confirmed the licensee's plan to have an independent third party review activities at Turkey Point and the company's corporate offices to determine the root causes of the facility's poor past performance. The Order also directed the licensee to put in place a corporate operations audit program until the results of the independent appraisal have been received. The Notice of Violation and Proposed Imposition of Civil Penalty was based on three violations including (1) loss of emergency boration flow paths for both units because of the failure of operations personnel to use or follow approved procedures, (2) isolation of the backup nitrogen system for the Unit 4 auxiliary feedwater system flow control valves for approximately 20 hours, again due to failure to follow approved procedures, and (3) operation of the Unit 3 intake cooling water system outside the plant design basis because of poor communications among members of the plant staff. The base civil penalty for each violation was increased by 50% because of the licensee's past poor performance. The licensee responded and paid the civil penalty on November 18, 1987.

Florida Power and Light Company, Juno Beach, Florida
(Turkey Point Nuclear Plant, Units 3 and 4) EA 87-98, Supplement III

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$75,000 was issued on July 28, 1987 based on two violations involving the failure to (1) maintain positive access control over personnel and equipment and (2) perform an adequate vehicle search. The civil penalty was increased by 50% because of the licensee's prior poor performance. The licensee responded on August 26, 1987. After consideration of the licensee's response, an Order Imposing Civil Penalty in the amount of \$75,000 was issued on November 5, 1987. The licensee paid the civil penalty on November 23, 1987.

Georgia Power Company, Atlanta, Georgia
(Vogtle Electric Generating Plant) EA 87-100, Supplement III

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$200,000 was issued on September 4, 1987 based on violations involving the failure to (1) implement adequate compensatory measures, (2) follow security procedural requirements, and (3) maintain positive access control over the facility. The licensee responded and paid the civil penalty on October 21, 1987.

Georgia Power Company, Atlanta, Georgia
(Vogtle Electric Generating Plant) EA 87-115, Supplement I

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$50,000 was issued on September 3, 1987 based on violations involving the improper evaluation of component and system operability and the failure to take prompt corrective action. In the first, a reactor trip breaker was inoperable for a period in excess of Technical Specification requirements because it had been placed in bypass for maintenance. The second concerned the failure to take prompt corrective action upon discovering two valves not fully open that could degrade flow in the residual heat removal system during low-pressure injection operation. The licensee responded and paid the civil penalty on October 5, 1987.

GPU Nuclear Corporation, Parsippany, New Jersey
(Three Mile Island, Unit 2) EA 84-137, Supplement VII

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$64,000 was issued on August 12, 1985 based on a violation involving acts of discrimination against a contractor employee for raising safety concerns associated with the TMI-2 polar crane refurbishment in 1983. The licensee responded on October 21, 1985. After consideration of the licensee's response, an Order Imposing Civil Monetary Penalty was issued on March 4, 1986. The licensee requested a hearing in a letter dated March 20, 1986. In a settlement agreement dated November 12, 1987 the licensee agreed to pay a \$40,000 penalty and the payment was made on December 4, 1987.

Mississippi Power and Light Company, Jackson, Mississippi
(Grand Gulf) EA 84-23, Supplements I and VII

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$500,000 was issued on June 3, 1985 based on (1) deficiencies in the licensee's training program at the Grand Gulf Nuclear Power Plant, (2) three sets of RO and SRO license applications which contained material false statements, and (3) the failure of the licensee to notify the NRC of the errors in the license applications and to correct them once the error became known to the licensee. The licensee responded in letters dated September 12 and December 9, 1985. After consideration of the licensee's response, the action was settled with a \$200,000 civil penalty on October 22, 1987. The licensee paid the civil penalty on October 29, 1987.

Niagara Mohawk Power Corporation, Syracuse, New York
(Nine Mile Point, Unit 1) EA 87-106, Supplement V

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$2,500 was issued on August 13, 1987 based on a violation involving the shipment of material with external surface radiation levels in excess of the regulatory limit. The excessive radiation levels were apparently created when "hot particles" located on the equipment dispersed during shipment. The licensee responded on September 10, 1987 and paid the civil penalty on October 9, 1987.

Northern States Power Company, Minneapolis, Minnesota
(Prairie Island Nuclear Generating Plant, Unit 1) EA 87-138, Supplement I

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$25,000 was issued on September 18, 1987 based on failure to verify that the power supply breaker for a safety injection pump was in the full racked-in position resulting in the inoperability of the pump during startup and power operation. The civil penalty was mitigated by 50% because the licensee identified the failure and reported on it. The licensee responded and paid the civil penalty on October 1, 1987.

The Detroit Edison Company, Newport, Michigan
(Fermi 2) EA 87-133, Supplement I

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$75,000 was issued on September 24, 1987 based on an incident on June 26, 1987 involving the uncontrolled heat-up of the reactor resulting in a change from Mode 4 (cold shutdown) to Mode 3 (hot shutdown) in violation of the facility Technical Specifications. The civil penalty was increased by 100% because of the past poor performance in the general area of concern. However, the licensee's unusually prompt and extensive corrective actions, including disciplinary actions against the individuals involved, warranted a 50% reduction in the civil penalty. The licensee responded and paid the civil penalty on October 23, 1987.

Union Electric Company, St. Louis, Missouri
(Callaway County Nuclear Station, Unit 1) EA 87-194, Supplement I

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$50,000 was issued on November 9, 1987 based on violations involving (1) the inoperability of the control room emergency ventilation system due to the breaching of electrical penetrations to install a modification along with the failure to perform an adequate safety evaluation for the modification and (2) the failure to take prompt corrective actions after a partially closed valve in the essential service water system was identified. The violations were mitigated by 50% because of prior good performance by the licensee. The licensee responded and paid the civil penalty on December 8, 1987.

Wisconsin Electric Power Company, Milwaukee, Wisconsin
(Point Beach Nuclear Plant, Units 1 and 2) EA 86-148, Supplement III

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$50,000 was issued on March 11, 1987 based on three examples of degraded vital area barriers. The licensee responded in letters dated May 8 and July 17, 1987. After consideration of the licensee's responses, an Order Imposing a Civil Penalty was issued on October 13, 1987. The licensee paid the civil penalty on December 18, 1987.

Wisconsin Electric Power Company, Milwaukee, Wisconsin
(Point Beach Nuclear Plant, Unit 2) EA 87-182, Supplement I

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$25,000 was issued on October 29, 1987 based on an event in which both main steam isolation valves were rendered inoperable for approximately four hours with the reactor critical. Further, once the problem was identified, licensee personnel were not prompt in notifying plant management personnel or in making the required 10 CFR 50.72 report. The civil penalty was mitigated by 50% for unusually prompt and extensive corrective actions by the licensee. The licensee paid the civil penalty on November 16, 1987 and responded on November 19, 1987.

B. Severity Level III Violation, No Civil Penalty

Philadelphia Electric Company, Philadelphia, Pennsylvania
(Limerick Generating Station, Unit 2) EA 87-196, Supplement I

A Notice of Violation was issued on December 30, 1987 based on a violation involving the failure to provide adequate fire protection features for control cables associated with the emergency diesel generators to ensure that one redundant train remained free of fire damage. A civil penalty was not proposed because (1) the licensee's corrective actions were unusually prompt and extensive and (2) the licensee had a good enforcement history.

C. Non-licensed Vendor (Part 21)

General Electric Company, San Jose, California
EA 87-120, Supplement VII

A Notice of Violation was issued on July 23, 1987 involving the failure to notify the NRC pursuant to 10 CFR Part 21 of a defect that could affect the operation of a licensed facility. GE supplied repair kits for scram solenoid pilot valves to Vermont Yankee Power Plant and other facilities which were non safety-related rather than safety-related as requested in the purchase specifications. There was a potential for enough kits to be utilized which could have led to exceeding a Technical Specification safety limit. A civil penalty was not proposed because the violation was not the result of a knowing and conscious failure to provide the required notice to the NRC and appeared to be the result of an inadequate understanding of the regulations and an inadequate evaluation.

II. MATERIALS LICENSEES

A. Civil Penalties and Orders

Advanced Medical Systems, Inc., Geneva, Ohio
EA 86-155,

An Order Suspending License and Order to Show Cause (Effective Immediately) was issued on October 10, 1986. The actions were based on findings that since the Spring of 1985, and as recently as September 1986, employees of the licensee were directed to perform certain service and maintenance on teletherapy equipment at medical facilities notwithstanding their lack of NRC authorization, their lack of required training to perform the directed maintenance, their lack of appropriate radiation detection and monitoring equipment or required service manuals, and their express objections to performing such maintenance without proper training. The licensee requested a hearing on October 29, 1986. The order was partially relaxed on February 2, 1987 after the licensee had submitted a letter of commitments on January 23, 1987. A letter revoking the entirety of the Order was issued on December 3, 1987.

Babcock and Wilcox Company, Lynchburg, Virginia
EA 87-160, Supplements IV and VI

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$12,500 was issued on October 22, 1987 based on numerous violations of radiation safety requirements including failures to do adequate bioassay evaluations, wear appropriate protective clothing, and do adequate surveys. The licensee responded and paid the civil penalty on November 20, 1987.

Consolidated NDE, Inc., Woodbridge, New Jersey
EA 87-121, Supplement IV

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$5,000 was issued on July 15, 1987 based on two violations involving the failure to maintain direct surveillance of the high-radiation area resulting in individuals gaining access to the area while a radiographic source was exposed; and failure to properly post an access point to the area with a required warning sign. The licensee responded on August 26, 1987. After consideration of the licensee's response, an Order Imposing a Civil Monetary Penalty was issued on November 5, 1987. The licensee paid the civil penalty on November 20, 1987.

Halliburton Company, Duncan, Oklahoma
EA 87-35, Supplements IV and VI

An Order Modifying License and Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$1,000 was issued on September 23, 1987 based on several violations including

(1) unauthorized use of byproduct material, (2) failure to calibrate survey instruments, (3) failure to properly instruct individuals involved in operations using licensed materials, (4) failure to maintain materials accountability records, (5) failure to maintain records of survey results, and (6) failure to post documents and notices. An Order Modifying License required that the licensee implement a plan for performing internal audits and corporate management notification of audit results. The licensee responded and paid the civil penalty on October 22, 1987.

Norwalk Hospital, Norwalk, Connecticut
EA 87-93, Supplements IV and VI

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$2,500 was issued on June 25, 1987 based on (1) failure to dispose of licensed material properly, (2) failure to wear protective clothing and certain personnel monitoring devices when handling radioactive material, (3) storage of food in an area where radioactive material was used and stored, and (4) failure to meet several specific additional requirements of the license. The licensee responded on August 7, 1987. After consideration of the licensee's response, an Order Imposing a Civil Monetary Penalty was issued on September 22, 1987. The licensee paid the civil penalty on October 15, 1987.

Professional Service Industries, Inc., Oakbrook, Illinois
EA 87-170, Supplements IV and V

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$2,250 was issued on October 1, 1987 based on violations including failure to secure a moisture-density gauge containing licensed material while the device was stored in the back of a pickup truck in an unrestricted area and was then stolen from the truck. The civil penalty was increased by 100% because of the licensee's prior poor performance in the area of concern. The licensee responded and paid the civil penalty on October 26, 1987.

University of Missouri, Columbia, Missouri
EA 87-180, Supplements IV and VI

A Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$5,000 was issued on October 28, 1987 based on violations of NRC requirements involving an extremity overexposure, and failure to adequately train an individual and adequately evaluate his qualifications. As a result, an individual received an extremity dose of approximately 35 rem. The civil penalty was increased by 100% because of a prior overexposure. The licensee responded and paid the civil penalty on November 18, 1987.

B. Severity Level III Violations, No Civil Penalty

Heublein, Incorporated, Hartford, Connecticut
EA 87-203, Supplement V:

A Notice of Violation was issued on November 23, 1987 involving the loss of a gauge containing byproduct material. A civil penalty was not proposed because of (1) the licensee's prompt identification and reporting of the loss to the State and the NRC and (2) the promptness and extensiveness of the licensee's response in attempting to determine the whereabouts of the gauge and instituting unusually prompt and extensive corrective actions to prevent recurrence.

I.A. REACTOR LICENSEES, CIVIL PENALTIES AND ORDERS



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30323

SEP 18 1987

Docket No. 50-261
License No. DPR-23
EA 87-112

Carolina Power and Light Company
ATTN: Mr. E. E. Utley
Senior Executive Vice President
Power and Supply and Engineering
and Construction

P. O. Box 1551
Raleigh, NC 27602

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY (NRC
INSPECTION REPORT NOS. 50-261/87-15 AND 50-261/87-23)

This refers to the inspection conducted on May 11 - June 12, 1987, at the H. B. Robinson Plant. The inspection included a review of the circumstances surrounding the isolation of the low pressure safety injection system on June 5, 1987 and the subsequent isolation of two of three high pressure safety injection flow paths on June 11, 1987. Both events were identified by the plant staff and reported to the NRC. The report documenting this inspection was sent to you by letter dated June 18, 1987. As a result of this inspection, significant failures to comply with NRC regulatory requirements were identified, and accordingly, NRC concerns relative to the inspection findings were discussed in an Enforcement Conference held on June 26, 1987. The report documenting this conference was sent to you by letter dated July 24, 1987.

The violations associated with items I.A and I.B involve the isolation of both trains of low pressure safety injection in violation of Technical Specification requirements. This was caused by the failure to comply with station procedures concerning the control of valve lineup activities. It was fortunate that, due to a required cooldown for the repair of an unrelated problem, the unit never reached critical operation, and the mispositioned valve was identified and corrected. This valve was not part of any locked valve surveillance program and, therefore, your routine programmatic activities would not have prevented the low pressure safety injection system from being inoperable for an extended period of power operation. Only an unrelated maintenance problem appears to have prevented this disabling of a safety system from becoming a more significant condition.

Item I.B demonstrates weaknesses in your valve lineup and independent verification mechanisms and caused the isolation of the low pressure safety injection system for approximately 42 hours, from June 5 to June 7, 1987. The breakdown in these work control mechanisms may indicate a lack of appreciation for the safety significance of the independent verification process on the part of some of your staff. The auxiliary operators did not have a copy of the valve lineup in their possession when aligning the valves. While using the actual valve lineup sheets, or copies thereof, is not a specific requirement, not doing

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so may demonstrate an informal, complacent attitude about this important safety verification activity. Safety-related valve manipulation and independent verification are activities affecting quality which are fundamental concepts for ensuring the correct performance of operations. The failure to verify the valve lineup on June 5, 1987, in the required independent manner, is of concern because of the casual attitudes and work habits that your auxiliary operators may be developing as they progress to more responsible positions as reactor operators and senior reactor operators. Finally, contrary to procedures, the senior reactor operator initialed the valve lineup sheet although he did not personally perform the valve lineup. This is of concern in that for a senior member of your operating staff to participate in such practices where safety significant activities are involved is absolutely unacceptable.

Item II involves the failure to follow procedures resulting in the valving out of two of three high pressure safety injection flow paths by a licensed operator. During the performance of General Procedure GP-007 (Rev. 9), "Plant Cooldown from Hot Shutdown", the three accumulator isolation valves were required to be shut. However, both Safety Injection Pump Discharge Header Cross-Connect Valves, SI-878A and SI-878B, were also shut. While the action statement for the associated Technical Specification was not exceeded, the misalignment was significant in that it occurred within one week of the low pressure safety injection problem. The two events occurring in a short period of time reinforces the need for attention to operational activities by your operations staff.

To emphasize the need to improve independent verification, strict compliance to procedures, and attention to detail, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Fifty Thousand Dollars (\$50,000) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," in 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violations described in the enclosed Notice have been categorized in the aggregate as a Severity Level III problem because they collectively indicate a weakness in the control of valve operations. The base value of a civil penalty for a Severity Level III violation or problem is \$50,000. It is recognized that the violations were identified and reported by your staff and that your past performance in the area of concern has been good. Also, your long term corrective actions following these two events were extensive. However, the violations involved four individuals making significant errors. The first item had the potential for an increase in safety significance had the low pressure injection system remained isolated during power operation. While your staff identified the problem concerning the mispositioned valve which blocked the low pressure injection path, your staff had several earlier opportunities to identify the problem but failed to take advantage of those opportunities because of their failure to follow procedures. The second event, which involved a licensed operator, demonstrates that immediate corrective actions for the first event were not effective. Therefore, after considering the escalation and mitigation factors in the NRC Enforcement Policy, no adjustment has been deemed appropriate.

You are required to respond to this letter and should follow the instructions specified in the enclosed notice when preparing your response. In your

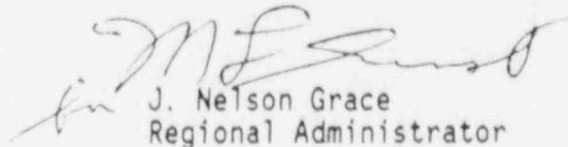
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response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements. Additionally, your future plant operations will be closely reviewed to assure the NRC that these events are, in fact, isolated problems.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

The responses 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, Pub. L. No. 96-511.

Sincerely,-


J. Nelson Grace
Regional Administrator

Enclosure:
Notice of Violation and
Proposed Imposition
of Civil Penalty

cc w/encl:
G. P. Beatty, Jr., Vice President
Robinson Nuclear Project Department
R. E. Morgan, Plant General Manager

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Carolina Power and Light Company
H. B. Robinson Unit 2

Docket No. 50-261
License No. DPR-23
EA 87-112

During a Nuclear Regulatory Commission (NRC) inspection conducted on May 11 - June 12, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), 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 violations and associated civil penalty are set forth below:

I. Inoperable Low Pressure Safety Injection System - Valve RHR-764

- A. Technical Specification (TS) 3.3.1.3 requires, in part, that when the unit is in the hot shutdown condition, the requirements of 3.3.1.1 shall be met.

Technical Specification Limiting Condition for Operation (LCO) 3.3.1.1 requires two residual heat removal (RHR) pumps and all essential features including valves, interlocks, and piping associated with the pumps to be operable.

Technical Specification 3.0 states that, except as provided for in each specification, if an LCO cannot be satisfied because of circumstances in excess of those addressed in the specification, the unit shall be placed in hot shutdown within eight hours and in cold shutdown within the next thirty hours unless corrective measures are taken under the permissible LCO statements or until the unit is placed in a condition in which the specification is not applicable.

Contrary to the above, on June 5, 1987, the essential features associated with both RHR pumps were not operable in that the discharge flow paths for low pressure safety injection were isolated with the unit in hot shutdown due to valve RHR-764 being shut, and the unit was not placed in cold shutdown within 38 hours.

- B. Technical Specification 6.5.1.1.1a requires that written procedures be implemented covering the procedures recommended in Appendix A of Regulatory Guide 1.33. Appendix A of Regulatory Guide 1.33 requires procedures for the operation of safety-related systems and for procedural adherence.

Contrary to the above, on June 5, 1987, procedures were not properly implemented for the operation of the Residual Heat Removal (RHR) System (low pressure safety injection) and resulted in the incorrect configuration of the RHR System causing its isolation for approximately 42 hours. Specifically:

1. While the valve lineup in Attachment 9.1 to Operation Procedure OP-201 (Revision 6), Residual Heat Removal System, required valve RHR-764 (HCV-758 Bypass) to be placed in the locked open position, the valve remained shut.

2. Although Section 6.2.3 of Plant Program PLP-030 (Revision 0), Independent Verification, requires both the initial positioner and the second individual conducting independent verification perform the evolution independently, the individuals conducted the RHR Heat Exchanger room valve lineup together, eliminating the opportunity to correctly position RHR-764.
3. While Section 6.2.3 of Plant Program PLP-030 also requires that the results of a valve lineup be documented on the valve lineup sheet by the individuals conducting the lineup and independent verification, the documentation was not completed. Furthermore, a senior reactor operator documented the independent verification as complete via communication on the plant phone system, removing the last opportunity to recognize that valve RHR-764 was still shut causing the isolation of the low pressure safety injection system.

II. Isolation of High Pressure Safety Injection Pumps

Technical Specification 6.5.1.1.1a requires that written procedures be implemented covering the procedures recommended in Appendix A of Regulatory Guide 1.33. Appendix A of Regulatory Guide 1.33 requires procedures for the operation of safety systems and for procedural adherence.

Contrary to the above, on June 11, 1987, procedures were not properly implemented for the operation of safety systems in that, during the performance of General Procedure GP-007 (Revision 9), Plant Cooldown from Hot Shutdown, valves not required by the procedure were shut. With the unit in hot shutdown and the reactor coolant temperature above 350°F, the Safety Injection Pumps Discharge Header Cross-Connect Valves were shut isolating two of the three pumps. The paths remained isolated for a period of approximately 14 hours.

Collectively, the violations associated with items I.A, I.B and II above have been categorized as a Severity Level III problem (Supplement I).

Cumulative Civil Penalty - \$50,000 (assessed equally among violations I.A, I.B, and II)

Pursuant to the provisions of 10 CFR 2.201, Carolina Power and Light Company (licensee) is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) admission or denial of the violation, (2) the reasons for the violation if admitted, (3) the corrective steps that 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. If an adequate reply is not received within the time specified in this Notice, an order may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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.

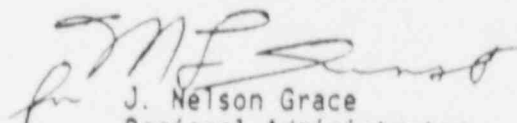
Within the same time as provided for the response required above under 10 CFR 2.201, the licensee may pay the civil penalty by letter addressed to the Director, Office of Enforcement, U. S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the cumulative 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, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C, (1987) 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 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.

The responses to the Director, Office of Enforcement, noted above (Reply to a 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 II, and a copy to the NRC Resident Inspector, H. B. Robinson Plant.

FOR THE NUCLEAR REGULATORY COMMISSION


J. Nelson Grace
Regional Administrator

Dated at Atlanta, Georgia
this ~~18th~~ day of September 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

OCT 2 1987

Docket Nos. 50-295; 50-304
License Nos. DPR-39; DPR-48
EA 87-105

Commonwealth Edison Company
ATTN: Mr. James J. O'Connor
President
Post Office Box 767
Chicago, Illinois 60690

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
NRC INSPECTION REPORTS NO. 50-295/87005(DRSS); 50-304/87005(DRSS)

This refers to the NRC inspection conducted during the period March 2 through June 10, 1987, at the Zion Generating Station Units 1 and 2, Zion Illinois, of activities authorized by NRC Operating Licenses No. DPR-39 and No. DPR-48 and to the circumstances associated with the failure of the control room makeup air charcoal adsorber system to meet design requirements. This matter, which was discovered on September 15, 1986, and reported to NRC on October 10, 1986, involves a violation of NRC regulatory requirements. The details are presented in the subject inspection report which was sent to you by letter dated July 10, 1987. On July 15, 1987, we held an enforcement conference with members of your staff during which the violation, the root cause, and your corrective actions were discussed.

The violation, which is described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty, resulted from a failure to install the control room emergency ventilation system as designed. Further, you operated the Zion units without evaluating the as-built system configuration in accordance with 10 CFR 50.59. The unfiltered inleakage would have resulted in thyroid doses in excess of those previously calculated and stated in the Updated Final Safety Analysis Report (UFSAR), thereby increasing the consequences of an accident previously evaluated in UFSAR. Consequently, the discrepancy between the as-built system configuration and the UFSAR description involved an unreviewed safety question as defined in 10 CFR 50.59.

We have reviewed your position presented at the enforcement conference that given the plant specific parameters of the Zion Station in the event of a design basis loss of coolant accident, the control room ventilation system would have been able to limit control room personnel thyroid doses to 30 rem. We acknowledge the difference between the plant specific parameters and the assumptions made in the NRC standard review plan. The differences in those criteria were taken into consideration when categorizing the severity level of this violation. Nevertheless, using either the assumptions employed in

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your analysis or those used by the NRC staff, the radiation doses to personnel in the control room would have been higher than previously calculated. The control room ventilation system therefore, could not perform as designed and this departure from the design was not properly evaluated.

The NRC staff recognizes that you have not made a literal change to the control room ventilation system since receiving an operating license. However, the cited NRC regulations make it clear that it is expected that facilities match the FSAR in the absence of reviews conducted pursuant to 10 CFR 50.59. Your failure to assure that the Zion facility was in conformance with the FSAR is a violation of NRC regulations.

The root causes of the violation described in the Notice were: (1) a failure to construct the control room ventilation system in accordance with design drawings; (2) an inadequate audit and quality assurance system which permitted the control room ventilation system construction deficiency to go undisclosed, and (3) inadequate understanding by your operations and engineering personnel of the actual system configuration.

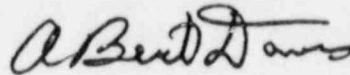
To emphasize the importance of verifying proper construction and maintaining accurate safety-related system design descriptions, I have been authorized, after consultation with the Director, Office of Enforcement, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Fifty Thousand Dollars (\$50,000) for the violation described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violation described in the enclosed Notice has been categorized at Severity Level III. The base value of a civil penalty for a Severity Level III violation is \$50,000. The escalation and mitigation factors in the Enforcement Policy were considered and no adjustment has been deemed appropriate.

You are required to respond to this letter and should follow the instructions 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. Your actions should include a review of the concerns outlined in Paragraphs 5(c) and (d) of NRC Inspection Report No. 50-295/87005 and No. 50-304/87005. In addition, your response should provide the basis for having confidence that the control room ventilation system as well as other safety systems are in fact as described in the FSAR or properly evaluated pursuant to 10 CFR 50.59. After reviewing your response to this Notice, 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 Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

The responses 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.

Sincerely,



A. Bert Davis
Regional Administrator

Enclosures:

1. Notice of Violation and Proposed Imposition of Civil Penalty
2. Inspection Reports
No. 50-295/87005(DRSS); and
No. 50-304/87005(DRSS)

cc w/enclosures:

Cordell Reed, Senior Vice President
T. J. Maiman, Vice President,
PWR Operations
D. Butterfield, Nuclear
Licensing Manager
G. J. Pliml, Station Manager
Jan Norris, Project Manager, NRR
DCD/DCB (RIDS)
Licensing Fee Management Branch
Resident Inspector, RIII
Richard Hubbard
J. W. McCaffrey, Chief, Public
Utilities Division
Mayor, City of Zion

NOTICE OF VIOLATION

AND

PROPOSED IMPOSITION OF CIVIL PENALTY

Commonwealth Edison Company
Zion Generating Station
Units 1 and 2

Docket Nos. 50-295; 50-304
Licenses No. DPR-39; No. DPR-48
EA 87-105

As a result of an NRC inspection conducted during the period March 2 through June 10, 1987, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), 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 violation and associated civil penalty are set forth below:

10 CFR 50.34(b) requires, in part, that the licensee submit a final safety analysis report that describes the facility.

10 CFR 50.59 requires, in part, that changes made to the facility as described in the final safety analysis report be evaluated in accordance with 50.59(a) to determine, in part, if an unreviewed safety question exists.

Figure 9.10.2-1 of the Zion Station Updated Final Safety Analysis Report (UFSAR) illustrates the design configuration of the control room ventilation system.

Contrary to the above, the control room ventilation system as described in Figure 9.10.2-1 of the UFSAR did not reflect the as-built system as required by 10 CFR 50.34(b). The system as-built contained a different damper configuration than that described in the UFSAR which resulted in unfiltered inleakage pathways. The deviation between the UFSAR and the as-built system was not evaluated in accordance with 10 CFR 50.59.

This is a Severity Level III violation (Supplement I).

Civil Penalty - \$50,000.

Pursuant to the provisions of 10 CFR 2.201, Commonwealth Edison Company (Licensee), is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) admission or denial of the alleged violation, (2) the reasons for the violation if admitted, (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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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 above under 10 CFR 2.201, the Licensee may pay the civil penalty by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of 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 violation 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, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), 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 to the Director, Office of Enforcement, noted above (Reply to a 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, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, 799 Roosevelt Road, Glen Ellyn, Illinois, 60137, and a copy to the NRC Resident Inspector at Zion.

FOR THE NUCLEAR REGULATORY COMMISSION



A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois
this 2nd day of October 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

FEB 24 1987

Docket No. 50-409
License No. DPR-45
EA 87-02

Dairyland Power Cooperative
ATTN: Mr. J. W. Taylor
General Manager
2615 East Avenue - South
La Crosse, WI 54601

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL
PENALTY (NRC INSPECTION REPORT NO. 50-409/86015[DRSS])

This refers to the physical security inspection conducted during the period November 17-24, 1986, at the LaCrosse Boiling Water Reactor. The results of the inspection were discussed on January 6, 1987 during an enforcement conference held in the Region III office between yourself and others of your staff, and Mr. A. B. Davis and others of the Region III staff.

The inspection identified multiple violations of NRC requirements concerning your Safeguards Information Protection Program. The violations collectively demonstrate ineffective management oversight and control for adequately protecting Safeguards Information. It appears that the root cause of the violations is the lack of a comprehensive program to monitor and protect Safeguards Information. The violations continued for a considerable length of time and no audit mechanism existed to discover such violations. These circumstances represent a serious potential for the compromise of Safeguards Information.

To emphasize the importance of developing and maintaining an effective program to protect Safeguards Information, I have been authorized, after consultation with the Director, Office of Inspection and Enforcement, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Twenty-Five Thousand Dollars (\$25,000) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1986) (Enforcement Policy), the violations described in the enclosed Notice have been categorized as a Severity Level III problem. The base value of a civil penalty for a Severity Level III problem is \$50,000. The escalation and mitigation factors in the Enforcement Policy were considered, and because of your unusually prompt and extensive corrective actions, mitigation of the civil penalty in the amount of 50 percent is warranted. Any further mitigation is balanced against the duration of the most significant violation which involved your failure to restrict access to safeguards information for a considerable length of time.

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FEB 24 1987

You are required to respond to this letter and should follow the instructions specified in the Notice when preparing your response. You should place all Safeguards Information as defined in 10 CFR 73.21 only in enclosures, so that your letter may be placed in the Public Document Room. In your response, you should describe those actions taken or planned that are designed to increase the effectiveness of your security program, particularly with regard to ensuring access control requirements are satisfied. After reviewing your response to this Notice, including your proposed corrective actions, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

The material enclosed contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, with the exception of the cover letter, this material will not be placed in the Public Document Room.

The responses directed by this letter and the enclosures are not subject to the clearance procedures of the Office of Management issued under the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,



A. Bert Davis
Acting Regional Administrator

Enclosures:

1. Notice of Violation and Proposed Imposition of Civil Penalty
2. Inspection Report
No. 50-409/86015(DRSS)
(UNCLASSIFIED SAFEGUARDS INFORMATION)

See Attached Distribution



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

SEP 16 1987

Docket No. 50-409
License No. DPR-45
EA 87-02

Dairyland Power Cooperative
ATTN: Mr. J. W. Taylor
General Manager
2615 East Avenue - South
LaCrosse, WI 54601

Gentlemen:

Subject: ORDER IMPOSING CIVIL MONETARY PENALTY

This refers to your letter dated March 25, 1987 in response to the Notice of Violation and Proposed Imposition of Civil Penalty sent to you by our letter dated February 24, 1987. Our letter and Notice describe violations identified during a routine physical security inspection at your facility during the period November 17-24, 1986.

To emphasize the importance of developing and maintaining an effective program to protect Safeguards Information, a civil penalty of Twenty-Five Thousand Dollars (\$25,000) was proposed.

In your response, you denied all four violations as set forth in the Notice. In addition, you requested rescission or mitigation of the proposed penalty for several stated reasons.

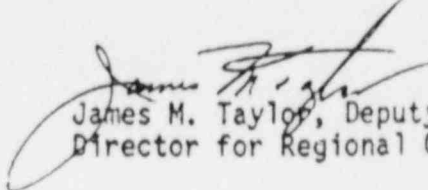
After careful consideration of your response, we have concluded for the reasons given in the appendix attached to the enclosed Order Imposing Civil Penalty that the violations did occur as set forth in the Notice of Violation and Proposed Imposition of Civil Penalty. Further, we have determined that the licensee has not provided an adequate basis for either rescission or mitigation of the proposed penalty.

We recognize that the operating status of LaCrosse Boiling Water Reactor has changed; however, this change had not occurred at the time of the violations cited in the Notice of Violation and Proposed Imposition of Civil Penalty. We are imposing this civil penalty in order to emphasize the importance of protecting Safeguards Information, a significant responsibility retained by the licensee even in the new operating status of the plant.

Accordingly, we hereby serve the enclosed Order on Dairyland Power Cooperative imposing a civil monetary penalty in the amount of Twenty-Five Thousand Dollars (\$25,000). We will review the effectiveness of your corrective actions during a subsequent inspection.

The enclosed Appendix contains details of your security program that have been determined to be exempt from public disclosure in accordance with 10 CFR 73.21 (Safeguards Information). Therefore, those portions of the Appendix will not be placed in the Public Document Room and will receive limited distribution.

Sincerely,


James M. Taylor, Deputy Executive
Director for Regional Operation

Enclosure: Appendix
(UNCLASSIFIED SAFEGUARDS
INFORMATION)
cc w/enclosure:
J. Parkyn, Plant Superintendent

cc w/ enclosures, w/o
UNCLASSIFIED SAFEGUARDS
INFORMATION:
Licensing Fee Management Branch
Resident Inspector, RIII
Virgil Kanable, Chief
Boiler Section
Mary Lou Munts, Chairperson
Wisconsin Public Service
Commission
Spark Burmaster, Coulee
Region Energy Coalition
Collette Blum Meister (SLO),
WI Div. of Emergency Government
Lawrence J. McDonnell, Chief
Radiation Protection Section
WI Department of Health and
Social Services, Division
of Health

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of

DAIRYLAND POWER COOPERATIVE	(	Docket No. 50-409
(LaCrosse Boiling Water Reactor)	(	License No. DPR-45
	(	EA 87-02

ORDER IMPOSING CIVIL MONETARY PENALTY

I

Dairyland Power Cooperative (Licensee) is the holder of Operating License No. DPR-45 (License) issued by the Nuclear Regulatory Commission (Commission or NRC) on July 3, 1967. The License authorizes the Licensee to operate the LaCrosse Boiling Water Reactor in accordance with the conditions specified therein.

II

A routine physical security inspection of the Licensee's activities was conducted during the period November 17-24, 1986. The results of the inspection indicated that the Licensee had not conducted its activities in full compliance with NRC requirements. A written Notice of Violation and Proposed Imposition of Civil Penalty was served upon the Licensee by letter dated February 24, 1987. The Notice states the nature of the violations, the provisions of the NRC's requirements that the Licensee had violated, and the amount of the civil penalty proposed for the violations. The Licensee responded to the Notice of Violation and Proposed Imposition of Civil Penalty by letter dated March 25, 1987.

III

After consideration of the Licensee's response and the statements of fact, explanation, and argument for mitigation contained therein, the Deputy Executive Director for Regional Operations, has determined as set forth in the Appendix to this Order that the violations occurred as stated.

IV

In view of the foregoing and pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205, IT IS HEREBY ORDERED THAT:

The Licensee pay a civil penalty in the amount of Twenty-Five Thousand Dollars (\$25,000) within 30 days of the date of this Order, by check, draft, or money order, payable to the Treasurer of the United States and mailed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555.

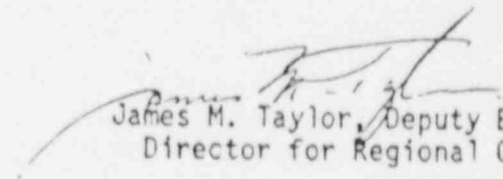
The Licensee may request a hearing within 30 days of the date of this Order. A request for a hearing shall be clearly marked as a "Request for an Enforcement Hearing" and shall be addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, Region III.

If a hearing is requested, the Commission will issue an Order designating the time and place of the hearing. If the Licensee fails to request a hearing within 30 days of the date of this Order, the provisions of this Order shall be effective without further proceedings. If payment has not been made by that time, the matter may be referred to the Attorney General for collection.

In the event the Licensee requests a hearing as provided above, the issues to be considered at such hearing shall be:

- (a) Whether the Licensee was in violation of the Commission's requirements as set forth in the Notice of Violation and Proposed Imposition of Civil Penalty referenced in Section II above, and
- (b) Whether, on the basis of such violations, this Order should be sustained.

FOR THE NUCLEAR REGULATORY COMMISSION


James M. Taylor, Deputy Executive
Director for Regional Operations

Dated at Bethesda, Maryland
this 16th day of September 1987.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30323

MAR 12 1987

Docket Nos. 50-269, 50-270, and 50-287
License Nos. DPR-38, DPR-47, and DPR-55
EA 87-14

Duke Power Company
ATTN: Mr. H. B. Tucker, Vice President
Nuclear Production Department
422 South Church Street
Charlotte, NC 28242

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(INSPECTION REPORT NOS. 50-269/86-16, 50-270/86-16, AND 50-287/86-16)

This refers to the Nuclear Regulatory Commission (NRC) Safety System Functional Inspection conducted at the Oconee facility on May 5 - June 11, 1986. The report documenting this inspection was sent to you with a letter dated August 1, 1986. As a result of this inspection, significant failures to comply with NRC regulatory requirements were identified, and accordingly, NRC concerns relative to the inspection findings were discussed by Dr. J. N. Grace, Regional Administrator, NRC, Region II, with you and members of your staff in an Enforcement Conference held on December 22, 1986.

Violation I described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty involved a failure to provide adequate design control and as a result, the motor driven emergency feedwater (EFW) pumps were susceptible to runout and inadequate net positive suction head when the pumps were operated in anticipated design conditions. The events that resulted in the pump runout problem were initially identified when Duke Power Company advised the NRC in a May 7, 1980, response to IE Bulletin 80-04, that emergency feedwater runout was not explicitly addressed by their analysis and that the level control system would be used to mitigate the transient. Duke Power Company training personnel had also noted that the Oconee simulator was modeling undesirably high emergency feedwater flow rates, and calculations concerning emergency feedwater flow capacity were initiated in January 1986. The NRC is concerned that an adequate design analysis for pump runout had not been previously performed and that emergency feedwater pump runout could occur during normal emergency feedwater actuation if the flow control valves stayed fully open. Under certain design basis transients, the runout condition would require immediate operator action to preclude damage to the pumps and the potential loss of EFW function.

To emphasize the need to assure that equipment is installed to fulfill the regulatory requirements, I have been authorized, after consultation with the Director, Office of Inspection and Enforcement, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Twenty-Five Thousand Dollars (\$25,000) for the violation described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Action," 10 CFR Part 2, Appendix C (1986)

MAR 12 1987

(Enforcement Policy), Violation I described in the enclosed Notice has been categorized as a Severity Level III violation. The base value of a civil penalty for a Severity Level III violation is \$50,000. The NRC Enforcement Policy allows for reduction of a civil penalty under certain circumstances. In this case, the base civil penalty amount has been reduced by 50 percent because of your unusually prompt and extensive corrective actions to prevent recurrence.

Your unusually prompt and extensive corrective actions to preclude recurrence of the design control deficiencies is acknowledged. Also, your short term corrective actions for the specific problem concerning EFW pump runout and loss of net positive suction head is considered adequate taking into account your other systems which could be utilized and your extensive operator training. However, we have concerns about the schedule for your long term corrective actions. Therefore, your response to the violation should include an enhanced schedule for your long term corrective actions for hardware changes which would eliminate the need for immediate operator actions to preclude damage to the EFW pumps during certain design basis transients.

The violations in Section II in the enclosed Notice involved a failure to provide adequate procedures which resulted in inadequate control of motor-operated valve torque switch and limit switch settings and a failure to provide control over implementation of design changes for the Keowee station battery racks. Because these violations involve issues of lesser safety significance, they have been categorized as Severity Level IV violations.

In addition to the need for corrective action regarding the specific matters identified in the enclosed Notice, we are concerned about the implementation of your management control system that permitted this situation to develop. Consequently, your response should describe those particular actions taken or planned to improve the effectiveness of your program. The violation for inadequate designs and implementation of design also caused the design bases of the equipment not to be translated into adequate operational procedures. Therefore, please address what additional measures your staff has identified to improve your management system which controls and encourages communications between the site and design engineering.

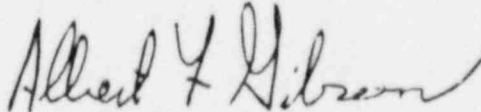
You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

MAR 12 1987

The responses directed in this letter and its enclosure 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.

Sincerely,


for J. Nelson Grace
Regional Administrator

Enclosure:
Notice of Violation and Proposed
Imposition of Civil Penalty

cc w/encl:
M. S. Tuckman, Station Manager
L. J. Callan, Section Chief, IE
T. O. Martin, Reactor Inspector, IE

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Duke Power Company
Oconee Units 1, 2, and 3

Docket Nos. 50-269, 50-270, and 50-287
License Nos. DPR-38, DPR-47, and DPR-55
EA 87-14

During the Nuclear Regulatory Commission (NRC) inspection conducted on May 5 - June 11, 1986, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1986), 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:

I. Violation Assessed A Civil Penalty

10 CFR Part 50, Appendix B, Criterion III, requires that measures be established to assure that applicable regulatory requirements and the design basis, as defined in § 50.2 and as specified in the license application, for those structures, systems, and components to which this appendix applies, are correctly translated into specifications, drawings, procedures, and instructions.

Contrary to the above, measures had not been established to assure that regulatory requirements and design bases were correctly translated into specifications, drawings, procedures, and instructions in that the design changes for the installation of the motor driven emergency feedwater (EFW) pumps in 1979 did not document and account for pump runout or adequate net positive suction head (NPSH) which were part of the design bases of the equipment. This lack of pump runout/NPSH protection in the EFW system design could result in the loss of EFW function during certain design basis transients.

This is a Severity Level III violation (Supplement I).
(Civil Penalty - \$25,000).

II. Violations Not Assessed A Civil Penalty

- A. Technical Specification 6.4.1 requires that the station be operated and maintained in accordance with approved procedures and that written procedures with appropriate check-off lists and instructions be provided for preventive or corrective maintenance which could affect nuclear safety or radiation exposure to personnel.

Contrary to the above, prior to May 1986, adequate procedures were not available to control maintenance on safety-related motor operated valves. As a result, motor operated valve torque switch and limit switch settings were not adequately controlled to ensure that valves functioned as designed.

This is a Severity Level IV violation (Supplement I).

- B. 10 CFR Part 50, Appendix B, Criterion III, requires that measures be established to assure that applicable regulatory requirements and the design basis for those structures, systems, and components to which this appendix applies are correctly translated into Specifications, drawings, procedures, and instructions.

Contrary to the above, design requirements were not properly translated into specifications, drawings, procedures, and instructions in that the drawings did not specify the appropriate end gap for the Keowee station batteries. As a result, the batteries were installed with end gaps which exceeded the $\frac{1}{4}$ inch requirement specified on the manufacturer's installation drawing.

This is a Severity Level IV violation (Supplement I).

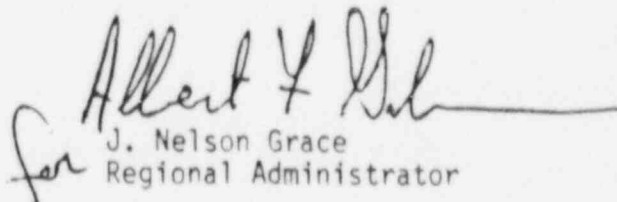
Pursuant to the provisions of 10 CFR 2.201, Duke Power Company is hereby required to submit to the Director, Office of Inspection and Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region II, 101 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 violation: (1) admission or denial of the violation, (2) the reasons for the violation if admitted, (3) the corrective steps that 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. If an adequate reply is not received within the time specified in this Notice, the Director, Office of Inspection and Enforcement, may issue an order to show cause why the license should not be modified, suspended, or revoked or why such other action 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 above under 10 CFR 2.201, Duke Power Company may pay the civil penalty by letter addressed to the Director, Office of Inspection and Enforcement, with a check, draft, or money order payable to the Treasurer of the United States in the cumulative amount of Twenty-Five Thousand Dollars (\$25,000) or may protest imposition of the civil penalty in whole or in part by a written answer addressed to the Director, Office of Inspection and Enforcement. 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, the five 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. 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 civil 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


for J. Nelson Grace
Regional Administrator

Dated at Atlanta, Georgia
this 12 day of March 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

DEC 15 1987

Docket Nos. 50-269, 50-270, 50-287
License Nos. DPR-38, DPR-47, DPR-55
EA 87-14

Duke Power Company
ATTN: Mr. H. B. Tucker, Vice President
Nuclear Production Department
422 South Church Street
Charlotte, NC 28242

Gentlemen:

SUBJECT: NRC RESPONSE TO DUKE DENIAL OF VIOLATION
(NRC INSPECTION REPORTS NOS. 50-269/86-16, 50-270/86-16, AND
50-28786-16)

This refers to your April 13, 1987 response to the Notice of Violation and Proposed Imposition of Civil Penalty (Notice) transmitted to you by letter dated March 12, 1987. The Notice described three violations identified during an NRC inspection at the Oconee Nuclear Station on May 5 - June 11, 1986. A civil penalty in the amount of Twenty-five Thousand Dollars was proposed for Violation I.

While admitting the occurrence of the other violations, you have denied the occurrence of Violation I and have requested mitigation of the proposed civil penalty. After consideration of your response, we have concluded for the reasons given in the enclosure to this letter that the violation, as stated, did not occur. Therefore, this violation has been deleted from our records and the proposed civil penalty has been withdrawn. However, while withdrawing this violation, the NRC still remains concerned that your design control process was weak in this instance. The design process could have been better performed had there been communications with the pump vendor at the time of the modification to ensure that the pumps would meet all expected demand situations and to determine if either short-term or long-term operation at pump runout conditions would be detrimental to system or component performance. We understand that your planned hardware modifications will alleviate the potential problems, and we request that you notify NRC Region II of your plans and schedule for the modifications.

With regard to the violations in Section II of the Notice, we have evaluated your response and have found that it meets the requirements of 10 CFR 2.201. We will examine the implementation of your corrective actions during a future inspection.

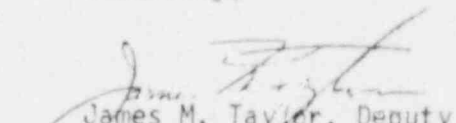
Duke Power Company

- 2 -

In accordance with Section 2.790 of the NRC's "Rule of Practice", Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosure will be placed in the NRC's Public Document Room.

We regret our delay in this matter.

Sincerely,


James M. Taylor, Deputy
Executive Director for
Operations

Enclosure:
Evaluations and Conclusions

cc (w/encl):
M. S. Tuckman, Station Manager

ENCLOSURE

EVALUATIONS AND CONCLUSIONS

On March 12, 1987, a Notice of Violation and Proposed Imposition of Civil Penalty (Notice) was issued for violations identified during an NRC Safety System Functional Inspection (SSFI). Duke Power Company (DPC or licensee) responded to the Notice on April 13, 1987. DPC denied Violation I and requested withdrawal of the proposed civil penalty. The NRC evaluation and conclusion regarding the licensee's arguments are as follows:

Restatement of Violation I

10 CFR 50, Appendix B, Criterion III, requires that measures be established to assure that applicable regulatory requirements and the design basis, as defined in §50.2 and as specified in the licensee application for those structures, systems, and components to which this appendix applies, are correctly translated into specifications, drawings, procedures, and instructions.

Contrary to the above, measures had not been established to assure the regulatory requirements and design basis were correctly translated into specifications, drawings, procedures, and instructions in that the design changes for the installation of the motor driven emergency feedwater (EFW) pumps in 1979 did not document and account for pump runout or adequate net positive suction head (NPSH) which were part of the design basis of the equipment. This lack of pump runout/NPSH protection in the EFW system design could result in the loss of EFW function during design basis transients.

This is a Severity Level III violation (Supplement 1).
Civil Penalty = \$25,000.

Summary of Licensee's Response

In the licensee's April 13, 1987 response, the licensee denies Violation I and states that the design control process in place for the modification, which added motor driven EFW pumps, assured that the new EFW system design and analysis were commensurate with the original design. The licensee contends that specific protection for EFW pump runout to guard against postulated short-term bearing failure was not a criterion of the original nor modified EFW design and that runout was only determined to be a problem after the pump vendor, at the licensee's request, reviewed the capability of the pump bearings to withstand vibration associated with low net positive suction head (NPSH) and high flow. The motor driven EFW pumps were considered capable of withstanding the wear due to cavitation throughout any design basis scenario.

The licensee also contends that no credit was given for identifying the undesirably high EFW flow rates and the fact that remedial calculations had already been initiated. In this regard, the licensee asserts that an analysis was in progress while the NRC SSFI was being performed.

The licensee further contends that the NRC has misunderstood the licensee's written response of July 23, 1982 to IE Bulletin 80-04. The licensee clarifies this response by explaining that the impact to the containment pressure response due to EFW runout flow following a steam line break was not explicitly considered. The licensee also explains that the ability of the EFW level control system to preclude the occurrence of the EFW system operating at runout flow rates was limited to the main steam line break inside containment transient. For other transients, the level control system with operator action was considered adequate in precluding pump damage, predicated on what was known at the time about the pump behavior at runout conditions. In an October 14, 1982 letter to DPC, the NRC had acknowledged that DPC would rely on operator action to prevent pump damage for the postulated pump runout conditions. The licensee contends that it was not known at that time that pump damage could occur in the short-term due to bearing failure.

In May 1986, DPC determined that the runout flow conditions were more extensive than had earlier been postulated. DPC advised the pump vendor of this problem, but the vendor was unable to assure that some damage would not occur during pump runout.

NRC Evaluation of Licensee's Response

The NRC staff agrees with the licensee's contention that the design change process which added the motor driven EFW pumps were commensurate with the original design and that pump runout and net positive suction head analysis were part of the design basis of the EFW system when the motor driven EFW pumps were added to the system. While the licensee appears to not have considered all potential system demand situations in both the original design and design change, the licensee was not aware of the potential short term damage to the pump bearings that could be caused by pump runout until later. Therefore, based on this information the NRC staff agrees that the violation did not occur as stated and withdraws the violation and proposed civil penalty.

As mitigation of the civil penalty for this violation, the licensee asserts that it had identified this problem and was addressing the concerns prior to the NRC inspection. The NRC staff recognizes that Duke personnel had noted concerns in this area in January 1986, which could be considered for mitigation of the civil penalty. Because the violation has been withdrawn, consideration of arguments for mitigation of the civil penalty is not necessary.

While the violation cited the licensee for not assuring the design basis (which the NRC previously had assumed fully accounted for pump runout) was correctly translated into specifications, drawings, procedures, and instructions, it now appears that the licensee applied design control measures which were commensurate with the original design. Although this original design had some problems, given that planned hardware modifications will alleviate any further problems in this area and the time that has passed, further enforcement action on this matter is not warranted.

Enclosure

- 3 -

NRC Conclusion

The NRC concludes that the violation, as stated, did not occur. Therefore, the violation has been deleted from our records, and the proposed civil penalty has been withdrawn.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

OCT 19 1987

Docket Nos. 50-250, 50-251
License Nos. DPR-31, DPR-41
EA 87-85

Florida Power and Light Company
ATTN: C. O. Woody, Group Vice President
Nuclear Energy Department
Post Office Box 14000
Juno Beach, Florida 33408

Gentlemen:

SUBJECT: ORDER (EFFECTIVE IMMEDIATELY) AND NOTICE OF VIOLATION AND
PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC INSPECTION REPORT NOS. 50-250/87-27, 50-251/87-27,
50-250/87-28, 50-251/87-28, 50-250/87-33 AND 50-251/87-33)

This refers to the NRC inspections conducted May 18 through June 22, June 15-19, 1987, and June 22 through July 20, 1987, at the Turkey Point Nuclear Plant, Units 3 and 4, Homestead, Florida. Details of these inspections were provided to you by letters dated July 17, July 21, and August 7, 1987, respectively, and indicated significant failures to comply with NRC requirements. The violations associated with the above inspections were discussed at an enforcement conference held on July 29, 1987, at the Turkey Point Nuclear Plant facility. Another issue previously designated an unresolved item during one of the above inspections has also been determined to be a violation of NRC requirements and is a basis for Violation C in the enclosed Notice of Violation (Notice).

Violation A described in the enclosed Notice addresses the failure to adequately establish or implement procedures to assure configuration control over the safety-related emergency boration system between May 28 and June 3, 1987. This failure resulted in the loss of all boric acid flow paths. The major areas of concern are operations personnel departing from approved procedures, failing to notify the control room of changes in systems lineups, and the loss of configuration control over a safety-related system. Of additional concern to the NRC is that system engineers directed plant operators to perform valve operations without first obtaining the proper authorization and without using approved procedures.

Violation B in the enclosed Notice involves the failure to meet the Technical Specification requirement for maintaining the Auxiliary Feedwater System (AFW) for Unit 4 operable when the reactor coolant temperature was above 350 degrees. On July 15, 1987 a turbine operator closed valves which he thought were misaligned and thereby inadvertently isolated the safety-related nitrogen supply to the AFW automatic flow control valves for a 20-hour period. The operator was unaware of the proper valve lineup configuration, failed to report the system realignment to the control room, failed to use or implement the approved system lineup procedure, and failed to document the perceived misalignment and his subsequent realignment. Then, at least one operator failed to identify or promptly inform the control room staff of the status of the valves. The AFW

flow control valves normally use the non-safety-related, non-seismic instrument air system for automatic valve positioning; therefore, the failure to have the nitrogen back-up system available is unlikely to have prevented the AFW system from operating. Nevertheless, we are concerned that these failures by plant personnel indicate a lack of appreciation for procedural compliance, system configuration control, receiving appropriate authorization for realignments from the control room, and notifying the shift supervisor of realignments.

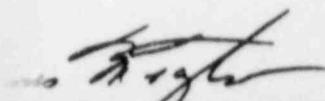
Violation C described in the enclosed Notice addresses an event involving operation of the Intake Cooling Water (ICW) system outside the plant design basis, another example where communications of required information to supervisory personnel was a contributing factor. On December 1, 1986, a performance test conducted on the Unit 3 Component Cooling Water (CCW) heat exchangers indicated degraded performance. Revised performance data and a proposed immediate cleaning schedule were forwarded to the Shift Technical Advisors on December 4, 1986, but the changes required by the revised data were not implemented and the cleaning schedule was not adhered to. As a result of this failure to perform corrective action, with the 3B CCW heat exchanger out of service for cleaning during a seventeen hour period on December 11, 1986, the two CCW heat exchangers remaining in service would not have been able to dissipate the maximum hypothetical heat load even with the ICW flow provided by two ICW pumps as described in safety evaluation SPE-L-85-38, Rev. 2, and the turbine plant cooling system isolated.

We are very concerned with the implementation of your plant management controls and the effectiveness of previous corrective actions in regard to continued departures from approved procedures and from authorized safety-related system alignments. The failure to adhere to approved procedures and to maintain adequate configuration control over safety-related systems have been the subject of repetitive enforcement and escalated enforcement actions at Turkey Point. Between July 1983, and May 1987, there have been 32 violations cited for failure to implement or to follow procedures. Additionally, lack of management controls in these and other areas has resulted in frequent enforcement and conferences and multiple escalated enforcement actions, including: a Confirmatory Order regarding Turkey Point's Performance Enhancement Program; an Order regarding Turkey Point's Phase II Select Systems review; nine civil penalties totaling \$900,000 since July 20, 1984 of which \$250,000 has been assessed in 1987.

While your Procedure Upgrade Program (PUP) has resulted in improvements to the quality and usability of your procedures, remedial actions by management to date have not been sufficiently effective to correct the other problems at your facility. During the time this enforcement action was pending, FP&L management indicated to the NRC staff that the program for performance improvement could be significantly enhanced by utilizing an independent third party audit of the Turkey Point facility and the FP&L corporate organization. The NRC staff concurs that this action is necessary.

The responses 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, Public Law No. 96-511.

Sincerely,



Taylor, Deputy Executive
Director for Regional Operations

Enclosures:

- (1) Order (Effective Immediately)
- (2) Notice of Violation
Imposition of

cc w/enclos:
J. S. [unclear]

flow control valves normally use the non-safety-related, non-seismic instrument air system for automatic valve positioning; therefore, the failure to have the nitrogen back-up system available is unlikely to have prevented the AFW system from operating. Nevertheless, we are concerned that these failures by plant personnel indicate a lack of appreciation for procedural compliance, system configuration control, receiving appropriate authorization for realignments from the control room, and notifying the shift supervisor of realignments.

Violation C described in the enclosed Notice addresses an event involving operation of the Intake Cooling Water (ICW) system outside the plant design basis, another example where communications of required information to supervisory personnel was a contributing factor. On December 1, 1986, a performance test conducted on the Unit 3 Component Cooling Water (CCW) heat exchangers indicated degraded performance. Revised performance data and a proposed immediate cleaning schedule were forwarded to the Shift Technical Advisors on December 4, 1986, but the changes required by the revised data were not implemented and the cleaning schedule was not adhered to. As a result of this failure to perform corrective action, with the 3B CCW heat exchanger out of service for cleaning during a seventeen hour period on December 11, 1986, the two CCW heat exchangers remaining in service would not have been able to dissipate the maximum hypothetical heat load even with the ICW flow provided by two ICW pumps as described in safety evaluation SPE-L-85-38, Rev. 2, and the turbine plant cooling system isolated.

We are very concerned with the implementation of your plant management controls and the effectiveness of previous corrective actions in regard to continued departures from approved procedures and from authorized safety-related system alignments. The failure to adhere to approved procedures and to maintain adequate configuration control over safety-related systems have been the subject of repetitive enforcement and escalated enforcement actions at Turkey Point. Between July 1983, and May 1987, there have been 32 violations cited for failure to implement or to follow procedures. Additionally, lack of management controls in these and other areas has resulted in frequent enforcement and conferences and multiple escalated enforcement actions, including: a Confirmatory Order regarding Turkey Point's Performance Enhancement Program; an Order regarding Turkey Point's Phase II Select Systems review; nine civil penalties totaling \$900,000 since July 20, 1984 of which \$250,000 has been assessed in 1987.

While your Procedure Upgrade Program (PUP) has resulted in improvements to the quality and usability of your procedures, remedial actions by management to date have not been sufficiently effective to correct the other problems at your facility. During the time this enforcement action was pending, FP&L management indicated to the NRC staff that the program for performance improvement could be significantly enhanced by utilizing an independent third party audit of the Turkey Point facility and the FP&L corporate organization. The NRC staff concurs that this action is necessary.

To emphasize the importance of ensuring improved communications, strict procedural compliance and maintaining control of system alignments, the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the cumulative amount of Two Hundred Twenty Five Thousand Dollars (\$225,000) is issued for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violations described in the enclosed Notice have been categorized as a Severity Level III violations. The base civil penalty for a Severity Level III violation is \$50,000. The escalation and mitigation factors in the Enforcement Policy were considered. The base civil penalty amount in each case was increased by 50% after considering your past poor performance as offset by your recent initiatives including an independent management audit.

Because the numerous past civil penalties alone have been ineffective in assuring lasting safety improvements and compliance with NRC requirements, your commitments to have an independent review of site and corporate management, organization, operational activities, and an assessment of required changes as well as your management on-shift program have been reviewed by the NRC and as modified are confirmed by the enclosed Order. Your letters of October 7 and 19, 1987 as well as our discussions of September 25, 1987 and October 8, 1987 have given us a good understanding of your intentions. We strongly support your initiative in these areas and trust that these efforts if vigorously pursued should result in significant improvements in the performance of site personnel. Since the enclosed Order modifies your shift management program, please advise Region II how this Order affects the other short-term commitments and corrective actions described in your October 7, 1987 letter.

You are required to respond to this letter and should follow the instructions 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.

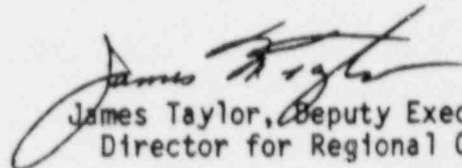
After reviewing your response to this letter and the enclosed Notice, and assessing the effectiveness of implementation of your proposed corrective actions and results of the required review and audits, the NRC will determine whether further NRC enforcement action, such as modification or suspension of your operating license, is necessary to ensure compliance with NRC regulatory requirements and safe operation of the Turkey Point facility.

With regard to the boric acid pump seal cooling system design control issue that was discussed during the July 29, 1987, Enforcement Conference, we have determined that no violation of regulatory requirements occurred.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

The responses 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, Public Law No. 96-511.

Sincerely,


James Taylor, Deputy Executive
Director for Regional Operations

Enclosures:

- (1) Order (Effective Immediately)
- (2) Notice of Violation and Proposed Imposition of Civil Penalty

cc w/encls:

- J. S. Odom, Vice President
Turkey Point Nuclear Plant
- C. J. Baker, Plant Manager
Turkey Point Nuclear Plant
- L. W. Bladow, Plant QA Superintendent
- J. Arias, Jr., Regulatory and Compliance
Supervisor

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of	)	Docket Nos.	50-250
	)		50-251
FLORIDA POWER AND LIGHT COMPANY	)	License Nos.	DPR-31
	)		DPR-41
(Turkey Point Nuclear Plant	)	EA 87-85	
Units 3 and 4))		

ORDER (EFFECTIVE IMMEDIATELY)

I

Florida Power and Light Company is the holder of operating Licenses No. DPR-31 and DPR-41 issued by the Nuclear Regulatory Commission (NRC/Commission) on July 19, 1972 and April 10, 1973 respectively. The licenses authorize the licensee to operate Turkey Point Nuclear Plant Units 3 and 4 in accordance with conditions specified therein.

II

Between July 1983 and May 1987, the licensee has been cited for 32 violations for failure to implement or to follow procedures. Lack of management controls in these and other areas has resulted in multiple escalated enforcement actions including seven civil penalties since July 20, 1984 and two additional civil penalties in the brief period since July 21, 1987. Overall poor performance by the licensee additionally resulted in the Turkey Point Performance Enhancement Program. A Confirmatory Order was issued on July 13, 1984 to confirm the implementation of this program. Subsequently to that, numerous additional violations were identified and the Phase II Assessment Program was developed by FP&L to be implemented in conjunction with the Performance Enhancement Program. This was addressed in the Confirmatory Order issued on August 12, 1986.

Routine inspections of the licensee's activities were conducted during May 18 - July 20, 1987. The results of these inspections indicated that the licensee again had not conducted its activities in full compliance with NRC requirements. In conjunction with this Order, a written Notice of Violation and Proposed Imposition of Civil Penalty is being served upon the licensee. The Notice of Violation details a number of examples of the failure to adhere to approved procedures and maintain configuration control over safety-related systems.

III

The first two violations described in the Notice detail a number of occasions where plant personnel manipulated valves without the use of approved procedures or approval of licensed supervisory personnel. The major areas of concern included operations personnel departing from approved procedures, failing to notify the control room of changes in system lineups, the loss of configuration control over the safety-related emergency boration system, and system engineers directing plant operators to perform valve operations without first obtaining the proper authorization from the control room staff and without using approved procedures. These failures to adequately establish or implement procedures to assure configuration control of the safety-related emergency boration system resulted in the loss of boric acid flow paths which were required by Technical Specifications. Additionally, a turbine operator closed valves which he thought were misaligned. The operator was unaware of the proper valve lineup configuration, failed to report the system realignment to the control room, failed to implement the approved system lineup procedure, and failed to document

the perceived misalignment and his subsequent realignment. At least one plant operator also failed to identify or promptly inform the control room staff of the status of the valves. The improper manipulation of these valves resulted in the isolation of the nitrogen backup system for the Auxiliary Feedwater System (AFW) flow control valves. The AFW flow control valves normally use the non-safety-related, non-seismic instrument air system for automatic valve positioning; therefore, the failure to have the nitrogen back-up system available is unlikely to have prevented the AFW system from operating. Nevertheless, these failures by plant personnel indicate a lack of appreciation for procedural compliance, system configuration control, and receiving appropriate authorization for realignments from the control room.

The third violation described in the Notice addresses an event involving operation of the Intake Cooling Water (ICW) system outside the plant design basis, another example where communications of required information to supervisory personnel was a contributing factor. On December 1, 1986, a performance test conducted on the Unit 3 Component Cooling Water (CCW) heat exchangers indicated degraded performance. Revised data and proposed immediate cleaning schedule were forwarded to the Shift Technical Advisors on December 4, 1986, but the changes required by the revised performance data were not implemented and the cleaning schedule was not adhered to. As a result of this failure to perform corrective action, with the 3B CCW heat exchanger out of service for cleaning during a seventeen hour period on December 11, 1986, the two CCW heat exchangers remaining in service would not have been able to dissipate the maximum hypothetical heat load even with the ICW flow provided by two ICW

pumps as described in safety evaluation JPE-L-85-38, Rev. 2, and the turbine plant cooling system isolated.

In addition, on September 13, 1987, a licensed operator permitted an unauthorized, non-licensed individual to manipulate the reactor dilution controls in Unit 3 control room, and although a management representative on shift observed and reported the incident, neither the Site Vice-President nor management at the Corporate Office were informed of the event until a week later. The NRC is continuing to evaluate the circumstances surrounding this event, but it is clear that an attitude that permits an unauthorized, non-licensed individual to perform such actions is unacceptable. The NRC will consider whether further action is necessary on this issue subsequent to the completion of our evaluation.

IV

The nature and number of deficiencies that have been identified over the past few years at Turkey Point described in Section II together with the more recent issues in Section III raise questions regarding the ability of Florida Power and Light to adequately control activities at Turkey Point. In contrast, the licensee's St. Lucie facility has performed well with few of the weaknesses evident at Turkey Point. Continued operation of the Turkey Point facility may require significant personnel and procedural changes at both Turkey Point and the Florida Power and Light corporate office in order to ensure a consistent level of adequate performance.

Florida Power and Light has taken the initiative in developing a number of programs designed to improve performance, including a review of the design

basis of selected systems, a review and revision of all operating procedures, making a number of management changes, a management on-shift program and contracting with an outside consultant to review its activities. The last two initiatives which the licensee committed to in a letter dated October 7, 1987 and further described in meetings on September 25, 1987 and October 8, 1987, as well as in a letter dated October 19, 1987 appear necessary to provide assurance that proper controls are in place, along with qualified and committed management, and staff to properly perform licensed activities. Therefore, I have determined that public health and safety require that Florida Power and Light's plan for an independent evaluation be confirmed as revised by this Order. Pending the NRC evaluation of the results of the independent evaluation, I have also determined that the public health and safety requires that an on-shift oversight program be confirmed as revised by this Order.

V

In view of the foregoing pursuant to Section 103, 161(1), 161(o) and 182 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.204 and 10 CFR Part 50, IT IS HEREBY ORDERED EFFECTIVE IMMEDIATELY THAT:

- A. Within 30 days of the date of this Order, the licensee shall submit to the Region II Administrator for review and approval a plan for an independent written appraisal of site and corporate organizations and activities that would develop recommendations, where necessary, for improvements in management controls and oversight to provide assurance that personnel will comply with required procedures. Upon approval of the plan, it shall be implemented and scheduled milestone completion

dates shall not be extended without good cause and the concurrence of the Region II Administrator. The appraisal shall be completed as called for in the above plan, but in any case, within six months of the date this Order. The plan shall include at least the elements itemized below:

- 1) An independent organization retained by the licensee shall evaluate current organizational responsibilities, management controls, improvement and upgrade programs, staffing levels and competence, communications, the safety review process, and operating practices both at Turkey Point and the corporate office. The licensee's programs for personnel motivation such as incentive and disciplinary programs shall be examined in the appraisal. Where applicable, the practices at the St. Lucie facility shall be reviewed and compared with those at Turkey Point.

- 2) The appraisal shall include a review of the licensee's site and corporate management supervisory personnel as well as a representative number of site working level personnel to determine their understanding of both regulatory and administrative requirements in the areas of procedural implementation and compliance. Additionally, a determination of the level of commitment of the personnel to such goals should be made.

- 3) The appraisal report shall include the views of the independent organization on the causes of the past failures to meet regulatory requirements referenced in Section II and III of the Order and an evaluation of the adequacy of the current improvement and upgrade

programs and management changes to achieve lasting safety improvements in compliance with Commission requirements. Past efforts to improve procedures relating to security and operations shall be reviewed. Recommendations shall be made for procedural, organizational, personnel, or other changes to improve the safety of plant operations and compliance with Commission requirements.

- 4) A description of the appraisal program, the qualification of the appraisal team, a discussion of how the appraisal is to be documented, and a schedule with appropriate milestones.
 - 5) Periodic meetings shall be provided between the outside organization and the licensee to alert the licensee of potential safety issues that may need immediate correction.
- B. The final report, as well as interim findings, will be communicated to a senior-level review board consisting of the FP&L Chairman and Chief Executive Officer, the President and Chief Operating Officer, and the Group Vice President Nuclear Energy Department.
- C. The licensee shall direct the outside organization to submit to the Region II Administrator a copy of the report of the appraisal recommendations resulting from the appraisal, and any and all drafts thereof, at the same time they are sent to the licensee or any of its employees or contractors. Prior notice shall be given the Region II Administrator of any meeting between the licensee and the organization to discuss the results, recommendations, or progress made on the appraisal. The Region II

Administrator may designate a member of his staff to attend any such meetings as an observer. In addition the licensee shall consider the recommendations resulting from the appraisal and provide to Region II Administrator within 30 days of the receipt of the appraisal an analysis of each such recommendation and the action to be taken in response to recommendation. The licensee shall also provide at that time a schedule for accomplishing these actions. Justification shall be provided for any recommendation of the appraisal not adopted.

- D. Pending the completion of the review of the results of the above independent appraisal program, the licensee shall implement a continuous on-shift oversight program to monitor the safety of plant operations, both in and out of the control room. The oversight program shall be implemented prior to either unit entering Mode 2 (Startup) following the current outages.
- 1) At least one evaluator, whether licensee employee or contractor, on each shift shall have held a senior reactor operator license or have experience in auditing or appraising commercial nuclear plant operations and not have been an employee at the Turkey Point facility within the last two years.
 - 2) A guidance document will be issued which identifies the purpose of the program, the responsibilities of the personnel assigned to the program, reporting requirements, and the authority given to the evaluators to act where necessary to prevent personnel error and to assure quality performance. A copy of such duties and responsibilities

shall be provided to the NRC. At a minimum the evaluators shall report observations of immediate safety significance to the shift supervisor and his direct supervisor. Daily reports of all activities addressing questionable operating practices shall be made to the Site Vice President with same day copies provided to the President of FP&L. The President of FP&L shall be directly responsible for the oversight program. A weekly summary report along with a compilation of daily reports shall be provided to the Region II Administrator.

- 3) Following the licensee's review of the results of the independent appraisal program the licensee may seek to terminate the oversight program. Written justification of the termination shall be provided to the Region II Administrator, explaining the basis for termination after considering the significance of any appraisal or oversight findings in the area of plant operations.

F. The Regional Administrator, Region II, may relax or terminate in writing any of the preceding provisions for good cause.

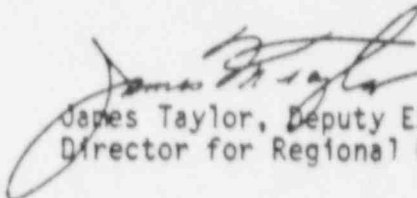
VI

The licensee or any person adversely affected by this Order may request a hearing within 30 days of the date of this Order. A request for hearing should be clearly marked as a "Request for Hearing" and shall be addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with copies to the Assistant General Counsel for

Enforcement, Regional Administrator, Region II, and the NRC Resident Inspector, Turkey Point Nuclear Plant.

If a hearing is requested, the Commission will issue an Order designating the time and place of the hearing. If a hearing is held, the issue to be considered shall be whether this Order should be sustained. If a person other than the licensee requests a hearing, that person shall set forth with particularity the manner in which the petitioner's interest is adversely affected by this Order and should address the criteria set forth in 10 CFR 2.714(d). Upon the failure of the licensee and any other person adversely affected by this Order to answer or request a hearing within the specified time, this Order shall be final without further proceedings. AN ANSWER TO THIS ORDER OR A REQUEST FOR HEARING SHALL NOT STAY THE IMMEDIATE EFFECTIVENESS OF THIS ORDER.

FOR THE NUCLEAR REGULATORY COMMISSION


James Taylor, Deputy Executive
Director for Regional Operations

Dated at Bethesda, Maryland
This 19th day of October 1987

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Florida Power and Light Company
Turkey Point Units 3 and 4

Docket Nos. 50-250 and 50-251
License Nos. DPR-31 and DPR-41
EA 87-85

During the Nuclear Regulatory Commission (NRC) inspection conducted from May 18 through July 20, 1987, violations of NRC requirements were identified. In accordance with "General Statement of Policy and Procedure for NRC Enforcement Action," 10 CFR Part 2, Appendix C (1987), 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. 10 CFR, Part 50, Appendix B, Criterion V, requires that activities affecting quality shall be prescribed by documented instructions, procedures, or drawings of a type appropriate to the circumstances and shall be accomplished in accordance with these instructions, procedures, or drawings.

Technical Specification 6.8.1 requires that written procedures shall be established and implemented for activities recommended in Appendix A of Regulatory Guide 1.33. Appendix A recommends, in part, that procedures for the operation of safety-related systems should be established.

NUREG-0737, Item I.C.6, Independent Verification, requires the implementation of procedures to verify the correct performance of operating activities. This item was implemented by an Order dated July 10, 1981.

Contrary to the above, the licensee did not establish or implement adequate procedures to assure configuration control over emergency boration, a safety-related system, between May 28 and June 3, 1987. Examples include the following:

1. The boration flowpath established on May 28, 1987 from the discharge of the 3b boric acid (BA) pump to the Unit 4 Reactor Coolant System (RCS) was not authorized by established procedures, the administratively allowable alternatives of a Plant Work Order, or an approved temporary procedure.
2. Non-licensed personnel without SRO direction or an approved procedure established a boration flow path from Unit 4 BA system to the suction of the 3b BA pump. Establishment of the flowpath resulted in nitrogen intrusion from the Unit 4 BA system to the Unit 3 BA system and a loss of all boric acid flowpaths.
3. Independent verification to ensure valving alignment documentation and restoration from the above unauthorized valve line-up was not implemented in accordance with Administrative Procedure O-ADM-31, Independent Verification, and NUREG-0737, Item I.C.6.

4. Off-Normal Operating Procedure ONOP-046.1, Emergency Boration, did not provide directions to operators for a loss of all boration flowpaths, including flow from the RWST.
5. Between May 30 and June 3, 1987 additional valve operations of the boration systems were performed without approved procedures, proper documentation or independent verification. These evolutions allowed additional nitrogen intrusion from the failed seal in the 4b BA pump into Unit 4 and an additional loss of the 3b BA pump.

This is a Severity Level III violation (Supplement I).

(Civil Penalty - \$75,000.)

- B. Technical Specification 3.18 requires, in part, that two independent auxiliary feedwater (AFW) trains and associated flowpaths shall be operable in reactor modes 1, 2 and 3. With both required AFW trains inoperable, and neither is returned to service within two hours, then the affected unit must be placed in at least hot standby (mode 3) within the next six hours and in hot shutdown (mode 4) within the following six hours.

Technical Specification definition 1.4, entitled Operable-Operability, specifies, in part, that a train or system shall be considered operable when it is capable of performing its specified functions.

The AFW nitrogen system is a necessary auxiliary system installed to provide at least two hours of automatic AFW flow control in the event of the loss of the instrument air system.

Contrary to the above, on July 15, 1987 with the Unit 4 in Mode 1, a turbine operator improperly aligned both trains of the AFW nitrogen supply system on Unit 4 such that all bottles were isolated. Consequently, for the approximately 20 hours the AFW nitrogen supply system was isolated the AFW system was not capable of performing its specified function.

This is a Severity Level III violation (Supplement I). (Applies to Unit 4 only.)

(Civil Penalty - \$75,000.)

- C. 10 CFR 50, Appendix B, Criterion XVI, as implemented by Florida Power and Light Topical Quality Assurance Report FPLTQAR 1-76A, Revision 10, and TQR 16.0, Revision 5, entitled Corrective Action, requires in part, that measures be established to assure that conditions adverse to quality, such as failures, malfunctions, deficiencies, deviations, defective material and equipment, and nonconformances are promptly identified and corrected. In the case of significant conditions adverse to quality, the measures shall assure that the cause of the condition is determined and corrective action taken to preclude repetition.

FPLTQAR 1-76A defines significant conditions adverse to quality as failures, malfunctions, deficiencies or deviations in material and equipment and other nonconformances which require engineering evaluation and/or

evaluation for reportability as required by 10 CFR 50.55(e), reportable occurrences (LERs) or 10 CFR 21 deficiencies.

Administrative procedures O-ADM-913, entitled Corrective Action for Conditions Adverse to Quality, revision dated July 15, 1986, specifies in section 5.3 that supervisors shall be alert to significant conditions adverse to quality when recommending or approving changes based on observed or reported discrepancies.

Turkey Point FSAR, Section 9.3 states, following a loss of coolant accident, two Component Cooling Water (CCW) heat exchangers accommodate the heat removal loads. If a CCW heat exchanger fails, the standby heat exchanger provides a 50 percent backup. Additionally, FSAR Table 9.3-5 specifies that two CCW heat exchangers can carry the total emergency heat load. The FSAR specifies, in Section 9.6, that only one Intake Cooling Water (ICW) pump is required following a Maximum Hypothetical Accident (MHA) and that the minimum operating requirements for the ICW system are met by one pump and one loop header.

FPL's Substantial Safety Hazards Evaluation for Intake Cooling Water System, JPE-L-85-38, determined that the ICW system was susceptible to single active failures. The licensee subsequently determined that the active failures were inconsequential during a MHA provided that a manual isolation valve was shut, and ICW (Cooling Canal) temperature and CCW heat exchanger cleanliness were maintained within given parameters.

Contrary to the above, on December 1, 1986, a performance test conducted on the Unit 3 Component Cooling Water (CCW) heat exchangers indicated degraded performance. Revised data and a proposed immediate cleaning schedule were forwarded to the Shift Technical Advisors on December 4, 1986, but the changes required by the revised performance data were not adhered to and the cleaning schedule was not followed. As a result of this failure to perform corrective action, with the 3B CCW heat exchanger out of service for cleaning during a seventeen hour period on December 11, 1986, the two CCW heat exchangers remaining in service would not have been able to dissipate the maximum hypothetical heat load even with the ICW flow provided by two ICW pumps as described in safety evaluation JPE-L-85-38, Rev. 2, and the turbine plant cooling system isolated.

This is a Severity Level III violation (Supplement I). (Applies to Unit 3 only)

(Civil Penalty - \$75,000.)

Pursuant to the provisions of 10 CFR 2.201, Florida Power and Light Company (licensee) is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of this 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, (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 may be issued to show cause why the license should not be modified, suspended, or revoked or

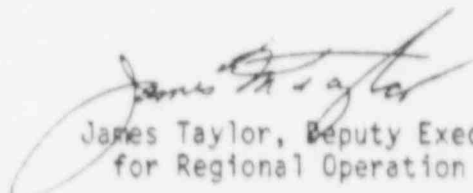
why such other action as may be proper should not be taken. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, this response shall be submitted under oath or affirmation.

Within the same time as provided for the response required above under 10 CFR 2.201, the Licensee may pay the civil penalty by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order 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 an answer should be clearly marked as an "Answer to a Notice of Violation" and may: (1) deny the violation 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, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), 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 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 to the Director, Office of Enforcement, noted above (Reply to a Notice of Violation) should be addressed to: Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555, with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region II, and a copy to the NRC Resident Inspector, Turkey Point facility.

FOR THE NUCLEAR REGULATORY COMMISSION


James Taylor, Deputy Executive Director
for Regional Operation

Dated at Bethesda, Maryland
This 9th day of October 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30323

JUL 28 1987

Docket Nos. 50-250, 50-251
License Nos. DPR-31, DPR-41
EA 87-98

Florida Power and Light Company
ATTN: Mr. C. O. Woody
Group Vice President
Nuclear Energy Department
P. O. Box 14000
Juno Beach, FL 33408

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC INSPECTION REPORT NOS. 50-250/87-25, 50-251/87-25,
50-250/87-29, AND 50-251/87-29)

This refers to the Nuclear Regulatory Commission (NRC) inspection conducted by O. Masnyk at Turkey Point on May 11-15, 1987. The inspection included a review of the circumstances surrounding the failure to control access of personnel and equipment to containment and an inadequate vehicle search at the protected area perimeter. The report documenting this inspection was provided to you by letter dated June 3, 1987. As a result of this inspection, significant failures to comply with NRC regulatory requirements were identified, and accordingly, NRC concerns relative to the inspection findings were discussed by M. L. Ernst, Deputy Regional Administrator, NRC, Region II, with you and members of your staff during an Enforcement Conference held on June 5, 1987.

The violation relating to the lack of material and personnel access control at entrances to containments of both units occurred during a period when the heads were removed from both reactor vessels, both of which contained irradiated fuel. This violation is of concern to the NRC because when identified to you by the NRC inspector you failed to implement prompt corrective action. Specifically, the NRC inspector informed management of the violation on the morning of May 13, 1987. However, the inspector discovered that on the evening of May 13 and again on the morning of May 14, 1987 that positive access control was still not in effect. Both times, the inspector informed management of the problem.

The violation involving the inadequate vehicle search occurred because security personnel used dogs to search the vehicle for explosives, but failed to physically search for weapons or unauthorized packages and personnel. This violation is of concern to the NRC because it appears that this search method had been in use for an extended period of time.

Both violations involve security personnel failures in the area of access control. These incidents are similar to violations cited in the Notice of Violation and Proposed Imposition of Civil Penalty for security violations issued to you on

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

JUL 28 1987

April 21, 1987. Together, the current and past violations indicate a need by management to significantly improve its involvement in the oversight and control of the security program, especially in the area of assuring that employees fully understand the objectives and requirements of the security program.

To emphasize the need for increased management involvement in the oversight and control of the security program, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Seventy-five Thousand Dollars (\$75,000) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violations described in the enclosed Notice have been categorized in the aggregate as a Severity Level III problem. The base value of a civil penalty for a Severity Level III violation or problem is \$50,000. The escalation and mitigation factors in the Enforcement Policy were considered. The base civil penalty amount has been increased by 50 percent because of your continued poor performance in the implementation of the security program.

In addition to the need for corrective action regarding the specific matters identified in the enclosed Notice, we are concerned about the implementation of your security program that permitted this situation to develop. Consequently, these issues will be discussed during a meeting on performance enhancement in the security area which is scheduled for July 30, 1987 at your Turkey Point facility.

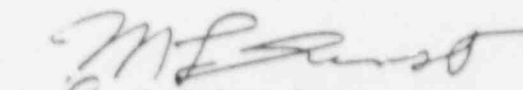
You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of 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(d) and 10 CFR 73.21, safeguards activities and security measures are exempt from public disclosure; therefore, the enclosure to this letter, with the exception of the report cover page which represents a nonexempt summary, will not be placed in the NRC Public Document Room.

The responses directed by this letter and its enclosures 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,


J. Nelson Grace
Regional Administrator

Enclosures: (See page 3)



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

NOV 05 1987

Docket Nos. 50-250 and 50-251
License Nos. DPR-31 and DPR-41
EA 87-98

Florida Power and Light Company
ATTN: Mr. C. O. Woody
Group Vice President
Nuclear Energy Department
P. O. Box 14000
Juno Beach, FL 33408

Gentlemen:

SUBJECT: ORDER IMPOSING A CIVIL MONETARY PENALTY


This refers to your letter dated August 26, 1987 in response to the Notice of Violation and Proposed Imposition of Civil Penalty sent to you by our letter dated July 28, 1987. Our letter and Notice described two violations categorized as a Severity Level III problem identified during an NRC inspection. To emphasize the need for increased management involvement in the oversight and control of the security program, a civil penalty of Seventy-Five Thousand Dollars (\$75,000) was proposed.

In your response, you admitted violation A and stated that it should be categorized as a Severity Level IV violation, denied violation B and stated that it should be withdrawn, and requested that the civil penalty be entirely remitted.

After consideration of your response, we have concluded for the reasons given in the appendix attached to the enclosed Order Imposing Civil Monetary Penalty that both violations should remain as presented in the Notice of Violation and that the Severity Level and proposed civil penalty amount are warranted. Accordingly, we hereby serve the enclosed Order on Florida Power and Light Company imposing a civil monetary penalty in the amount of Seventy-Five Thousand Dollars (\$75,000). We will review the effectiveness of your corrective actions during a subsequent inspection.

In accordance with 10 CFR 2.790(d) and 10 CFR 73.21, safeguards activities and security measures are exempt from public disclosure; therefore, the staff assessment enclosed to this letter will not be placed in the NRC Public Document Room.

Sincerely,


James Lieberman, Director
Office of Enforcement

Enclosures: (See page 2)

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of
FLORIDA POWER AND LIGHT COMPANY
Turkey Point

Docket Nos. 50-250 and 50-251
License Nos. DPR-31 and DPR-41
EA 87-98

ORDER IMPOSING CIVIL MONETARY PENALTY

I

Florida Power and Light Company (the licensee) is the holder of Operating License Nos. DPR-31 and DPR-41 (the licenses) issued by the Nuclear Regulatory Commission (NRC/Commission). These licenses authorize the licensee to operate the Turkey Point facility in accordance with the conditions specified therein.

II

An inspection of the licensee's activities was conducted on May 11-15, 1987. The results of this inspection indicated that the licensee had not conducted its activities in full compliance with NRC requirements with respect to safeguards activities. A written Notice of Violation and Proposed Imposition of Civil Penalty (NRC Inspection Report Nos. 50-250/87-25, 50-251/87-25, 50-250/87-29, and 50-251/87-29) was served upon the licensee by letter dated July 28, 1987. The Notice states the nature of the violations, the provisions of the NRC's requirements that the licensee had violated, and the amount of the civil penalty proposed for the violations. The licensee responded to the Notice of Violation and Proposed Imposition of Civil Penalty by letter dated August 26, 1987.

III

After consideration of the licensee's response and the statements of fact, explanation, and argument for mitigation contained therein, the Director, Office of Enforcement has determined as set forth in the appendix to this Order that the violations occurred as stated, that the Severity Level III categorization is warranted, and that the penalty proposed for the violation designated in the Notice of Violation and Proposed Imposition of Civil Penalty should be imposed.

IV

In view of the foregoing and pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205, IT IS HEREBY ORDERED THAT:

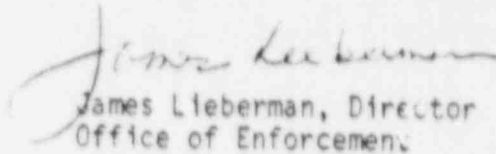
The licensee pay a civil penalty in the amount of Seventy-Five Thousand Dollars (\$75,000) within 30 days of the date of this Order, by check, draft, or money order, payable to the Treasurer of the United States and mailed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555.

The licensee may request a hearing within 30 days of the date of this Order. A request for a hearing should be clearly marked as a "Request for an Enforcement Hearing" and shall be addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555, with a copy to the Regional Administrator, Region II.

If a hearing is requested, the Commission will issue an Order designating the time and place of the hearing. If the licensee fails to request a hearing within 30 days of the date of this Order, the provisions of this Order shall be effective without further proceedings. If payment has not been made by that time, the matter may be referred to the Attorney General for collection. In the event the licensee requests a hearing as provided above, the issues to be considered at such hearing shall be:

- (a) whether the licensee was in violation of the Commission's requirements as set forth in the Notice of Violation and Proposed Imposition of Civil Penalty referenced in Section I above and
- (b) whether, on the basis of such violation, this Order should be sustained.

FOR THE NUCLEAR REGULATORY COMMISSION


James Lieberman, Director
Office of Enforcement

Dated at Bethesda, Maryland
this 21 day of November 1987.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30323

SEP 04 1987

Docket No. 50-424
License No. 1PF-68
EA 87-100

Georgia Power Company
ATTN: Mr. James P. O'Reilly
Senior Vice President-
Nuclear Operations
Post Office Box 4545
Atlanta, GA 30302

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC INSPECTION REPORT NOS. 50-424/87-26, 50-424/87-43, AND
50-424/87-50)

This refers to the inspections conducted on March 9-13, March 23-27, April 22-24, April 29-May 3, May 12-15, June 22-24, July 20-24, July 28-29, and August 5-6, 1987, at your corporate offices in Atlanta, Georgia, and at the Vogtle Electric Generating Plant (VEGP). The inspections included a review of numerous security violations discovered and reported by your staff, as well as other violations identified by the NRC. The initial and supplemental reports documenting these inspections were sent to you by letters dated April 18, 1987, June 1, 1987, August 4, 1987, and August 13, 1987. As a result of these inspections, significant failures to comply with NRC security requirements were identified. Enforcement Conferences to discuss these matters were held on June 17, July 1, and August 20, 1987.

The violations described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) are considered significant because collectively they represent a programmatic breakdown in the VEGP Physical Security Program. The violations indicate a lack of plant management attention to the security program; inadequate day-to-day supervision by security managers; failure of the VEGP security staff to have knowledge of and comply with established security procedures; security equipment and hardware deficiencies; failure of the security staff to properly evaluate, record and report safeguards events; inadequate physical security barriers; and repetitive occurrences of inattentiveness by on-duty security officers. These violations clearly demonstrate the urgent need for corporate and plant management attention to the VEGP Physical Security Program to ensure that adequate security of the plant is maintained. These violations take on added significance because they began occurring shortly after the low power license was issued on January 16, 1987, and continued throughout the power ascension mode of the plant and into normal plant operation. The violations resulted from a continuing failure to comply with regulatory requirements and commitments of Georgia Power Company's (GPC) Commission-approved Physical Security Plan fostered by an initial lack of effective management.

More aggressive management on the part of GPC has been noted since the inspections conducted in March 1987, the exit interview conducted by the Deputy Regional Administrator on March 27, 1987, and the management meeting conducted by the Regional Administrator on April 2, 1987, during which we expressed our high level of concern regarding this problem. This increased initiative by management resulted in programmatic enhancements and organizational changes which should result in improved performance. To emphasize our concern with the identified deficiencies and the need for continued and lasting improvement in the management of the VEGP security program, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Two Hundred Thousand Dollars (\$200,000) for the violations described in Section I of the enclosed Notice. The violations in the enclosed Notice have been categorized in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy).

Violations I.A.1 through I.A.5 in the enclosed Notice involving failure to implement adequate compensatory measures have been categorized in the aggregate as a Severity Level III problem. Violations I.B.1 through I.B.7 in the enclosed Notice involving failure to follow security procedural requirements have also been categorized in the aggregate as a Severity Level III problem. The base value of a civil penalty for a Severity Level III problem is \$50,000. The base civil penalty amount for each of these two Severity Level III problems has been increased by 50 percent because of the number and extent of these security violations.

Violations I.C.1 through I.C.3 in the enclosed Notice involving failure to maintain positive access control have also been categorized in the aggregate as a Severity Level III problem. The escalation and mitigation factors in the Enforcement Policy were considered, and no adjustment has been deemed appropriate. Violation I.C.1 is of particular concern because of management's apparent lack of knowledge of security requirements and the poor example set for employees when senior management does not follow security procedures.

The violations described in Section II of the enclosed Notice have been categorized in the aggregate as a Severity Level III problem. The majority of these violations were identified by your staff which may reflect your improving sensitivity to safeguards matters at the facility. In addition, upon identification, effective corrective action was taken which was unusually prompt and extensive, including an incentive program for guards to identify barrier problems. Therefore, a civil penalty is not being proposed for the violations associated with this problem.

The violation (50-424/87-50-04) identified in paragraph 7 of Inspection Report No. 50-424/87-50 involved four unprotected openings in excess of the vital area barrier criteria of 96 square inches that resulted from the improper spacing of reinforcement bars at a measured distance of six and one eighth inches. This problem was discovered by your staff and reported in accordance with 10 CFR 73.71(c). Because this problem (1) was self-identified and reported, (2) was promptly corrected, and (3) involved a minimal measured

Georgia Power Company

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variance, and presented a degree of difficulty in distinguishing the specific area of concern among adjacent openings in which the reinforcement bars were properly positioned, we find this violation to meet the criteria set forth in 10 CFR 2, Appendix C, Section V.A and a Notice of Violation will not be issued.

Certain additional potential violations associated with these inspections are currently under review by the NRC. You will be advised of the results of that effort in future correspondence.

As noted above, we are aware that changes are being made to your security program. Your letters of March 30, 1987 and April 6, 1987; subsequent GPC staff presentations regarding implementation of physical security program improvements, as discussed at Enforcement Conferences; and our recent followup inspections all indicate that a marked improvement is underway in your overall physical security program. The formation of a task force to identify and resolve security equipment problems, the recruitment of highly qualified security supervisors and personnel, enhancement of the security training program, and motivational programs and incentives which contributed to the discovery of physical security barrier breaches cited in Inspection Report No. 50-424/87-50, and listed in Section II of the enclosed Notice, are all positive indicators of an improving program. It is expected that improvement will continue as more management emphasis and attention is applied to the program such as that pointed out in your letter of April 6, 1987, which detailed specific actions designed to promptly improve the performance of the physical security program.

Notwithstanding these efforts, because of the number of significant violations in different security areas, the proposed civil penalty in this case is larger than previous penalties for safeguards violations. You should note that the large number of violations in this case could have resulted in a significantly larger civil penalty. However, due to the recent progress made by Georgia Power Company management to remedy the identified problems and the scheduled improvements outlined for the NRC at the Enforcement Conferences on June 17, 1987 and August 20, 1987, the \$200,000 penalty proposed here was considered to provide a sufficient incentive to ensure that these actions will be effectively carried out.

You are required to respond to this letter and should follow the instructions 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. Consequently, your response should document the actions described at the Enforcement Conferences on June 17, 1987 and August 20, 1987, as well as other actions taken or planned to improve the effectiveness of your program. After reviewing your response to this Notice, 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(d) and 10 CFR 73.21, safeguards activities and security measures are exempt from public disclosure; therefore, the enclosures to this letter, with the exception of the report cover page which presents a nonexempt summary, will not be placed in the NRC Public Document Room.

SEP 04 1987

Georgia Power Company

- 4 -

The responses 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, P.L. No. 96-511.

Sincerely,

J. Nelson Grace
Regional Administrator

Enclosure:
Notice of Violation and Proposed
Imposition of Civil Penalty
(Safeguards Information)

cc w/encl:
P. D. Rice, Vice President, Project
Engineering
C. W. Hayes, Vogtle Quality
Assurance Manager
G. Bockhold, Jr., General Manager,
Nuclear Operations

cc w/o encls:
L. Gucwa, Manager, Nuclear Safety
and Licensing
J. A. Bailey, Project Licensing
Manager
D. Kirkland, III, Counsel,
Office of the Consumer's Utility
Council
D. Feig, Georgians Against
Nuclear Energy
M. B. Margulies, Esq., Chairman,
Atomic Safety and Licensing Board
Panel
Dr. O. H. Paris, Administrative Judge
Atomic Safety and Licensing Board
Panel
G. A. Linenberger, Jr., Administrative Judge
Atomic Safety and Licensing Board
Panel



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30323

SEP 03 1987

Docket No. 50-424
License No. NPF-68
EA 87-115

Georgia Power Company
ATTN: Mr. James P. O'Reilly
Senior Vice President-
Nuclear Operations
Post Office Box 4545
Atlanta, GA 30302

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC INSPECTION REPORT NOS. 50-424/87-31 AND 50-424/87-37)

This refers to the inspections conducted on April 18 - May 22 and on May 23 - June 19, 1987, at the Vogtle Electric Generating Plant. The inspection included a review of the circumstances surrounding the failure to comply with Technical Specifications (TS) for the Reactor Trip Breaker and Residual Heat Removal System. The results of these inspections were forwarded to you in letters dated June 26 and June 29, 1987, respectively. NRC concerns relative to the inspection findings associated with the events were discussed during an Enforcement Conference held on July 1, 1987, at the Vogtle Electric Generating Plant.

The violations described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) involve (1) the improper evaluation of component and system operability which led to the failure to comply with the applicable Technical Specification (TS) requirements and (2) the failure to take prompt corrective action for identified deficiencies. Violation A, which occurred on June 2, 1987, while the unit was in Mode 1, involved the operations personnel failing to recognize that when a Reactor Trip Breaker (RTB) is bypassed for maintenance, it becomes inoperable. Failure to declare the RTB inoperable resulted in an improper application of the TS action statements. While the TS action statement required the unit to be placed in hot standby within six hours if the RTB was inoperable, the unit remained in Mode 1 for 8 hours and 34 minutes. Further, with the improper application of TS requirements, plant operations personnel believed the unit could have remained in Mode 1 for 48 hours with the breaker bypassed for maintenance.

Violation B, which occurred while the Unit was in Mode 1 on April 28-29, 1987, involved the failure to take prompt corrective action after discovering a condition which could cause degraded flow in the Residual Heat Removal (RHR) System. A deficiency report prepared by a knowledgeable engineer, who had been involved with the pre-operational testing of the RHR system, described the potential for insufficient flow rates due to the RHR heat exchanger outlet valves not being fully open. In an evaluation of this deficiency, the operations staff improperly assessed the significance of the valve positions

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and failed to take prompt action to restore the valves to the full open condition. While it is recognized that the calculated flow reduction from the valves not being fully open was not significantly below the TS flow requirement, the failure to restore the system to full operability or assess the effect on the low pressure injection flow requirement in a timely manner is of concern. It is noted that had the surveillances of ECCS valve positions been conducted using local observation rather than status indication lights, the partially closed position of these valves may have been found. The remote indications were set up such that the lights would indicate the valves were open until the valves were nearly shut (approximately 5 percent open).

A major factor contributing to these events was a lack of communication between the operations, engineering, and other organizations of your staff. Communication is necessary to assure proper evaluation of component operability and that Technical Specification requirements are met.

To emphasize the need for improved performance in correcting deficiencies, understanding Technical Specification requirements, and communicating more effectively between site personnel, I have been authorized, after consultation with the Director, Office of Enforcement; and the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Fifty Thousand Dollars (\$50,000) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violations described in the enclosed Notice have been categorized collectively as a Severity Level III problem because they indicate a weakness in the understanding of Technical Specification requirements and the potential effect on these requirements when components are found to be deficient. The escalation and mitigation factors in the Enforcement Policy were considered, and no adjustment has been deemed appropriate.

During the Enforcement Conference, we also discussed the issue regarding your interpretation of the diesel generator license condition and compliance with TS action statements relative to the diesel generators. The issue was initially identified as a violation in Inspection Report 50-424/87-37. Instead, pending further evaluation by the Office of Nuclear Reactor Regulation, that issue is considered an Unresolved Item. Our actions relative to this matter were discussed in Inspection Report No. 50-424/87-45 which was forwarded to you in a letter dated July 14, 1987.

You are required to respond to this letter and should follow the instructions 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 future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

SEP 03 1987

The responses 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, Pub. L. No. 96-511.

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

Sincerely,



J. Nelson Grace
Regional Administrator

Enclosure:
Notice of Violation and
Proposed Imposition
of Civil Penalty

cc w/encl:
P. D. Rice, Vice President, Project
Director
C. W. Hayes, Vogtle Quality
Assurance Manager
G. Bockhold, Jr., General Manager,
Nuclear Operations
L. Gucwa, Manager, Nuclear Safety
and Licensing
J. A. Bailey, Project Licensing
Manager
B. W. Churchill, Esq., Shaw,
Pittman, Potts and Trowbridge
J. E. Joiner, Troutman, Sanders,
Lockerman and Ashmore
D. Kirkland, III, Counsel,
Office of the Consumer's Utility
Council
D. Feig, Georgians Against
Nuclear Energy
M. B. Margulies, Esq., Chairman,
Atomic Safety and Licensing Board
Panel
Dr. O. H. Paris, Administrative Judge
Atomic Safety and Licensing Board
Panel
G. A. Linenberger, Jr., Administrative Judge
Atomic Safety and Licensing Board
Panel
D. Kirkland, III, Counsel,
Office of the Consumer's Utility
Council

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Georgia Power Company
Vogtle Electric Generating Plant
Unit 1

Docket No. 50-424
License No. NPF-68
EA 87-115

During the Nuclear Regulatory Commission (NRC) inspections conducted on April 18 - May 22, 1987, and on May 23 - June 19, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), the NRC 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 (TS) 3.3.1 and associated Table 3.3-1 require, in part, that a minimum of two channels of the Reactor Trip Breaker (RTB) functional unit of the Reactor Trip System (RTS) be operable in Modes 1 and 2.

The associated action statement (Action Statement 10) requires that with the number of operable channels one less than the "minimum channels operable" requirement, the unit must be in at least hot standby within six hours; however, one channel may be bypassed for up to two hours for surveillance testing per Technical Specification 4.3.1.1, provided the other channel is operable.

Contrary to the above, on June 2, 1987, one of the two RTS channels required for operation (one less than the minimum channel operable requirement) became inoperable in that the "B" RTB was bypassed for 8 hours and 34 minutes with the unit in Mode 1 (power operation), and the unit was not placed in hot standby within six hours as required by Action Statement 10.

- B. 10 CFR Part 50, Appendix B, Criterion XVI, requires, in part, that conditions adverse to quality such as deficiencies be promptly identified and corrected.

Contrary to the above, at 1:45 p.m. on April 28, 1987, the Residual Heat Removal Heat Exchanger outlet valves (1HV-0606 and 1HV-0607) were identified to be less than full open, and prompt actions were not taken to correct the deficiencies. The On-Shift Operations Supervisor did not recognize that the as-found valve positions affected the operability of the system as defined in the Technical Specifications. The valves were not restored to full open condition until 10:00 p.m. on April 29, 1987. As a result of the partial closure of these valves, the RHR flow during the low pressure injection operation was calculated to be potentially below the minimum TS value of 3788 gpm. Train A was determined to be 3762 gpm (.7 percent below TS limit) and Train B to be 3686 (2.7 percent below TS limit).

Collectively, these violations have been categorized as a Severity Level III violation (Supplement I).
Civil Penalty - \$50,000 (assessed equally between the violations).

Pursuant to the provisions of 10 CFR 2.201, Georgia Power Company is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this 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; (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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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.

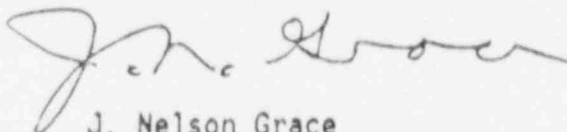
Within the same time as provided for the response required above under 10 CFR 2.201, the licensee may pay the civil penalty by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of the civil penalty proposed above, or the cumulative amount of the civil penalties if more than one civil penalty is proposed, 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 violation(s) 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, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), 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 to the Director, Office of Enforcement, noted above (Reply to a 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, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region II, 101 Marietta Street, N.W., Atlanta, Georgia 30323, and, if applicable, a copy to the NRC Resident Inspector, at the facility which is the subject of this Notice.

FOR THE NUCLEAR REGULATORY COMMISSION



J. Nelson Grace
Regional Administrator

Dated at Atlanta, Georgia
this 3rd day of September 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

AUG 12 1985

Docket No. 50-320
License No. DPR-73
EA 84-137

GPU Nuclear Corporation
ATTN: Mr. P. R. Clark, President
100 Interpace Parkway
Parsippany, New Jersey 07054

Gentlemen:

Subject: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NUREG 0680, SUPPLEMENT 5)

The NRC Office of Investigations (OI) conducted nine investigations into allegations of various matters involving General Public Utilities Nuclear Corporation (GPU Nuclear) management integrity. The NRC staff reviewed the reports of investigations and concluded that several violations of Commission regulations by GPU Nuclear had occurred. The NRC review and a list of the reports of the investigations are documented in Supplement 5 to the Safety Evaluation Report (SER) on TMI-1 Restart (NUREG-0680, Supplement 5). One of the violations is described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice). The other violations will be dealt with in separate correspondence.

The violation in the enclosed Notice involves acts of discrimination against Richard D. Parks, a Bechtel employee, for raising safety concerns associated with the TMI-2 polar crane refurbishment. These safety concerns were related to various failures to follow GPU Nuclear approved procedures during refurbishment of the crane. GPU Nuclear was subsequently cited for failures to follow procedures in a Notice of Violation issued on February 3, 1984. Mr. Parks claimed that as a result of his exposing the safety concerns to his management and the NRC, he was (1) relieved of his duties as Alternate Startup and Test Supervisor at TMI-2, (2) subjected to improper and intimidating interrogation by his management, (3) removed as the primary Site Operations Department representative for the Test Working Group, and (4) ultimately placed on leave of absence.

The Department of Labor (DOL) conducted an investigation into the complaint filed by Mr. Parks. OI also investigated Mr. Park's allegations of discrimination. After reviewing the DOL and OI investigation reports, the NRC staff determined that a violation of the Commission's regulations occurred. Specifically, the four discriminatory acts against Mr. Parks are a violation of 10 CFR 50.7.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

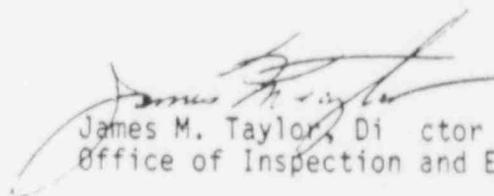
Acts of discrimination, whether committed directly or through contractor personnel, against an employee who raises safety concerns or who communicates with the NRC, will not be tolerated. To emphasize this, I have been authorized, after consultation with the Commission, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Sixty-Four Thousand Dollars (\$64,000) for the violation involving the acts of discrimination against Richard D. Parks. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C, 47 FR 9989 (March 9, 1982), which was the policy in effect at the time of the violation, (Enforcement Policy) the violation has been categorized as a Severity Level II violation. A civil penalty of \$64,000, the base civil penalty for a Severity Level II violation at the time the discrimination occurred, is being proposed to make clear the significance which the Commission places on any violation involving employee discrimination. The escalation and mitigation factors in the Enforcement Policy were considered and no adjustment has been deemed appropriate.

You are required to respond to this letter and should follow the instructions 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 the corrective actions you have taken, 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," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC's Public Document Room.

The responses 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.

Sincerely,



James M. Taylor, Director
Office of Inspection and Enforcement

Enclosure:
Notice of Violation and
Proposed Imposition of Civil Penalty

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

GPU NUCLEAR CORPORATION
Three Mile Island,
Unit 2

)
)
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Docket No. 50-320
License No. DPR-73
EA 84-137

The NRC's Office of Investigations (OI) conducted nine investigations into allegations dealing with various items involving management integrity at the Three Mile Island Nuclear Station. The NRC staff subsequently reviewed the reports and other pertinent materials and documented its review in Supplement 5 to the Safety Evaluation Report (SER) on TMI-1 Restart (NUREG 0680, Supplement 5). As a result of the review, an apparent violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C, 47 FR 9989 (March 9, 1982), which was the policy in effect at the time of the violations, 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, PL 96-295, and 10 CFR 2.205. The particular violation, and the associated civil penalty, are set forth below:

10 CFR 50.7 prohibits discrimination by a Commission licensee, or a contractor or subcontractor of a licensee, against an employee for engaging in certain protected activities. Discrimination includes discharge and other actions that relate to compensation, terms, conditions, and privileges of employment. The activities protected include but are not limited to providing the NRC information about possible violations of NRC requirements and requests to the NRC to take action against an employer for enforcement of NRC requirements.

Contrary to the above, Richard D. Parks, a Bechtel employee, was discriminated against for engaging in protected activities in reporting safety problems to his management, requesting assistance from the NRC, and commencing a proceeding with the Department of Labor. Parks reported safety concerns to his management on February 13, 1983. Parks contacted the TMI on-site office of the NRC on February 18, 1983 and on March 10, 1983, complaining first that his management was threatening to have him transferred and then that GPU Nuclear management was trying to implicate him in a conflict-of-interests charge because he had reported safety concerns. He also initiated a proceeding pursuant to Section 210(b)(1) of the Energy Reorganization Act of 1974, 42 U.S.C. 5851, PL 93-438, on March 23, 1983. At least partly due to these activities, Mr. Parks, during the period between February 23, 1983 and March 24, 1983 was (1) removed as Alternate Startup and Test Supervisor, (2) subjected to improper and intimidating interrogation, (3) removed as the primary Site Operations Department representative for the Test Working Group, and (4) ultimately placed on leave of absence. These acts of discrimination were described in a U.S. Department of Labor

investigation (DOL Case 83-ERA-8) which was reviewed during an NRC OI investigation (OI Report H-83-002), and discussed in Section 10 of NUREG-0680, Supplement 5.

This is a Severity Level II violation (Supplement VII).
(Civil Penalty - \$64,000).

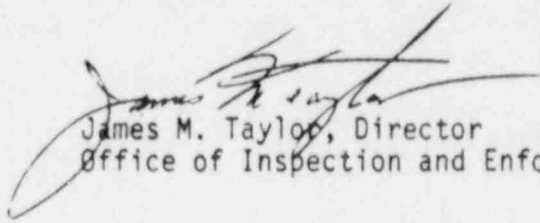
Pursuant to the provisions of 10 CFR 2.201, GPU Nuclear Corporation is hereby required to submit to the Director, Office of Inspection and Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, within 30 days each alleged violation: (1) admission or denial of the alleged violation, (2) the reasons for the violation, 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. If an adequate reply is not received within the time specified in this Notice, the Director, Office of Inspection and Enforcement, may issue an order to show cause why the license should not be modified, suspended, or revoked or why such other action 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 above under 10 CFR 2.201, GPU Nuclear Corporation may pay the civil penalty by letter addressed to the Director, Office of Inspection and Enforcement, with a check, draft, or money order payable to the Treasurer of the United States in the cumulative amount of Sixty-Four Thousand Dollars (\$64,000) or may protest imposition of the civil penalty in whole or in part by a written answer addressed to the Director, Office of Inspection and Enforcement. Should GPU Nuclear Corporation 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 GPU Nuclear Corporation elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalty, such answer may: (1) deny the violation 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 five 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 part of the 10 CFR 2.201 reply by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. GPU Nuclear Corporation'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



James M. Taylor, Director
Office of Inspection and Enforcement

Dated at Bethesda, Maryland
this 12th day of August 1985



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

MAR 04 1986

Docket No. 50-320
License No. DPR-73
EA 84-137

GPU Nuclear Corporation
ATTN: Mr. P. R. Clark, President
100 Interpace Parkway
Parsippany, New Jersey 07054

Gentlemen:

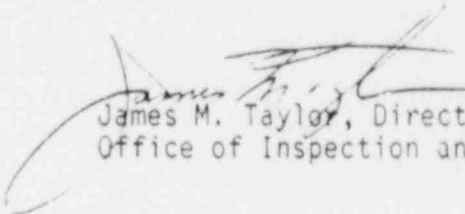
Subject: ORDER IMPOSING CIVIL MONETARY PENALTY (EA 84-137)

This refers to the letter dated October 21, 1985 from General Public Utilities Nuclear Corporation (GPU Nuclear) to the Director, Office of Inspection and Enforcement in response to the Notice of Violation and Proposed Imposition of Civil Penalty sent to you on August 12, 1985. The letter and Notice described a violation involving acts of discrimination against Richard D. Parks, a Bechtel employee, for raising safety concerns.

I have carefully considered your response in which you deny the violation and have determined that you have provided no additional information that would change the staff's basis for either the violation or the proposed civil penalty. Accordingly, I hereby serve the enclosed Order on GPU Nuclear imposing a civil penalty in the amount of Sixty-Four Thousand Dollars (\$64,000).

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations (1985), a copy of this letter and the enclosure will be placed in the NRC's Public Document Room.

Sincerely,


James M. Taylor, Director
Office of Inspection and Enforcement

Enclosure:
Order Imposing Civil Monetary Penalty

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the matter of

GPU NUCLEAR CORPORATION
(Three Mile Island, Unit 2)

)
)
)

Docket No. 50-320
License No. DPR-73
EA 84-137

ORDER IMPOSING CIVIL MONETARY PENALTY

I

General Public Utilities Nuclear Corporation (GPU Nuclear or licensee), Parsippany, New Jersey is the holder of License No. DPR-73 issued by the Nuclear Regulatory Commission (NRC). The license authorizes the licensee to operate the Three Mile Island Nuclear Station, Unit 2 in Middletown, Pennsylvania, in accordance with conditions specified therein. The license was issued on February 8, 1978 and modified by Order on July 20, 1979.

II

During the period between February 23, 1983 and March 24, 1983, Richard D. Parks, a Bechtel employee, was discriminated against for engaging in protected activities in reporting safety concerns to his management, requesting assistance from the NRC, and commencing a proceeding with the U.S. Department of Labor (DOL). The acts of discrimination were described in a DOL investigation (DOL Case 83-ERA-8) that was reviewed during an NRC OI investigation (OI Report H-83-002) and discussed in Section 10 of NUREG-0680, Supplement 5. As a result of the NRC staff's review of these reports, an apparent violation of NRC requirements was identified. Consequently, a written Notice of Violation and Proposed Imposition of Civil

Penalty (NOV) was served upon the licensee by letter dated August 12, 1985. The Notice stated the nature of the violation, the NRC requirement that the licensee had violated, and the amount of civil penalty proposed for the violation. An answer dated October 21, 1985 to the Notice of Violation and Proposed Imposition of Civil Penalty was received from the licensee.

III

After consideration of GPU Nuclear's response and the statements of fact, explanation, and denial of the violation contained therein, as set forth in the Appendix to this Order, the Director, Office of Inspection and Enforcement has determined that the Sixty-Four Thousand Dollar (\$64,000) penalty proposed for the violation designated in the Notice of Violation and Proposed Imposition of Civil Penalty is proper and should be imposed.

IV

In view of the foregoing 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, IT IS HEREBY ORDERED THAT:

The licensee pay the civil penalty in the amount of Sixty-Four Thousand Dollars (\$64,000) within thirty days of the date of this Order, by check, draft, or money order, payable to the Treasurer of the United States and mailed to the Director, Office of Inspection and Enforcement, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555.

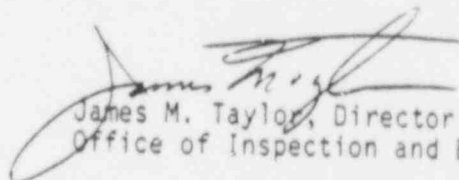
The licensee may request a hearing within thirty days of the date of this Order. A request for a hearing shall be addressed to the Director, Office of Inspection and Enforcement, U.S. Nuclear Regulatory Commission, Washington, D. C. 20555. A copy of the hearing request also shall be sent to the Executive Legal Director, U.S. Nuclear Regulatory Commission, Washington, D. C. 20555.

If a hearing is requested, the Commission will issue an Order designating the time and place of the hearing. If the licensee fails to request a hearing within thirty days of the date of this Order, the provisions of this Order shall be effective without further proceedings. If payment has not been made by that time, the matter may be referred to the Attorney General for collection.

In the event the licensee requests a hearing as provided above, the issues to be considered at such hearing shall be:

- (a) whether the licensee violated NRC requirements as set forth in the Notice of Violation and Proposed Imposition of Civil Penalty referenced in Section II above and
- (b) whether, on the basis of such violation, this Order should be sustained.

FOR THE NUCLEAR REGULATORY COMMISSION


James M. Taylor, Director
Office of Inspection and Enforcement

Dated at Bethesda, Maryland
this 4 day of March 1986

APPENDIX

EVALUATION AND CONCLUSION

The licensee's October 21, 1985 response to the August 12, 1985 Notice of Violation and Proposed Imposition of Civil Penalty for the Three Mile Island Nuclear Station, Unit 2 (TMI-2) denies that the violation occurred as stated in the Notice. The violation involved acts of discrimination against Richard D. Parks, a Bechtel employee, for raising safety concerns associated with the TMI-2 polar crane refurbishment. A statement of the violation, a summary of the licensee's response, and the NRC evaluation and conclusion are as follows:

Statement of Violation

10 CFR 50.7 prohibits discrimination by a Commission licensee, or a contractor or subcontractor of a licensee, against an employee for engaging in certain protected activities. Discrimination includes discharge and other actions that relate to compensation, terms, conditions, and privileges of employment. The activities protected include but are not limited to providing the NRC information about possible violations of NRC requirements and requests to the NRC to take action against an employer for enforcement of NRC requirements.

Contrary to the above, Richard D. Parks, a Bechtel employee, was discriminated against for engaging in protected activities in reporting safety problems to his management, requesting assistance from the NRC, and commencing a proceeding with the Department of Labor. Parks reported safety concerns to his management on February 17, 1983. Parks contacted the TMI on-site office of the NRC on February 18, 1983 and on March 10, 1983, complaining first that his management was threatening to have him transferred and then that GPU Nuclear management was trying to implicate him in a conflict-of-interests charge because he had reported safety concerns. He also initiated a proceeding pursuant to Section 210(b)(1) of the Energy Reorganization Act of 1974, 42 U.S.C. 5851, PL 93-438, on March 23, 1983. At least partly due to these activities, Mr. Parks, during the period between February 23, 1983 and March 24, 1983 was (1) removed as Alternate Startup and Test Supervisor, (2) subjected to improper and intimidating interrogation, (3) removed as the primary Site Operations Department representative for the Test Working Group, and (4) ultimately placed on leave of absence. These acts of discrimination were described in a U.S. Department of Labor investigation (DOL Case 83-ERA-8) which was reviewed during an NRC OI investigation (OI Report H-83-002), and discussed in Section 10 of NUREG-0680, Supplement 5.

This is a Severity Level II violation (Supplement VII).
(Civil Penalty - \$64,000)

Summary of Licensee's Response

The licensee denies the allegations in the Notice of Violation. The licensee states that the allegations of discrimination by Richard D. Parks were thoroughly investigated by GPU Nuclear (TMI-2 Report, Management and Safety Allegations, November 16, 1983) and by Bechtel (Report of Bechtel North American Power Corporation Regarding the Allegations of Richard D. Parks, October 1984) (hereinafter the Stier Report and the Bechtel Report, respectively).

Further, the licensee emphasizes that these investigations took place after the DOL investigation and that they were substantially more detailed than the DOL investigation. On the basis of the Stier and Bechtel reports, the licensee believes that none of the acts described in the Notice of Violation constituted reprisal, harassment, or intimidation. Instead, the licensee takes the position that each act was properly motivated by concerns for the proper functioning of the TMI-2 organization. Specifically, the licensee argues that the DOL investigation and the NRC review of that investigation failed to recognize the legitimate motives underlying the organizational changes that affected Parks.

Evaluation of Licensee's Response and Conclusion

The NRC staff has carefully reviewed the licensee's response and has concluded that the licensee has not provided any information that was not already considered in determining that the violation had occurred. The Stier Report, which by the licensee's own admission did not address the questioning of Parks by Bechtel employees or the suspension of Parks, was considered by the staff in preparing the staff's findings regarding this matter in NUREG-0680 Supplement 5. The Bechtel Report, which contained no new information except affidavits taken between September 28 and October 2, 1984 of several Bechtel personnel and a Bechtel synopsis of the case, was reviewed by the staff in October 1984. At that time the staff found that the report contained no information not already considered in determining that the violation had occurred. The information contained in the Bechtel report was again reviewed by the staff in April 1985 together with information developed by Stier based on his review of the public record and his 1983 report. Again, the staff found no basis to change its conclusions regarding the discrimination against Parks.

The licensee's response simply interprets the information already considered by the staff to justify its position. In several respects the staff disagrees with the licensee's interpretation or characterization of the events. For example, the licensee asserts that the replacement of Parks on February 18, 1983 by Dwight D. Walker as Alternate Startup and Test Supervisor was done because an opportunity presented itself to restore the system of checks and balances and to assure that Site Engineering was properly represented. However, Mr. Walker had been assigned to the TMI site since early January 1983 and it was not until the day after Parks put his safety concerns in writing that the replacement took place. The licensee asserts that the March 14, 1983 interview of Parks by Messrs. Hofmann and Wheeler was conducted in a professional and nonintimidating manner and that the impartial witness at the meeting selected by Parks confirms this fact under oath. Yet the affidavit of the impartial witness states only that Mr. Hofmann from the Bechtel Internal Auditing Group asked his questions in a professional manner and tone of voice. The fact that questions were asked in a professional manner and tone of voice does not offset the obvious intimidating effect caused by conducting this unusual meeting in such close proximity to Parks having raised his safety concerns.

After reviewing the matter once more, the staff still does not believe that the acts described in the Notice of Violation that occurred within a four-week period of time and in close proximity to the time of Parks' complaints to authorities were unrelated management actions taken without regard to Parks having raised safety concerns. Instead, the staff remains convinced that the facts show that Parks' complaints were collectively the common factor which motivated the management actions regarding him. Those actions were acts of discrimination taken in retaliation for Parks having raised his safety concerns. The licensee's assertion that the Notice appears predicated on the assumption that once a safety concern has been voiced any subsequent change affecting the individual who raised the concern demonstrates retaliatory animus is wrong. Retaliatory action is inferred when a pattern of changes subsequent to the voicing of a safety concern give evidence that the reasons for the changes are pretextual. The staff believes such a pattern was present here. Therefore, the staff concludes that the violation is correct as stated in the Notice of Violation and the civil penalty should be imposed.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

JUN 03 1985

Docket No. 50-416
EA 84-23

Mississippi Power and Light Company
ATTN: William Cavanaugh, III
President
P. O. Box 1640
Jackson, MS 39205

Gentlemen:

Discrepancies in documentation of operator training were identified during a special training assessment conducted in February 1983 and a special safety inspection conducted by Region II during August and September 1983. The Region II staff evaluated these inspections and concluded that these discrepancies were not limited to documentation errors. At Region II's request, the Office of Investigations conducted investigations (Office of Investigations Report No. 2-83-037, March 5, 1984 and Report No. 2-84-005, July 13, 1984) during the period October 18, 1983 through May 9, 1984. The investigation included a review of the circumstances surrounding the submittal of false and undocumented information on operator license applications. As a result of these inspections and the investigation efforts, significant failures to comply with NRC regulatory requirements were identified.

The inspection and investigation findings demonstrate that the program for training Reactor Operators (ROs) and Senior Reactor Operators (SROs) at the Grand Gulf facility had not been established in accordance with commitments made in the Final Safety Analysis Report (FSAR) and as required by NRC regulations. The investigation also determined that 46 applications for SRO and RO licenses, containing certification by Mississippi Power and Light Company (MP&L) that each individual applicant had completed required training or courses of instruction, contained material false statements. The information provided was false in that the amount of training actually completed was less than that described in the operator license applications. The information was material because had the complete and accurate information been known to the NRC, the applicants would not have been permitted to participate in the NRC licensing examination and, consequently, would not have received licenses. In addition, even after MP&L officials became aware in 1982 that false information had been submitted, they failed to notify the NRC or to correct the submittals. This constitutes a separate material false statement by omission.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Item 1 in the Notice of Violation and Proposed Imposition of Civil Penalties addresses the training program inadequacies. In this case, you had not established an effective program for assuring commitments made in the FSAR were implemented in the operator license training program. Specifically, MP&L delegated control of the training program to a contractor and did not exercise adequate oversight of training activities. This contributed directly to your failure to meet your commitment for comprehensive and adequate training of operator license candidates.

Items 2 and 3 of the enclosed Notice concern the material false statements. The NRC requires extraordinary care be taken to assure information provided in applications is complete and accurate. MP&L did not adequately verify the information prior to its submittal to the NRC, vigorously implement a program to identify and document the false information after being informed of its existence by a licensee employee, or inform the NRC that false information had been submitted once it became aware that the submittals contained false information.

Item 4 of the Notice addresses a procedural violation involving failure of a mechanical maintenance supervisor to correctly complete a practical factors book for a mechanic. The cause of this violation was that inadequate instructions on how to accomplish the tasks were provided to supervisors responsible for following the procedures.

To emphasize the need for MP&L to assure that the operator training program meets the commitments stated in the FSAR, and that certifications in operator license applications are accurate and complete, I have been authorized, after consultation with the Commission, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalties in the amount of Five Hundred Thousand Dollars (\$500,000) for five of the violations described in the enclosed Notice. Four of the violations have been categorized at Severity Level II in accordance with the NRC Enforcement Policy, 10 CFR Part 2, Appendix C. These were serious violations and positive corrective actions were not taken until the NRC became involved. The violations occurred in careless disregard for NRC requirements. The fifth violation has been characterized as a Severity Level I violation because it was a knowing failure to correct previously submitted false information.

The base civil penalty for a Severity Level II violation was \$64,000 at the time these violations occurred. The base civil penalty for a Severity Level I violation was \$80,000 at the time these violations occurred. In considering the appropriate amount for the penalty to be proposed for the items in the Notice, several factors were taken into consideration: 1) the duration of the violations was lengthy; 2) there were multiple examples of the violations; and 3) even after the NRC's training assessment identified training program deficiencies in January 1983, the licensee failed to correct them as evidenced by the fact that four operator candidates were rushed through qualification card sign-offs in September 1983 in a manner which could not have determined if the candidates were, in fact, adequately conversant with the material. Accordingly, I have determined that each of the three submittals of false information, and the false statement by omission, is a separate violation and should be assessed a separate civil penalty of \$100,000. The violation involving the training program inadequacies also warrants the full penalty permitted for a single violation of \$100,000. The resultant total penalty is \$500,000. The violation involving the mechanical

maintenance practical factors books has been categorized as a Severity Level IV violation and no civil penalty has been proposed.

Management meetings to discuss these matters were held in the Region II Office on September 23, October 12, November 11, and November 18, 1983. As a result of these meetings, MP&L committed to conduct a review of the previous training of all licensed operators, Shift Technical Advisors, and on-shift Operations Advisors. Certain operators were removed from licensed duties until they could be retrained and retested. These commitments were confirmed by letter dated December 5, 1983.

As a result of these commitments, MP&L examined each operator on each of 68 systems listed on the Grand Gulf licensed operator qualification card. These examinations were monitored by MP&L management, representatives of two other utilities, the Nuclear Steam Supply System vendor, and the NRC. At the completion of this examination process, the records of the operators were reviewed by a Grand Gulf recertification board consisting of plant management. The board examined operator training records, the results of the examinations, and conducted additional oral examinations as necessary. Out of twenty-seven individuals examined by the board, one was found to be unqualified and three needed training. Region II conducted licensed operator recertification and walk through examinations in February 1984 after each licensed operator had undergone the MP&L examinations. The results of the independent NRC recertification examination were that twenty-three of the twenty-six operators passed. The three who failed have been removed from licensed duties. These actions provide reasonable assurance that operators presently at the controls of the facility have met NRC requirements for training.

You are required to respond to the enclosed Notice and you should follow the instructions specified therein when preparing your response. Your response should specifically address your plans to ensure that in addition to the specific actions described above, the following programmatic actions are taken: 1) the establishment of an effective management program for the timely detection and correction of problems which could lead to violations of regulatory requirements; 2) the assurance that all submittals to the NRC, particularly in operator license applications, are complete, accurate, and contain full disclosure of required information; and 3) assurance that all personnel, licensee or contractor, are aware of the extent of their authority and responsibility for matters related to safe operation of the Grand Gulf facility. The NRC will closely monitor MP&L's corrective actions and failure to carry them out may lead to further enforcement action.

As noted above, numerous inspections involving these matters have been conducted by the NRC and also several management meetings and Enforcement Conferences have been held which concerned these issues. Written commitments have been made and actions taken by MP&L as a result of these meetings and inspection reports. In your response to the enclosed Notice of Violation and Proposed Imposition of Civil Penalties, appropriate reference to these previous submittals (by page or paragraph number as appropriate) is acceptable.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosure will be placed in the NRC's Public Document Room.

The responses directed by this letter and accompanying 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.

Sincerely,


James M. Taylor, Director
Office of Inspection and Enforcement

Enclosure:
Notice of Violation and
Proposed Imposition of
Civil Penalties

cc w/encl:
J. E. Cross, Plant Manager
Ralph T. Lally, Manager of Quality
Middle South Utilities, Inc.

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTIES

Mississippi Power and Light Company
Grand Gulf

Docket No. 50-416
License No. PF-13
EA 84-23

As a result of the special training assessment conducted in February 1983, a special safety inspection conducted during August and September 1983 by Region II, and investigations conducted by the NRC Office of Investigations during the period of October 18, 1983 - May 9, 1984, violations of NRC requirements were identified. These violations and associated civil penalties, determined in accordance with 10 CFR Part 2, Appendix C, are described below:

1. 10 CFR 50, Appendix B, Criterion V, Instructions, Procedures, and Drawings, requires that activities affecting quality shall be prescribed by documented instructions or procedures. The procedures or instructions shall include appropriate quantitative or qualitative acceptance criteria for determining that important activities have been satisfactorily accomplished.

Contrary to the above, Mississippi Power and Light Company:

- a. failed to establish adequate procedures for the implementation of the Grand Gulf facility operator and senior operator license training program as described in the Final Safety Analysis Report,
- b. failed to establish adequate procedures to ensure the accuracy and completeness of information submitted on license applications for operator and senior operator licenses, and
- c. did not provide instructions and administrative controls which were adequate to assure proper performance of contractor personnel performing the important activity of operator license training.

This is a Severity Level II violation (Supplements I, II and VII).
(Civil Penalty - \$100,000)

2. a. In September 1981, 33 applications were submitted which contained course attendance hours credited to the applicant and indicated that the applicant had completed qualification cards as committed to in the FSAR;
- b. In March 1982, eight applications were submitted which contained course attendance hours credited to the applicant and indicated that the applicant had completed qualification cards as committed to in the FSAR;

- c. In May 1982, five applications were submitted which contained course attendance hours credited to the applicant and indicated that the applicant had completed qualification cards as committed to in the FSAR; and
- d. In each of the applications, the licensee certified, in accordance with 10 CFR 55.10(a)(6), the course attendance hours credited to the applicants, details of the course of instructions taken by the applicants, and number of training hours for the applicants.

Contrary to Section 186 of the Atomic Energy Act of 1954, as amended, each of the certifications contained a material false statement. The statements were false because the applicants had not completed the course hours or had not completed the qualification cards as stated. The false statements were material in that had the NRC known the true situation, the applicants would not have been permitted to participate in the NRC licensing examinations and consequently would not have received licenses because they had not received required training.

Each of the submittals is a separate Severity Level II violation. (Supplement VII).
(Cumulative Civil Penalty - \$300,000)

3. In March 1982, the MP&L Superintendent of Training became aware that the false information described in Item 2 above had been submitted to the NRC. His successor Superintendent of Training became aware later in 1982 that false information had been submitted. MP&L failed to implement a program to identify and document the false information, to notify the NRC of the false submittal, or to correct the false information.

Contrary to Section 186 of the Atomic Energy Act of 1954, as amended, the failure to correct the false submittals once MP&L became aware that false information was submitted is a material false statement by omission.

This is a Severity Level I violation. (Supplement VII)
(Civil Penalty - \$100,000)

4. Technical Specification 6.3.1, UNIT STAFF QUALIFICATIONS, states that each member of the unit staff shall meet or exceed the minimum qualifications of ANSI N18.1-1971 for comparable positions.

ANSI N18.1-1971, Paragraph 4.5.3, states that repairmen in responsible positions shall have a minimum of three years in one or more crafts. They should possess a high degree of manual dexterity and ability and should be capable of learning and applying basic skills in maintenance operations.

Technical Specification 6.8.1 states that written procedures shall be established, implemented, and maintained covering the applicable procedures recommended in Appendix "A" of Regulatory Guide 1.33, Revision 2, February 1978.

Grand Gulf Procedures GG 01-S-04-17, ADMINISTRATIVE PROCEDURE MECHANICAL MAINTENANCE RETRAINING AND REPLACEMENT PROGRAM, Revision 4, 1/9/84, Paragraph 2.4 states that mechanical supervisors are responsible for ensuring that skills demonstrated practical factors are adequately performed. Attachment 1 to GG 01-S-04-17, Maintenance Mechanic Practical Factors Sheet, provides a space for the mechanical supervisor to sign and date for various tasks. Paragraph 6.4 (credit by experience) states that the Training Department Manager may waive specific portions of the training program to grant credit for prior experience or for other reasons.

Contrary to the above, the Maintenance Mechanic Practical Factors Sheet for one mechanic at Grand Gulf was signed by a maintenance supervisor on April 5, 1984 (one required signature) without ensuring the associated skill was adequately performed. The specific skill had not been previously waived by the Training Department Manager for any reason.

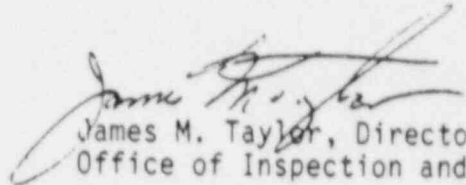
This is a Severity Level IV violation (Supplement I).

Pursuant to the provisions of 10 CFR 2.201, Mississippi Power and Light 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, Region II, 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 violations; (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, Mississippi Power and Light Company may pay the civil penalties in the amount of Five Hundred Thousand Dollars (\$500,000) for the violations, or may protest imposition of the civil penalties in whole or in part by a written answer. Should Mississippi Power and Light Company fail to answer within the time specified, the Director, Office of Inspection and Enforcement, will issue an order imposing the civil penalties in the amount proposed above. Should Mississippi Power and Light Company elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalties, 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 penalties should not be imposed. In addition to protesting the civil penalties in whole or in part, such answer may request remission or mitigation of the penalties. In requesting mitigation of the proposed penalties, the five factors addressed in Section IV(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 by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. Mississippi Power and Light 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 penalties due, which have 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 penalties, 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


James M. Taylor, Director
Office of Inspection and Enforcement

Dated at Bethesda, Maryland
this 3rd day of June 1985



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
631 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

August 13, 1987

Docket No. 50-220
License No. DPR-63
EA 87-106

Niagara Mohawk Power Corporation
ATTN: Mr. C. V. Mangan
Senior Vice President
301 Plainfield Road
Syracuse, New York 13212

Gentlemen:

Subject: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC Inspection Report No. 50-220/87-03)

This refers to the NRC inspection conducted on May 26-27, 1987 at Nine Mile Point, Unit 1, Scriba, New York. The inspection report was sent to you on June 16, 1987. The inspection was conducted to review the circumstances associated with a violation involving the shipment of two packages of radioactively contaminated equipment to the Brunswick Steam Electric Station with external radiation levels on the surface of the packages in excess of the regulatory limit. This equipment was used in an operation involving the shearing of Control Rod Blades. During the inspection, an additional violation of NRC requirements was identified. On July 7, 1987, an enforcement conference was conducted with you and members of your staff to discuss the violations, their causes and your corrective actions.

The violations, which are described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty, involve: (1) the shipment of material with external surface radiation levels in excess of the regulatory limit; and (2) the failure to include on the shipping papers the existence and quantity of a particular radioactive isotope included on the equipment. The excessive radiation levels were apparently created when "hot particles" located on the equipment dispersed during shipment. The NRC is concerned that, prior to the shipment, an individual had become contaminated with a hot particle while removing a bolt, thereby indicating the existence of readily dispersible material, yet action was not taken to adequately decontaminate the equipment prior to shipment. This failure demonstrates the need for improved planning and control of licensed activities in the future to prevent recurrence of such violations.

To emphasize this need, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Two Thousand Five Hundred Dollars (\$2,500) for the violation described in Section I of the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violation has been

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

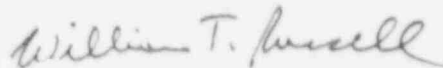
categorized as a Severity Level III violation. Although the violation involved the transportation of packages with external radiation levels in excess of five times the regulatory limit and would normally be classified at Severity Level II in accordance with Section B.2 of Supplement V of the Enforcement Policy, the violation has been classified at Severity Level III based on the limited safety significance in that these excessive radiation levels were not readily accessible to an individual. These excessive radiation levels were located on the underside of the packages and the packages could not be moved without a forklift. Also, the radiation levels in the cab of the flatbed truck used to transport the packages were within the appropriate regulatory limit. The base civil penalty for a Severity Level III violation is \$2,500. The escalation and mitigation factors in the Enforcement Policy were considered and no adjustment has been deemed appropriate because (1) the excessive radiation levels on the package surface were not identified until the shipment was received at Brunswick, (2) your corrective actions were not considered unusually prompt and extensive, and (3) your enforcement history in this area is average. The violation set forth in Section II of the enclosed notice has been classified at Severity Level IV.

You are required to respond to this letter and should follow the instructions 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, the NRC will determine whether further enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice" Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

The responses 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.

Sincerely,



William T. Russell
Regional Administrator

Enclosure: Notice of Violation and
Proposed Imposition of Civil Penalty

cc: See Next Page

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Niagara Mohawk Power Corporation
Nine Mile Point, Unit 1

Docket No. 50-220
License No. DPR-63
EA 87-106

During an NRC inspection conducted on May 26-27, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), 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:

I. VIOLATION ASSESSED A CIVIL PENALTY

10 CFR 71.5(a) prohibits delivery of licensed material to a carrier for transport unless the licensee complies with applicable Regulations for the Department of Transportation in 49 CFR Parts 170-189. 49 CFR 173.441(a) requires that each package of radioactive materials offered for transport shall be designed and prepared for shipment so that, under conditions normally incident to transportation, the radiation level does not exceed 200 millirem per hour at any point on the external surface of the package.

Contrary to the above, on May 15, 1987, two packages (containing a shearing machine, hydraulic equipment/hoses to operate the machine, and a support platform) were delivered to a carrier for transport (Shipment No. 1 WS-0697) to Brunswick Steam Electric Plant and were not adequately prepared for shipment as evidenced by the fact that, upon receipt of these packages at Brunswick on May 16, 1987, the external radiation levels at a point on the surface of each package were measured to be 1,500 and 1,800 millirem per hour, respectively.

This violation has been categorized as a Severity Level III violation.
(Supplement V)

Civil Penalty - \$2,500

II. VIOLATION NOT ASSESSED A CIVIL PENALTY

10 CFR Section 71.5 prohibits delivery of licensed material to a carrier for transport unless the licensee complies with the applicable regulations of the Department of Transportation in 49 CFR Parts 170-189. 49 CFR 172.203(d)(i) requires that the name of each radionuclide be included in the shipping papers for any shipment. 49 CFR 172.203(d)(iii) requires that the activity contained in each package be included in the shipping papers. 49 CFR 172.204(a)(1) requires that the shipment should be accompanied by a certification by the shipper that the radioactive materials are properly described.

Contrary to the above, on May 15, 1987, two packages were delivered to a carrier for transport to the Brunswick Steam Electric Plant, and the shipping papers did not identify the radionuclide Iron-55 nor its activity, and as a result, the accompanying shipper's certification that the materials were properly described was in error.

This is a Severity Level IV violation (Supplement V).

Pursuant to the provisions of 10 CFR 2.201, Niagara Mohawk Power Corporation (Licensee) is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this 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, (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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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 above under 10 CFR 2.201, the Licensee may pay the civil penalty by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of the civil penalty proposed above, or the cumulative amount of the civil penalties if more than one civil penalty is proposed, 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 violation(s) 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, such answer may request remission or mitigation of the penalty.

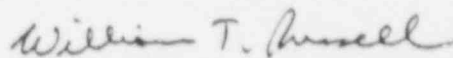
In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately.

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 to the Director, Office of Enforcement, noted above (Reply to a 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, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region I, and, a copy to the NRC Resident Inspector, Nine Mile Point, Unit 1, which is the subject of this Notice.

FOR THE NUCLEAR REGULATORY COMMISSION



William T. Russell
Regional Administrator

Dated at King of Prussia, Pennsylvania
this /3 day of August 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
755 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

SEP 18 1987

Docket No. 50-282
License No. DPR-42
EA 87-138

Northern States Power Company
ATTN: Mr. C. E. Larson
Vice President, Nuclear
Generation
International Centre Building
920 Second Avenue South
Minneapolis, MN 55401

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC INSPECTION REPORT NO. 50-282/87011(DRP))

This refers to the inspection conducted during the period June 18 through July 2, 1987, at the Prairie Island Nuclear Generating Plant, Unit 1. The inspection was conducted to review the circumstances that resulted in Unit 1 Safety Injection Pump (SI) No. 11 being inoperable for approximately 25 days. The problem was identified by your staff and was immediately reported to the NRC Senior Resident Inspector. The details of the events that led to the violation are presented in the subject inspection report that was sent to you on July 10, 1987. This matter was discussed on July 15, 1987, during an Enforcement Conference held in the NRC Region III office between Mr. James T. Howard, President and Chief Executive Officer, and others of your staff and Mr. A. B. Davis and others of the NRC staff. During the conference, we discussed the violation, the root causes, and your corrective actions.

The violation described in the Notice of Violation and Proposed Imposition of Civil Penalty resulted because of a failure to verify that a 4160 volt breaker that supplied power to the No. 11 SI pump was not in the "Connect" position. Personnel relied on an indicator light in the control room to verify that the breaker was closed. When plant personnel discovered the problem, an operator turned the racking screw and was able to correctly position the breaker.

During the enforcement conference, it was noted that your staff had previously identified 5 to 8 additional instances where breakers were improperly positioned in other than the "Connect" position. These involved both safety and nonsafety-related systems. The NRC is concerned that you did not aggressively pursue a more comprehensive and lasting corrective action after identifying these improperly positioned breakers and after reviewing NRC IE Information Notice No. 84-46, "Circuit Breaker Position Verification," dated June 13, 1984.

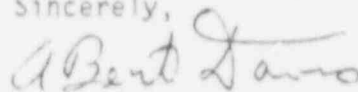
To emphasize the importance of properly returning equipment to service and properly verifying that systems and components are operational, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Twenty-five Thousand Dollars (\$25,000) for the violation described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violation described in the enclosed Notice has been categorized at Severity Level III. The base value of a civil penalty for a Severity Level III violation is \$50,000. The NRC Enforcement Policy allows for reduction of a civil penalty under certain circumstances. In this case, the base civil penalty has been reduced by 50 percent because of your prompt identification and reporting and because of unusually prompt and extensive corrective actions. Further mitigation was not applied because prior notice of similar events was available based on the previous incidents at Prairie Island and the information given in I&E Information Notice 84-46.

You are required to respond to this letter and should follow the instructions 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 future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

The responses 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, Pub. L. No. 95-511.

Sincerely,



A. Bert Davis
Regional Administrator

Enclosures:

1. Notice of Violation and Proposed Imposition of Civil Penalty
2. Inspection Report
No. 50-282/87011(DRP)

See Attached Distribution

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Northern States Power Company
Prairie Island Nuclear Generating Plant
Unit 1

Docket No. 50-282
License No. DPR-42
EA 87-138

As a result of an inspection conducted during the period June 18 through July 2, 1987, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), 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 violation and associated civil penalty are set forth below:

Technical Specification Limiting Condition for Operation (LCO) 3.3.A.1 requires, in part, that a reactor not be made or maintained critical nor heated or maintained above 200 degrees F unless two safety injection pumps are operable, except as permitted in Specification 3.3.A.2.

Technical Specification LCO 3.3.A.2 requires, in part, that during startup operation or power operation, one safety injection pump may be out of service provided the pump is restored to operable status within 24 hours and provided that startup operation is discontinued until operability is restored. If during power operation, operability is not restored within 24 hours, the reactor shall be placed in the hot shutdown condition. If the requirements of TS 3.3.A.1 are not satisfied within an additional 48 hours, the reactor shall be placed in the cold shutdown condition.

Contrary to the above, from May 27 to June 18, 1987, while in startup and power operations, one safety injection pump was out of service. Startup operation was not discontinued nor, after commencing power operation, was the reactor placed in hot shutdown within 24 hours and in cold shutdown within an additional 48 hours. The safety injection pump was out of service in that its power supply breaker was not properly placed in the full racked in (connect) position after maintenance on May 22, 1987 until discovery on June 18, 1987.

This is a Severity Level III violation (Supplement I)

Civil Penalty - \$25,000

Pursuant to the provisions of 10 CFR 2.201, Northern States Power Company is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) admission or denial of the alleged violation, (2) the reasons for the violation if admitted, (3) the

SEP 18 1987

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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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 above under 10 CFR 2.201, the Licensee may pay the civil penalties by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of 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 violation 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, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), 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 to the Director, Office of Enforcement, noted above (Reply to a Notice of Violation, letter with payment of civil penalty, and answer to a Notice of Violation) should be addressed to: Director, Office of Enforcement,

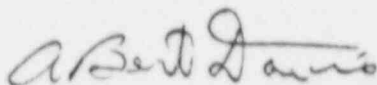
SEP 18 1987

Notice of Violation

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U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, 799 Roosevelt Road, Glen Ellyn, Illinois, 60137, and a copy to the NRC Resident Inspector at the facility which is the subject of this Notice.

FOR THE NUCLEAR REGULATORY COMMISSION



A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois
this ~~IX~~ day of September 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

SEP 24 1987

Docket No. 50-341
License No. NPF-43
EA-87-133

The Detroit Edison Company
ATTN: B. Ralph Sylvia
Group Vice President
6400 N. Dixie Highway
Newport, MI 48166

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC INSPECTION REPORT NO. 50-341/87027(DRS))

This refers to the NRC inspection conducted during the period July 1-10, 1987, of activities authorized by NRC Operating License No. NPF-43 and to the circumstances surrounding the unplanned and uncontrolled reactor water temperature increase that occurred on June 26, 1987 requirements. The details of the events that led up to these violations are presented in the subject inspection report which was sent to you by letter dated August 12, 1987. On July 31, 1987, we held an enforcement conference with you and members of your staff during which the violations, the root causes, and your corrective actions were discussed.

Violation A occurred when on-shift licensed operators failed to remain continuously cognizant and in control of plant conditions and evolutions in progress resulting in the reactor water temperature increasing to 220 degrees Fahrenheit in an uncontrolled manner. This caused an unintentional change in operating conditions from Mode 4 (cold shutdown) to Mode 3 (hot shutdown). The inattention of licensed operators described in Violation A resulted in Violation B which occurred when the plant entered Mode 3 without a required emergency diesel generator being operable contrary to Technical Specification requirements.

Violation A is of particular concern to the NRC because it involved a failure of four licensed operators to discharge their duties in a responsible manner. The Nuclear Supervising Operator (NSO) who was primarily responsible for monitoring and controlling plant equipment delegated to a trainee the responsibility for monitoring the reactor water temperature. This was done without adequate oversight or instruction of the trainee regarding action to be taken if the temperature exceeded a particular limit. As a result, the NSO was not cognizant of the reactor water temperature and made no attempt throughout his shift to obtain this information. During this period the reactor water temperature rose in an uncontrolled manner, reached 220 degrees Fahrenheit, and the plant

operational status changed from Mode 4 to Mode 3. The Nuclear Assistant Shift Supervisor (NASS), the Nuclear Shift Supervisor (NSS), and a relief NSO, all licensed operators or senior operators, were also unaware of the uncontrolled reactor water temperature increase. The NSS and NASS did not take positive steps to ensure that the control room personnel were properly discharging their responsibilities and the plant was being maintained in a safe condition.

A premature criticality event which occurred on July 1, 1985 resulted in the issuance of a \$300,000 civil penalty. That event was similar to the June 26, 1987 unplanned mode change event in that licensed individuals failed to exercise proper supervisory oversight, failed to be sensitive to the ongoing plant status, and in some cases failed to carry out basic activities that are the responsibility of licensed operators. In your August 1, 1986 response to the NRC Notice of Violation and Proposed Imposition of Civil Penalties, you stated that a control room audit program had been implemented and that the Plant Manager or the Superintendent of Operations had met with each involved individual to clarify their roles and to emphasize their onshift authority and responsibilities. You also developed extensive programs to improve control room operations and nuclear activities in general. In spite of these efforts, the June 26, 1987 unplanned mode change occurred and the root cause again appears to be a lack of oversight, control, and sensitivity to the ongoing plant operations and status by licensed operators. The NRC recognizes that this event occurred while the plant was shutdown. However, had similar inattention by licensed operators occurred with the plant at power, a more significant event could have resulted.

To emphasize the importance of ensuring that licensed operators are in control and cognizant of the plant status at all times, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the cumulative amount of Seventy-Five Thousand Dollars (\$75,000) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violations described in the enclosed Notice have been categorized as a Severity Level III problem. The base value of a civil penalty for a Severity Level III problem is \$50,000. The escalation and mitigation factors in the Enforcement Policy were considered and, in this case the base civil penalty amount was increased by 100 percent because of your past poor performance in the general area of concern. However, your unusually prompt and extensive corrective actions, including disciplinary actions against the individuals involved, warrant a 50 percent reduction in the civil penalty.

You are required to respond to this letter and should follow the instructions 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. Further, you should explain why adequate management

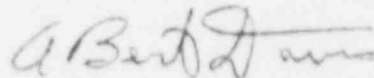
controls were not in place to ensure shift and watch relief turnovers were effectively carried out and why you believe your corrective actions will provide assurance that in the future licensed operators will be attentive to their duties. After reviewing your response to this Notice, including your proposed 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.

Enforcement action is also being taken against four of your licensed employees who were directly involved in the unplanned mode change event including: a Nuclear Supervising Operator (NSO), a Nuclear Shift Supervisor (NSS), a Nuclear Assistant Shift Operator (NASS), and a relief NSO. Copies of correspondence sent to these individuals are enclosed for your information.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

The responses 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, Pub. L. No. 96-511.

Sincerely,



A. Bert Davis
Regional Administrator

Enclosures:

1. Notice of Violation
and Proposed Imposition
of Civil Penalty
2. Inspection Report
No. 50-341/87027(DRS)
3. Letters of Reprimand
 - a. Lloyd J. Clark
 - b. Robert M. Trimai
 - c. Michael T. Koralewski
 - d. Thomas M. Given

See Attached Distribution

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Detroit Edison Company
Fermi 2

Docket No. 50-341
License No. NPF-43
EA 87-133

As a result of an inspection conducted during the period July 1-10, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), 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 6.8.1.a requires that written procedures be established, implemented, and maintained covering the applicable procedures recommended in Appendix A of Regulatory Guide 1.33, Revision 2, February 1978. Appendix A of Regulatory Guide 1.33 recommends procedures in the following areas:
- Authorities and Responsibilities for Safe Operations and Shutdown
 - Shift and Relief Turnovers

Technical Specification 6.8.1.a is implemented by the Detroit Edison Company Plant Operations Manual (POM). Examples of failures to adhere to the POM include:

1. POM Procedure 12.000.057, "Nuclear Production Organization," Revision 3, Paragraph 5.2.5, requires that the Nuclear Supervising Operator (NSO) remain continuously cognizant of the plant status.

Contrary to the above, on June 26, 1987, the NSO did not remain continuously cognizant of plant status in that, while the plant was in cold shutdown (Mode 4), the reactor water temperature increased from 145 degrees F. at 0700 hours to approximately 220 degrees F. at 1500 hours. The reactor entered hot shutdown (Mode 3) in violation of Technical Specifications when the reactor water temperature exceeded 200 degrees F.

2. POM Procedure 12.000.057, "Nuclear Production Organization," Revision 3, Paragraph 5.2.4.5, requires that the Nuclear Assistant Shift Supervisor (NASS) assist the Nuclear Shift Supervisor (NSS) in the operation of the plant and control room under all conditions, ensuring compliance with all applicable procedures and regulations.

Contrary to the above, on June 26, 1987, the NASS did not assist the NSS in ensuring compliance with applicable procedures and regulations in that he was not aware that the reactor, which was required to be in Mode 4 because of inoperable equipment, experienced an unplanned and uncontrolled heatup to 220 degrees F. and entered Mode 3 in violation of Technical Specifications.

3. POM Procedure 21.000.01, "Conduct of Shift Operation," Revision 33, Paragraph 6.5.1.3.c, requires that, when it is necessary or desirable to provide a short, on-shift relief for the NSS, NASS or Control Room NSO, the oncoming operator be fully cognizant of existing plant conditions and evolutions in progress.

Contrary to the above, on June 26, 1987, the NSS relieved the NASS and the relief NSO relieved the control room NSO for a short period; however, neither the NSS nor the relief NSO were cognizant of existing plant conditions. Neither individual was aware of the reactor water temperature or aware that the reactor water temperature was approaching 200 degrees F. without appropriate controls.

- B. Technical Specification 3.0.4 requires that entry into an operational mode not be made unless the conditions for the Limiting Condition for Operation (LCO) are met without reliance on provisions contained in the ACTION requirement.

Technical Specification 3.8.1.1 requires two separate and independent onsite A.C. electrical power sources, each consisting of two emergency diesel generators, in Operational Conditions (Modes) 1, 2, and 3.

Contrary to the above, at approximately 1:00 p.m. on June 26, 1987, the plant entered Mode 3 from Mode 4 and remained in Mode 3 for approximately two hours although one of the required diesel generators (EDG-13) was inoperable and the Limiting Condition for Operation was not met without reliance on provisions contained in the ACTION requirement.

This is a Severity Level III problem (Supplement I).

(Civil Penalty - \$75,000 assessed equally between Violations A and B)

Pursuant to the provisions of 10 CFR 2.201, Detroit Edison Company is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) admission or denial of the alleged violation, (2) the reasons for the violation if admitted, (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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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 above under 10 CFR 2.201, the Licensee may pay the civil penalties by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of 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 violation 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, such answer may request remission or mitigation of the penalty.

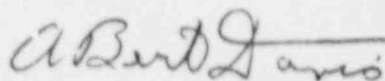
In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, 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 to the Director, Office of Enforcement, noted above (Reply to a 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,

DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, 799 Roosevelt Road, Glen Ellyn, Illinois, 60137, and a copy to the NRC Resident Inspector at Fermi.

FOR THE NUCLEAR REGULATORY COMMISSION



A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois
this ~~24~~ day of September 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

November 9, 1987

Docket No. 50-483

Union Electric Company
ATTN: Mr. Donald F. Schnell
Vice President - Nuclear
Post Office Box 149 - Mail Code 400
St. Louis, MO 63166

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES
(NRC INSPECTION REPORTS NO. 50-483/87023(DRSS) AND
NO. 50-483/87028(DRP))

This refers to NRC inspections conducted during the period August 24 through September 11, 1987 of activities authorized by NRC Operating License No. NPF-30 at the Callaway County Nuclear Station. These inspections reviewed the events reported by the licensee involving the Control Room Emergency Ventilation System (CREVS) and the Essential Service Water (ESW) System. The details of these events are presented in the subject inspection reports which were sent to you by letters dated September 25 and 28, 1987. On October 2, 1987, an enforcement conference was held with you and members of your staff during which the violations, root causes, and your corrective actions were discussed.

Violation I occurred while the plant operated in Mode 1, when both independent CREVS systems were inoperable for approximately one month. Modifications were being performed during this period which caused the breaching of the control room electrical penetration seals. This degraded the capability of the CREVS to provide the required positive pressure in the control room and corrective action was not initiated within the time specified in the technical specifications (TS). A safety evaluation report performed to support this modification did not evaluate the work sequence and actions needed to accomplish the modification. Thus, during the period of work, when the control room boundary was breached in order to accomplish the modification, an unreviewed safety question arose in that the consequences of a Loss of Coolant Accident (LOCA) were increased in that the postulated radiation doses to the control room staff would have risen.

Violation II occurred during the period May 1984 through August 15, 1987 when a partially closed valve in the ESW system reduced the flow capability of the ESW "B" train. While the problem with the valve position was identified by the licensee, prompt corrective action was not taken to restore the system to proper operation. This deficiency was initially to be corrected in a maintenance work request. However, the work request was erroneously cancelled by the licensee without performing the work. The effect of the valve position on the operability of the system was not evaluated at the time that the deficiency was found nor at the time that the work request was cancelled.

November 9, 1987

To emphasize the need for disciplined control of modification, maintenance and corrective action activities affecting the operability of safety systems, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalties in the amount of Fifty Thousand Dollars (\$50,000) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), Violations I.A and I.B and Violation II described in the enclosed Notice have been categorized as a Severity Level III problem. The base value of a civil penalty for a Severity Level III violation or problem is \$50,000. The NRC Enforcement Policy allows for reduction of a civil penalty under certain circumstances. For Violations I and II, the civil penalty has been reduced by 50 percent because of your prior good performance in the area of maintenance that resulted in a Category 1 SALP and because these violations appear to be isolated events. While the violations were identified and reported by the licensee, further mitigation of the civil penalty was not deemed warranted because of the duration that the violations existed and the corrective actions were neither unusually prompt nor extensive.

You are required to respond to this letter and should follow the instructions 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, the NRC will determine whether further enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedure of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96-511.

Sincerely,


for A. Bert Davis
Regional Administrator

Enclosures:

1. Notice of Violation and Proposed Imposition of Civil Penalty
2. NRC Inspection Reports
No. 50-483/87023(DRSS)
No. 50-483/87028(DRP)

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTIES

Union Electric Company
Callaway, Unit 1

Docket No. 50-483
License No. NPF-30
EA 87-194

During NRC inspections conducted during the periods August 24 through September 11, 1987 and September 8-11, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix A (10 CFR 2.207), the Nuclear Regulatory Commission proposes to impose civil penalties pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2282, and 10 CFR 2.205. The particular violations and assessed civil penalties are set forth below:

I. Control Room Emergency Ventilation System

- A. Technical Specification Limiting Condition for Operation (LCO) 3.7.6 requires two independent Control Room Emergency Ventilation Systems (CREVS) to be operable during all modes.

Technical Specification Surveillance Requirement 4.7.6.e.3 states, in part, that each of the CREVS shall be demonstrated operable by verifying that the system maintains the control room at a positive pressure greater than or equal to 0.25 inch water gauge (w.g.) relative to the outside atmosphere during system operation.

Technical Specification LCO 3.0.3 requires that when an LCO is not met, except as provided in the associated ACTION requirements, action shall be initiated within one hour to place the unit in hot standby within the next six hours, hot shutdown within the following six hours, and cold shutdown within the subsequent 24 hours.

Contrary to the above, from approximately June 8 to July 9, 1987, while the Unit operated in Mode 1, both independent CREVS were inoperable in that each could not maintain the control room at a pressure equal to or greater than 0.25 inch w.g. due to the breaching of electrical penetration seals, and action was not initiated within one hour to place the unit in hot standby within the next six hours, hot shutdown within the following six hours, and cold shutdown within the subsequent 24 hours.

- B. 10 CFR 50.59 states, in part, that the holder of a license may make changes in the facility as described in the safety analysis report without prior Commission approval, unless the change involves a change in the technical specifications incorporated in the license or an unreviewed safety question. The change shall be deemed to involve an

unreviewed safety question if the consequences of an accident previously evaluated in the safety analysis report may be increased. The licensee shall maintain records of changes to the facility which include a written safety evaluation providing the bases for the determination that the change does not involve an unreviewed safety question.

Callaway Final Safety Analysis Report (FSAR) Section 6.4.2.3 requires in part, that, during the emergency mode of operation, the control room is maintained at a positive pressure of 0.25 inch w.g. (minimum) to prevent infiltration from surrounding areas of unfiltered air.

Contrary to the above, as of July 9, 1987, the licensee failed to prepare an adequate safety evaluation to support a change which was made to the area radiation monitoring system annunciators that affected the capability of the control room to maintain positive pressure. The safety evaluation should have considered work actions to be taken to accomplish the modification wherein the electrical penetration seals were breached, creating a situation in which the minimum positive pressure in the control room could not be established. This increased the potential for airborne activity inleakage and thus created an unreviewed safety question by increasing the consequences of a Loss of Coolant Accident.

Collectively, the above violations have been evaluated as a Severity Level III problem (Supplement I).

Civil Penalty - \$25,000 (assessed equally between the violations).

II. Essential Service Water System

10 CFR Part 50, Appendix B, Criterion XVI requires, in part, that measures be established to assure that conditions adverse to quality, such as deficiencies and nonconformances, are promptly identified and corrected.

Contrary to the above, although in May 1984, Valve EF-V-0017 of the train "B" Essential Service Water (ESW) system was identified as being partly closed, thereby possibly reducing available ESW flow and constituting a condition adverse to quality, measures were not taken to assure that this condition was promptly corrected. The valve remained in the partly closed condition until August 15, 1987. The ESW train "B" flow rate was determined to be 11,000 gpm with the valve partially closed while the design flow rate specified in the Callaway FSAR is 13,594 gpm.

This is a Severity Level III violation (Supplement I).

Civil Penalty - \$25,000

Pursuant to the provisions of 10 CFR 2.201, Union Electric Company is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this 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, (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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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 above under 10 CFR 2.201, the Licensee may pay the civil penalties by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of civil penalties proposed above, or may protest imposition of the civil penalties 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 penalties will be issued. Should the Licensee elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalties, 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 penalties should not be imposed. In addition to protesting the civil penalties, such answer may request remission or mitigation of the penalties.

In requesting mitigation of the proposed penalties, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), 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 penalties due which subsequently have been determined in accordance with the applicable provisions of 10 CFR 2.205, this matter may be referred to the Attorney General, and the penalties, unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C. 2282c.

November 9, 1987

The responses to the Director, Office of Enforcement, noted above (Reply to a 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, DC 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 Callaway Station.

FOR THE NUCLEAR REGULATORY COMMISSION

for 
A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois
this *cf* day of November 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137
MAR 11 1987

Docket No. 50-266;
Docket No. 50-301
Licenses No. DPR-24; No. DPR-27
EA 86-148

Wisconsin Electric Power Company
ATTN: Mr. Russell W. Britt
President
Nuclear Power Department
231 West Michigan, St.
Milwaukee, WI 53201

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES
(NRC INSPECTION REPORTS NO. 50-266/86012(DRSS); NO. 50-301/86001(DRSS))

This refers to the special physical security inspection conducted during the period July 18 through August 7, 1986 at the Point Beach Nuclear Plant, Units 1 and 2, Two Rivers, Wisconsin. The results of the inspection were discussed on August 13, 1986 during an enforcement conference in the Region III office between Mr. C. W. Fay and other members of your staff and myself and other members of the Region III staff.

The three violations described in the enclosed Notice involve similar events which occurred on three separate dates. These violations were caused by the failure of security force personnel to recognize that they had taken actions which disabled security features at the plant. Once these actions had been taken, the licensee failed to implement compensatory measures as required which could have allowed unauthorized, undetected access to vital areas. A citation for failure to properly report the January 1985 events was considered. However, it appears that your failure to report was a result of your staff's misunderstanding of the reporting requirements in 10 CFR Part 73. This problem was previously discussed during an enforcement conference on April 15, 1986 during which your corrective action involving the review of past records for a one year period was discussed. Because this previous corrective action was accepted by the NRC and because you have demonstrated noted improvement in the reporting area, which led to your reporting of the July 13, 1986 event, the NRC believes a citation for the reporting violations is not warranted.

To emphasize the need to ensure the integrity of vital area barriers, after consultation with both the Director, Office of Inspection and Enforcement and the Commission, I have been authorized to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalties in the amount of Fifty Thousand Dollars (\$50,000) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1986) (Enforcement Policy), the violations described in the enclosed Notice have been categorized in the aggregate as a

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

MAR 11 1987

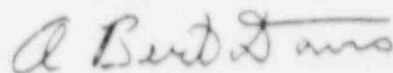
Severity Level III problem. The base value of a civil penalty for a Severity Level III violation or problem is \$50,000. Although the escalation and mitigation factors in the Enforcement Policy were considered, no adjustment has been deemed appropriate. In reaching this decision, the Commission recognized your overall safety performance in the past years of operation. Although such performance has been commendable, your performance in the access control area has recently deteriorated. Thus under the Enforcement Policy, mitigation for prior good performance in the general area of concern is not warranted in this case.

You are required to respond to this letter and should follow the instructions 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, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

Areas examined during this inspection concern subject matter which is exempt from disclosure according to 10 CFR 73.21(c)(2). Consequently, the enclosure to this letter and our report of the inspection will not be placed in the NRC Public Document Room. Your responses to the violations identified in the enclosed Notice should be submitted in accordance with 10 CFR 2.790(d) and 10 CFR 73.21.

The responses 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.

Sincerely,



A. Bert Davis
Acting Regional Administrator

Enclosure: Notice of Violation
and Proposed Imposition
of Civil Penalties
(UNCLASSIFIED SAFEGUARDS
INFORMATION)

cc w/enclosure:
J. J. Zach, Plant Manager
IE/DI/ORPB
NMSS/SGPL
NRR/PWR-B/SSPB
P. Robinson, IE



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

OCT 13 1987

Docket Nos. 50-266; 50-301
License Nos. DPR-24; DPR-27
EA 86-148

Wisconsin Electric Power Company
ATTN: Mr. Russell W. Britt
President
Nuclear Power Department
231 West Michigan, Room 308
Milwaukee, WI 53201

Gentlemen:

SUBJECT: ORDER IMPOSING CIVIL PENALTY

This refers to your letters dated May 8 and July 17, 1987 in response to the Notice of Violation and Proposed Imposition of Civil Penalty sent to you by our letter dated March 11, 1987. An extension of time was granted for your response until May 11, 1987. The Notice of Violation describes violations identified during a special physical security inspection at your facility during the period July 18 through August 7, 1986.

To emphasize the importance of maintaining the integrity of vital area barriers, a civil penalty of \$50,000 was proposed. In your response, you admitted that the events occurred as stated in the Notice of Violation, but do not believe that item c. is a violation. You also stated that if the NRC reaffirms this item as a violation, you believe that the violation is misclassified as a Severity Level III violation.

In your response you also describe corrective actions to substantially upgrade your performance in protecting the integrity of vital area barriers. In addition, you requested rescission or mitigation of the proposed penalty for several stated reasons. After careful consideration of your response and your request for rescission or mitigation of the proposed civil penalty, we have concluded that the violations did occur and that rescission or mitigation of the penalty is not warranted for the reasons given in the attached Appendix to the enclosed Order Imposing Civil Monetary Penalty. Accordingly, we hereby serve on Wisconsin Electric Power Company the enclosed Order Imposing Civil Monetary Penalty in the amount of Fifty Thousand Dollars (\$50,000). We will review the effectiveness of your corrective actions during a subsequent inspection.

In your May 8, 1987 response, you requested an opportunity to meet with me, the Executive Director for Operations, and the Commission to discuss the effect which civil penalties can and should have. Prior to the issuance of the Notice of Violation and Proposed Imposition of Civil Penalties, the Commission was consulted on the action. If you decide to request a hearing.

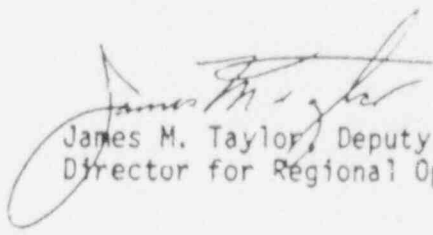
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

the issues presented may again be reviewed by them in accordance with the adjudicatory process. Based on my review of the matter which is reflected in the enclosure to the Order, it is not clear that a meeting would be fruitful. However, if you still desire a meeting, I will meet with you within the thirty day period provided to request a hearing. Such a meeting will be transcribed and will be public, to the extent that safeguards information is not involved.

The enclosed Appendix contains details of your security program that have been determined to be exempt from public disclosure in accordance with 10 CFR 73.21 (Safeguards Information). Therefore, those portions of the Appendix will not be placed in the Public Document Room and will receive limited distribution.

The responses directed by the accompanying Order 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.

Sincerely,



James M. Taylor, Deputy Executive
Director for Regional Operations

Enclosure: Order Imposing
Civil Monetary Penalties
with Appendix
(UNCLASSIFIED SAFEGUARDS
INFORMATION)

cc w/enclosure:
J. J. Zach, Plant Manager

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of
Wisconsin Electric Power Company
Point Beach Nuclear Plant
Units One and Two

Docket Nos. 50-266; 50-301
Licenses No. DPR-24; DPR-27
EA 86-148

ORDER IMPOSING CIVIL MONETARY PENALTY

I

Wisconsin Electric Power Company (Licensee) is the holder of Operating Licenses No. DPR-24 and No. DPR-27 (Licenses) issued by the Nuclear Regulatory Commission on October 5, 1970 and March 8, 1973. The Licenses authorize the Licensee to operate the Point Beach Nuclear Plant in accordance with the conditions specified therein.

II

A special physical security inspection of the Licensee's activities was conducted during the period July 18 through August 7, 1986. The results of this inspection indicated that the Licensee had not conducted its activities in full compliance with NRC requirements. A written Notice of Violation and Proposed Imposition of Civil Penalty was served upon the Licensee by letter dated March 11, 1987. The Notice states the nature of the violations, the provisions of NRC's requirements that the Licensee had violated, and the amount of the civil penalty proposed for the violations. The Licensee responded to the Notice of Violation and Proposed Imposition of Civil Penalty by letter dated May 8, 1987.

III

After consideration of the licensee's response and the statements of fact, explanation, and argument for mitigation contained therein, the Deputy Executive Director for Regional Operations has determined, as set forth in the appendix to this Order, that the violations occurred as stated and that the penalty proposed for the violations designated in the Notice of Violation and Proposed Imposition of Civil Penalty should be imposed.

IV

In view of the foregoing and pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205, IT IS HEREBY ORDERED THAT:

The licensee pay a Civil Penalty in the amount of Fifty Thousand Dollars (\$50,000) within 30 days of the date of this Order, by check, draft, or money order, payable to the Treasurer of the United States and mailed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555.

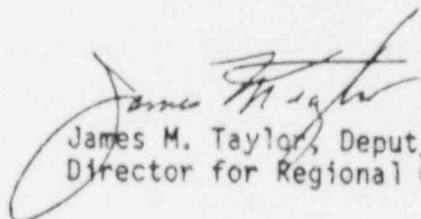
The licensee may request a hearing within 30 days of the date of this Order. A request for a hearing shall be clearly marked as a "Request for an Enforcement Hearing" and shall be addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region III.

If a hearing is requested, the Commission will issue an Order designating the time and place of the hearing. If the licensee fails to request a hearing within 30 days of the date of this Order, the provisions of this Order shall be effective without further proceedings. If payment has not been made by that time, the matter may be referred to the Attorney General for collection.

In the event the licensee requests a hearing as provided above, the issues to be considered at such hearing shall be:

- (a) whether the licensee was in violation of the Commission's requirements as set forth in the Notice of Violation and Proposed Imposition of Civil Penalty referenced in Section II above, and
- (b) whether, on the basis of such violation, this Order should be sustained.

FOR THE NUCLEAR REGULATORY COMMISSION


James M. Taylor, Deputy Executive
Director for Regional Operations

Dated at Bethesda, Maryland
this 3 day of October 1987.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

OCT 29 1987

Docket No. 50-301
License No. DPR-27
EA 87-182

Wisconsin Electric Power Company
ATTN: Mr. Russell W. Britt
President
Nuclear Power Department
231 West Michigan, Room 308
Milwaukee, WI 53201

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC INSPECTION REPORT NO. 50-301/87016(DRP))

This refers to the special safety inspection conducted during the period August 19-28, 1987, at the Point Beach Nuclear Plant, Two Creeks, Wisconsin. The inspection was in response to a licensee identified event which involved the inoperability of the main steam isolation valves. The details of the event were described in the subject inspection report sent to you by letter dated September 16, 1987. On September 23, 1987, we held an enforcement conference between Mr. C. W. Fay and others of your staff and Mr. C. J. Paperiello and others of the NRC staff during which the violations, the root causes, and your corrective actions were discussed.

On August 17, 1987, maintenance personnel requested the operations department to tag the main steam isolation valves (MSIVs) shut in order to facilitate repairs on the secondary side of Unit 2. Four tags were issued which provided for two DC control breakers to the instrument air solenoid valves to be tagged open and two instrument air isolation valves to the MSIVs to be tagged shut. After completion of the maintenance activities, maintenance personnel informed the control room that the tags could be removed. At that point, inadequate communications between the control room operations supervisor and the individual removing the tags resulted in removal of only two of the four tags. Believing that the DC control breakers were closed, a shift supervisor ordered the instrument air solenoid valves for each MSIV to be reset, thereby opening the MSIVs. However, because the control breakers were open, the MSIVs were incapable of closure for approximately four hours and twenty-five minutes until the shift supervisor, during performance of a procedure, discovered the red tags on the breakers and closed the breakers after removing the tags. This situation would have been disclosed earlier had your operations staff followed normal startup procedures and attempted to cycle the MSIV's as required.

In addition to the event itself, the NRC is also concerned that you did not report it within four hours as required. Although the initial investigation of the significance of the event and its related reporting were pursued by your personnel, these actions were not prompt and did not involve appropriate personnel.

To emphasize the need for you to ensure that staff communication and administrative programs are effective in maintaining safety-related equipment operable, and that events are properly evaluated and reported, I have been authorized, after consultation with the Director, Office of Enforcement, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Twenty-Five Thousand Dollars (\$25,000) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violations described in the enclosed Notice have been categorized as a Severity Level III problem. The base value of a civil penalty for a Severity Level III problem is \$50,000. The NRC Enforcement Policy allows for escalation and mitigation of a civil penalty under certain circumstances. In this case, the base civil penalty is mitigated by 50% because of your thorough followup investigation of this event and its causes as well as extensive corrective actions to prevent recurrence.

These corrective actions consist of a comprehensive program to provide improvements in procedural control, training, and independent verification of equipment operability. Installation of a relay to provide annunciation to the control room in the event of MSIV DC control power loss and the development of a safety-related equipment list were also proposed as corrective actions. In addition to these actions, counseling of the involved individuals occurred and a letter was sent to all employees describing the event.

Mitigation of the civil penalty was considered for your good prior performance in the operations area as evidenced by a Category 1 rating during the previous Systematic Assessment of Licensee Performance (SALP) which ended on March 31, 1986. However, your performance during the current SALP period has been declining as indicated by a number of violations involving personnel error in failing to follow procedures or failing to provide adequate procedures, concerns about a lack of quality in station log keeping, and failures to include pertinent information on records of surveillance testing performed by operations personnel. We consider all of these factors as evidence of declining performance and a general lack of attention to detail on the part of the operations group.

Since the corrective actions described by your staff during the September 23, 1987 enforcement conference will require implementation over an extended time period, you are requested to provide time tables where appropriate and advise the Region III staff of any changes to these timetables.

OCT 29 1987

You are required to respond to this letter and should follow the instructions 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 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 Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

The responses 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, Pub. L. No. 96-511.

Sincerely,

for 
A. Bert Davis
Regional Administrator

Enclosures:

1. Notice of Violation
and Proposed Imposition
of Civil Penalty
2. Inspection Report
No. 50-301/87016(DRP)

cc w/enclosures:

J. J. Zach, Plant Manager
Virgil Kanable, Chief
Boiler Section
Mary Lou Munts, Chairperson
Wisconsin Public Service
Commission
Collette Blum-Meister (SLO)
WI Div. of Emergency Government
Lawrence J. McDonnell, Chief
Radiation Protection Section
WI Department of Health
and Social Service,
Division of Health

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Wisconsin Electric Power Company
Point Beach Nuclear Plant, Unit 2

Docket No. 50-301
License No. DPR-27
EA 87-182

An NRC special safety inspection conducted during the period August 19-28, 1987, identified violations of NRC requirements. In accordance with the General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), 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 15.3.5.C states "In the event the number of channels of a particular sub-system in service falls below the limits given in the column entitled Minimum Operable Channels, or Minimum Degree of Redundancy cannot be achieved, operation shall be limited according to the requirement shown in tables 15.3.5-2 through 15.3.5-4, Operator Action when minimum operable channels unavailable." Table 15.3.5-4, Number 2, Steam Line Isolation, lists required minimum operable channels for:
1. Hi Hi Steam Flow with Safety Injection
One Operable Channel
 2. Hi Steam Flow and 2 of 4 Low Tavg with Safety Injection
One Operable Channel
 3. Hi Containment Pressure
Two Operable Channels
 4. Manual
One Operable Channel/Loop

and provides that if the required minimum operable channels cannot be met, the unit shall be placed in hot shutdown.

Contrary to the above, from 11:05 p.m. on August 17, 1987 until 3:00 a.m. on August 18, 1987, with the reactor critical at less than three percent power, the licensee failed to have any operable channels of steam line isolation specified in T.S. Table 15.3.5-4 in that, the main steam isolation valves could not close because DC control power was removed from the associated solenoids. Further, with all channels of main steam isolation inoperable the licensee did not place the unit in hot shutdown.

OCT 29 1987

- B. 10 CFR Part 50, Appendix B, Criterion XVI requires in part that the identification of a significant condition adverse to quality, the cause of the condition and the corrective action taken be reported to the appropriate levels of management.

10 CFR 50.72 requires the licensee to notify the NRC Operations Center via the Emergency Notification System of events described in Paragraph (b) of this section. Paragraph (b)(2), states, "Four hour reports. If not reported under Paragraph (a) or (b)(1) of this section, the licensee shall notify the NRC as soon as practical and in all cases, within four hours of the occurrence of any of the following...(iii). Any event or condition that alone could have prevented the fulfillment of the safety function of structures or systems that are needed to... (D) Mitigate the consequences of an accident."

Contrary to the above, on August 18, 1987, at 3:30 a.m. the plant staff identified that the main steam isolation valves would not have been able to perform their intended function but this condition was not promptly evaluated or reported to the appropriate levels of licensee management. Additionally, it was not reported to the NRC Operations Center via the Emergency Notification System until 12:00 noon on August 20, 1987. This represented a period of 56 hours and 30 minutes after discovery.

Collectively these violations have been evaluated as a Severity Level III problem (Supplement I).

Cumulative Civil Penalty - \$25,000 (assessed equally between the violations).

Pursuant to the provisions of 10 CFR 2.201, Wisconsin Electric Power Company is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) admission or denial of the alleged violation, (2) the reason for the violation if admitted, (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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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 above under 10 CFR 2.201, the Licensee may pay the civil penalty by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a

OCT 29 1987

check, draft, or money order payable to the Treasurer of the United States in the amount of 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 violation 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, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), 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 to the Director, Office of Enforcement, noted above (Reply to a 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, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, 799 Roosevelt Road, Glen Ellyn, Illinois, 60137, and a copy to the NRC Resident Inspector at Point Beach.

FOR THE NUCLEAR REGULATORY COMMISSION



A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois
this 29 day of October 1987

I.B. REACTOR LICENSEES, SEVERITY LEVEL III VIOLATION,
NO CIVIL PENALTY



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
831 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

December 30, 1987

Docket No. 50-352
License No. NPF-39
EA 87-196

Philadelphia Electric Company
ATTN: Mr. John S. Kemper
Senior Vice President
Engineering and Production
2301 Market Street
Philadelphia, Pennsylvania 19101

Gentlemen:

Subject: NOTICE OF VIOLATION
(NRC Inspection Reports Nos. 50-353/87-11 and 50-352/87-27)

This refers to a special construction team inspection conducted between June 22 and July 2, 1987 at Limerick Generating Station, Unit 2, and a follow-up inspection conducted on October 20, 1987 at Unit 1 following receipt of an event report from your staff on October 5, 1987 concerning a violation of the fire protection requirements at Unit 1. The reports documenting these inspections were sent to you with letters dated September 26, 1987 and November 23, 1987. On October 22, 1987, an enforcement conference was conducted with Mr. S. Kowalski and other members of your staff to discuss the violation, its cause, and your corrective actions.

The violation described in the enclosed Notice of Violation involved the failure to provide adequate fire protection features for control cables associated with the Emergency Diesel Generators (EDGs) to assure that one redundant train remained free of fire damage. These control cables were associated with flow switches for the automatic fire suppression system used to shutdown the EDGs in the event of a fire in the EDG rooms. These cables were routed in the same pipe tunnel and as a result of this deficiency, a fire in the pipe tunnel area could result in the multiple loss of these flow switches and associated time delay relays, thereby causing the tripping of all four EDGs. Without the EDGs, safe shutdown, once achieved, could not be maintained after three hours. The NRC recognizes that the probability of a fire in the tunnel area is low given the amount of onsite combustibles in the area and that it is unlikely that transient combustibles would be introduced into the area.

This violation was identified by your staff during their review, subsequent to the June-July 1987 inspection, of a potential problem with the interaction of safety and nonsafety-related circuits involving these flow switches at Unit 1. The NRC is concerned about the inadequacy of previous evaluations of the interaction between safety-related and nonsafety-related EDG circuits, both during the original design and after the identification in 1984 of another problem related to a fire protection system time delay feature in the EDG trip circuitry. If an adequate engineering evaluation was performed in 1984 to determine the extent of the interaction deficiency, the violation could have been identified and reported to the NRC in accordance with 10 CFR 50.55(e).

This violation emphasizes the importance of complete and thorough evaluations to ensure prompt (1) identification and correction of existing deficiencies, and (2) maintaining systems important to safe shutdown of the unit in such a condition that they remain free of damages in the event of a fire. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), the violation has been categorized at a Severity Level III since safe shutdown could not be maintained without an operator taking certain manual actions to restart the EDGs. This condition was not previously analyzed in the fire hazards analysis. Although a civil penalty is normally proposed for a Severity Level III violation, I have decided, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, that a civil penalty will not be proposed in this case because (1) your corrective actions to this violation, when identified, were unusually prompt and extensive, and (2) your enforcement history at Limerick concerning adherence to the separation, suppression and detection requirements has been good.

You are required to respond to this letter and should follow the instructions 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, including discussion of your procedures for review of safety issues to avoid situations such as occurred in this case. After reviewing your response to this Notice, 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 Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

The responses 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, Pub. L. No. 96-511.

Sincerely,



William T. Russell
Regional Administrator

Enclosure: Notice of Violation

NOTICE OF VIOLATION

Philadelphia Electric Company
Limerick Generating Station, Unit 1

Docket No. 50-352
License No. NPF-39
EA 87-196

The NRC special safety construction team inspection on June 22 to July 2, 1987, and a followup inspection on October 20, 1987 in response to a licensee event report on October 5, 1987, reviewed the circumstances associated with the identification of a violation of NRC requirements. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), the violation is set forth below:

License Condition 2.c.3. requires, in part, that the licensee maintain in effect all provisions of the Fire Protection Evaluation Report (FPER) through Revision 6.

Section 3.2.1 of the FPER through Revision 6 specifies that fire protection features shall be provided for structures, systems, and components important to safe shutdown, and shall be capable of limiting fire damage so that one train of systems necessary to achieve and maintain hot shutdown conditions from either the control room or emergency control station(s) is free of fire damage.

Contrary to the above, as of October 2, 1987, fire protection features were not provided for control cables associated with the Emergency Diesel Generators (EDGs), a system important in maintaining safe shutdown, to assure that one redundant train remained free of fire damage. These control cables were associated with the automatic fire suppression system flow switches that shut down the EDGs in the event of a fire in the EDG room. These cables were routed in the service water pipe tunnel area and were not provided with a means to maintain one of the trains free of fire damage. If a fire occurred in the tunnel area, it could create multiple internal shorts in the connections between the flow switches and associated time delay relays resulting in trip signals for all four EDGs, with two EDGs required by the FPER to achieve and maintain hot shutdown.

This is a Severity Level III violation (Supplement I).

Pursuant to the provisions of 10 CFR 2.201 Philadelphia Electric Company is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555, with a copy to the Regional Administrator, Region I, and a copy to the NRC Resident Inspector, within 30 days of the date of the letter transmitting this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation and should include for each violation: (1) the reason for the violation if admitted, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, an

order may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action as may be proper should not be taken. Consideration may be given to extending the response time for good cause shown.

FOR THE NUCLEAR REGULATORY COMMISSION



William T. Russell
Regional Administrator

Dated at King of Prussia, Pennsylvania
this 30th day of December 1987

I.C. REACTOR LICENSEES, NON-LICENSED VENDOR (PART 21)



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

July 23, 1987

Docket No. 99900403
EA 87-120

General Electric Company
Nuclear Energy Business Operations
ATTN: Mr. N. L. Felmus
Vice President & General Manager
175 Curtner Avenue
San Jose, California 95125

SUBJECT: NOTICE OF VIOLATION (NRC INSPECTION REPORT NO. 99900403/86-03)

Gentlemen:

This refers to the inspection conducted on August 11 - 12, 1986 at your San Jose, CA facility. During this inspection an Unresolved Item was identified. The NRC has completed the review of the information contained in your letter dated February 11, 1987 in response to the Unresolved Item and the information provided in a subsequent meeting with your Mr. G. Stramback at our office on April 2, 1987. Based on this review a violation of NRC requirements has been identified.

The violation described in the enclosed Notice of Violation (Notice) involves the failure to notify the NRC of a defect that could affect the operation of a licensed facility. An evaluation was conducted by General Electric (GE) under Potential Reportable Condition (PRC) 86-09 for a defect identified at Vermont Yankee. GE had supplied non-safety related repair kits for scram solenoid pilot valves rather than the safety related kits requested in the purchase documentation. These non-safety related kits resulted in slow scram times for six control rods. GE evaluated this defect as not being a significant safety hazard and, thus, not reportable under 10 CFR Part 21. This evaluation was based on a previous transient analysis involving slow scram times at the Monticello Nuclear Plant. The Monticello analysis was believed by GE to bound the conditions for slow scram times at Vermont Yankee.

The NRC has determined that the 10 CFR Part 21 evaluation done for Monticello was in error because your definition of defect is inconsistent with that of 10 CFR 21.3(d). This section defines a defect to include a condition or circumstance involving a basic component that could contribute to the exceeding of a safety limit as defined in the technical specifications. The Monticello evaluation was in error because a Technical Specification Safety Limit for minimum critical power ratio would have been exceeded even though the potential offsite radiological exposures would have been below NRC guidelines.

Although the defect at Vermont Yankee affected only six control rods and was within the Technical Specification Limiting Condition for Operation, the potential existed that more defective repair kits could have been utilized at Vermont Yankee or at other licensed facilities where they were supplied. Therefore, a

July 23, 1987

proper 10 CFR Part 21 evaluation would have determined that notification of the defective repair kits to both the NRC and affected facilities was required based on the potential for enough kits to be utilized that a safety limit could be exceeded. Notwithstanding your evaluation, the information available to your responsible officer reasonably indicated that there was a potential for a safety limit being exceeded. However, a report was not made.

In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions", 10 CFR Part 2, Appendix C (1987), the violation described in the enclosed Notice has been classified at a Severity Level III. Since the violation was not the result of a knowing and conscious failure to provide the required notice and appears to be the result of an inadequate understanding of the regulations and an inadequate evaluation, a civil penalty is not being proposed.

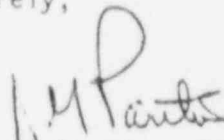
However, because your conclusion that this event was not reportable was based on an erroneous definition of a defect, please include as part of your response to this Notice any other reports required by Part 21 that have not been made due to your use of this definition.

The responses requested by this letter 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.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public Document Room.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,



James G. Partlow, Director
Division of Reactor Inspection and Safeguards
Office of Nuclear Reactor Regulation

Enclosure:
Notice of Violation

cc: Northern States Power Company
Vermont Yankee Nuclear Power Corporation

NOTICE OF VIOLATION

General Electric Company
San Jose, CA

Docket No. 99900403
EA 87-120

During an inspection conducted on August 11-12, 1986, a violation of NRC requirements was identified. In accordance with "General Statement of Policy and Procedure for NRC Enforcement Actions", 10 CFR Part 2, Appendix C (1987), the violation is listed below:

10 CFR § 21.21(b)(1) states, in part, that a director or responsible officer subject to the regulations of this part or a designated person shall notify the Commission when he obtains information reasonably indicating a defect affecting the construction or operation of a facility.

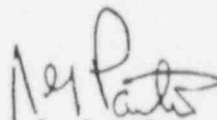
10 CFR § 21.3(d)(4), in part, defines a defect as condition or circumstance involving a basic component that could contribute to the exceeding of a safety limit, as defined in the technical specifications of a license for operation.

Contrary to the above, as of August 12, 1986, a responsible officer for General Electric Company did not notify the Commission of a defect affecting the operation of a facility after he obtained information reasonably indicating a defect existed. Specifically, he had information which reasonably indicated that a basic component, i.e., scram solenoid pilot valve repair kits, identified at Vermont Yankee Atomic Power Plant and supplied by General Electric to other facilities, could have contributed to the exceeding of a Technical Specification safety limit.

This is a Severity Level III violation (Supplement VII).

Pursuant to the provisions of 10 CFR 2.201, General Electric Company is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 within 30 days of the date of the letter transmitting this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) the reason for the violation if admitted, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Where good cause is shown, consideration will be given to extending the response time.

FOR THE NUCLEAR REGULATORY COMMISSION



James G. Partlow, Director
Division of Reactor Inspection
and Safeguards
Office of Nuclear Reactor Regulation

Dated at Bethesda, MD
this 23 day of July 1987.

II.A. MATERIALS LICENSEES, CIVIL PENALTIES AND ORDERS



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

OCT 2 1980

License No. 34-19089-01
EA 36-155

Advanced Medical Systems, Inc.
ATTN: Seymour S. Stein, Ph.D.
President
One Factory Row
Geneva, Ohio 44041

Gentlemen:

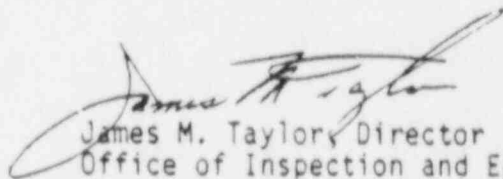
Subject: Order Suspending License and To Show Cause

Enclosed is an Order, effective immediately, suspending certain activities authorized under License No. 34-19089-01 including the installation, servicing, maintenance, or dismantling of radiography or teletherapy units.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed Order will be placed in the NRC's Public Document Room.

The responses directed by the accompanying Order are not subject to the clearance of the Office of Management and Budget, as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,


James M. Taylor, Director
Office of Inspection and Enforcement

Enclosure: Order Suspending License and To Show Cause

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of

ADVANCED MEDICAL SYSTEMS, INC.
One Factory Row
Geneva, OH 44041

)
)
)
)
)

Docket No. 30-16055
License No. 34-19089-01
EA 86-155

ORDER SUSPENDING LICENSE AND ORDER TO SHOW CAUSE
(EFFECTIVE IMMEDIATELY)

I

Advanced Medical Systems, Inc., One Factory Row, Geneva, Ohio, 44041 (the licensee), is the holder of Byproduct Material License No. 34-19089-01 issued by the Nuclear Regulatory Commission (the NRC) pursuant to 10 CFR Part 30. The license authorizes possession and use of 150,000 curies of cobalt-60 as solid metal, 150,000 curies of cobalt-60 in sealed sources, and 40,000 curies of cesium-137. The license further authorizes the installation, servicing, maintenance, and dismantling of radiography and teletherapy units. The license, originally issued on November 2, 1979, was renewed on June 25, 1986, with an expiration date of October 31, 1986. A timely renewal application has been submitted.

II

On February 21 and 22, 1985, a special safety inspection of licensed activities was performed by NRC Region III personnel in response to: (1) telephone allegations received in NRC Region III regarding unqualified workers performing licensed activities and excessive radiation exposures to hot cell workers, and (2) a letter from the licensee dated January 24, 1985, reporting an apparent overexposure of a hot cell worker. Additional information was

provided by the licensee and enforcement conferences were held regarding these matters on March 13 and April 12, 1985. Inspection Report No. 030-16055/85001(DRSS) was issued on June 28, 1985, documenting the results of those inspections and meetings. Four violations of regulatory requirements and license conditions were identified during that inspection and were documented in the Notice of Violation and Proposed Imposition of Civil Penalties issued June 28, 1985. Additionally, on June 28, 1985, an Immediately Effective Order Modifying License was issued requiring more extensive radiation protection measures prior to each hot cell entry. On July 31, 1985, the licensee responded to the Notice of Violation and Proposed Imposition of Civil Penalties denying all violations and asserting that information existed regarding each alleged violation demonstrating that no violation occurred. The NRC is currently evaluating the licensee's response.

III

The NRC recently has confirmed additional allegations that since the Spring of 1985 and as recently as September 1986, employees of the licensee were directed to perform certain service and maintenance on teletherapy equipment at medical facilities notwithstanding their lack of NRC authorization, their lack of required training to perform the directed maintenance, their lack of appropriate radiation detection and monitoring equipment or required service manuals, and their express objections to performing such maintenance without proper training. In addition, one hospital at which such service and maintenance was performed has indicated its belief that a licensee employee was unqualified to perform the maintenance on its teletherapy equipment.

IV

Based on the above, it appears that the licensee has demonstrated care-
less disregard for license requirements and, consequently, I lack the requisite
reasonable assurance that the licensee will comply with Commission requirements
in the future. Continued conduct of certain licensed activities could pose a
threat to the health and safety of the public. Specifically, the performance
of installation, service, maintenance or dismantling of radiography or tele-
therapy units by unauthorized and unqualified individuals could result in the
overexposure of individuals receiving or administering teletherapy treatment
or performing maintenance or service on radiography or teletherapy units.
Therefore, I have determined that the public health, safety and interest
require that License No. 34-19089-01 be suspended as described below.

I have further determined that, pursuant to 10 CFR § 2.201(c), no prior notice
is required and, pursuant to 10 CFR § 2.202(f), that the suspension should be
immediately effective pending further Order.

V

In view of the foregoing and pursuant to Sections 81, 161b, 161c, 161o,
182, and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's
regulations in 10 CFR § 2.202 and 10 CFR Part 30, IT IS HEREBY ORDERED,
EFFECTIVE IMMEDIATELY, THAT:

- A. Pending further Order, activities authorized under License No.
34-19089-01 to install, service, maintain, or dismantle radiography
or teletherapy units are suspended.

- B. The licensee shall make the following records immediately available for NRC retention, inspection, or copying: (1) all training records for employees performing maintenance or service work on teletherapy units, (2) all leak test records of sealed cobalt-60 sources, and (3) all invoice and service reports of teletherapy unit maintenance and service work. The licensee shall also make available for NRC retention, inspection, or copying any records subsequently identified by NRC representatives as being relevant to the conduct of licensed activities. The records shall be made available at the licensee's facilities located in either Cleveland or Geneva, Ohio. The licensee shall not tamper with, dispose of, or alter in any manner any record that may be relevant to the conduct of licensed activities.
- C. The Regional Administrator, Region III, may relax or rescind any of the above provisions upon demonstration by the licensee of good cause.

VI

Pursuant to 10 C.F.R. § 2.202(b), the licensee may show cause why this Order should not have been issued by filing a written answer under oath or affirmation within twenty days after the date of issuance of this Order, setting forth the matters of fact and law on which the licensee relies. The licensee may answer this Order, as provided in 10 C.F.R. § 2.202(d), by consenting to the provisions specified in Section V above. Upon the

licensee's consent to the provisions set forth in Section V of this Order, or upon failure of the licensee to file an answer within the specified time, the provisions specified in Section V above shall be final without further Order.

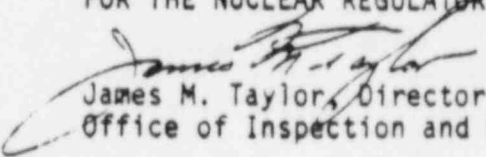
VII

Pursuant to 10 C.F.R. § 2.202(b), the licensee may, in its answer filed under Section V, request a hearing. Any other person adversely affected by this Order may request a hearing within twenty days of its issuance. Any answer to this Order or any request for hearing shall be submitted to the Director, Office of Inspection and Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555. Copies shall also be sent to the Assistant General Counsel for Enforcement at the same address and the Regional Administrator, NRC Region III, 799 Roosevelt Road, Glen Ellyn, Illinois 60137. If a person other than the licensee requests a hearing, that person shall set forth with particularity the manner in which the petitioner's interest is adversely affected by this Order and should address the criteria set forth in 10 C.F.R. § 2.714(d). AN ANSWER UNDER SECTION VI OR A REQUEST FOR HEARING UNDER SECTION VII OF THIS ORDER SHALL NOT STAY THE IMMEDIATE EFFECTIVENESS OF THIS ORDER.

If a hearing is requested by the licensee or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be:

Whether this Order should be sustained.

FOR THE NUCLEAR REGULATORY COMMISSION


James M. Taylor, Director
Office of Inspection and Enforcement

Dated at Bethesda, Maryland
this 10th day of October, 1986.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
SPRINGFIELD, ILLINOIS 60115

FEB 02 1987

Advanced Medical Systems, Inc.
ATTN: S. S. Stein, Ph.D.
President
121 North Eagle Street
Geneva, OH 44041

License No. 34-19089-01

Gentlemen:

This refers to your renewed request for relaxation of the October 10, 1986, NRC Order Suspending License and Order to Show Cause (Effective Immediately) (the "Order") to Advanced Medical Systems, Inc. (AMS) based upon revised commitments submitted to my staff by AMS on January 23, 1987. By letter dated January 7, 1987, I previously had declined to lift the immediate effectiveness of the Order following your presentation at our December 23, 1986, meeting.

After careful review of your January 23, 1987, submittal, I have determined in accordance with Section V.C. of the Order that it is appropriate to relax the Order to permit resumption of suspended activities provided: (1) all service work is performed by presently licensed service engineers, (2) AMS provides timely notification to the NRC of all service requests until June 30, 1987, and (3) AMS immediately institutes audits of service activities as described below.

Accordingly, pursuant to the Order, the NRC hereby relaxes Section V.A. of the Order as follows:

1. Section V.A. is hereby modified to permit resumption of activities authorized under NRC License No. 34-19089-01 to install, service, maintain or dismantle radiography or teletherapy units provided:
 - a. All service work is performed by, or under the supervision of and in the physical presence of, Keith Jordan and/or James Cochran;
 - b. Until June 30, 1987, AMS shall notify the NRC Region III office, Chief, Nuclear Materials Safety and Safeguards Branch, by telephone (312-790-5500), of service activities to be performed at client facilities within twenty-four (24) hours of receipt of a request for such services. This notification shall include; (1) the name and address of AMS' client facility for whom service has been requested, (2) the nature of the service, (3) the name of the AMS representative(s) to perform said service, and (4) the date such service will be performed;

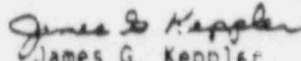
FEB 02 1987

- c. AMS shall immediately institute the program of audits of field service activities as described in Attachment G to AMS letter dated January 23, 1987; and
- d. AMS shall immediately institute the program of internal and external audits as stated in Attachment M to the January 23, 1987, letter and Item 9, Paragraph 2 of the attachment to said letter entitled "Informal NRC Request for Document Defining Licensable Activities," except, until June 30, 1987, (1) the field service audit by the RSO shall be performed at the first service call for each licensed engineer; and (2) external audits by a consultant shall be performed of service operations during the first calendar quarter of 1987 and thereafter every six (6) months in accordance with Attachment M.

All other provisions of the Order remain in effect.

We expect strict adherence to these requirements and will be monitoring your compliance. Failure to comply with the terms set forth above shall constitute noncompliance with the Order. Should you have questions regarding this Order relaxation, please contact this office immediately.

Sincerely,


James G. Keppler
Regional Administrator

cc: William Kolis, Jr., Attorney,
Wickens, Herzer & Panza Co.
L.P.A.

cc w/ltrs dtd 12/18/86 and
01/23/87, AMS to NRC:
DCS/RSB (RIDS)

bcc: J. G. Taylor, IE



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

December 3, 1987

Advanced Medical Systems, Inc.
ATTN: S. S. Stein, Ph.D.
President
121 North Eagle Street
Geneva, OH 44041

License No. 34-19089-01

Dear Dr. Stein:

By Order dated October 10, 1986, the NRC suspended certain activities authorized under License No. 34-19089-01 including the installation, servicing, maintenance, or dismantling of radiography or teletherapy units on an immediate effective basis. On February 2, 1987, the Regional Administrator relaxed Section V.A. of the Order in certain respects pursuant to the authority provided to him in Section V.C. of the Order.

Since matters contained in the Order and the letter modifying the Order have been superseded, and to some extent, conflict with recent amendments to the license, I hereby revoke in their entirety the Order of October 10, 1986 and the letter of February 2, 1987 pursuant to Section V.C. of the Order.

Sincerely,

Original signed by
A. Bert Davis

A. Bert Davis
Regional Administrator

cc: DCD/DCB (RIDS)



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30323

OCT 22 1987

Docket No. 70-27
License No. SNM-42
EA 87-160

Babcock and Wilcox Company
ATTN: Mr. R. E. Tetrault, Vice President
Naval Nuclear Fuel Division
P. O. Box 785
Lynchburg, VA 24505

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC INSPECTION REPORT NO. 70-27/87-14)

This refers to the Nuclear Regulatory Commission (NRC) inspection conducted by Dr. B. K. Revsin at your Naval Nuclear Fuel Division (NNFD) on August 3-7, 1987. The inspection included a review of your Radiation Protection Program. The report documenting this inspection was sent to you by letter dated August 20, 1987. As a result of this inspection, significant failures to comply with NRC regulatory requirements, including conditions of your license, were identified. NRC concerns relative to the inspection findings were later discussed in an Enforcement Conference held on September 3, 1987, and a letter summarizing this Conference was sent to you on September 17, 1987. A Confirmatory Action Letter was also sent to you on August 13, 1987, documenting the specific corrective measures and actions you were taking to immediately evaluate and control personnel exposures to concentrations of radioactivity in air and to upgrade your radiation protection program.

Violations A, B, and C of the enclosed Notice of Violation and Proposed Imposition of Civil Penalty involved failure to conduct evaluations of intakes of individuals exceeding the 40 Maximum Permissible Concentration (MPC)-hour control measure, failure to perform timely urinalysis to detect intakes potentially in excess of 40 MPC-hours, failure to assess intakes of individuals searching contaminated protective clothing, and failure to follow procedures pertaining to the urine sampling program for soluble uranium. In addition, violations D, E, and F involved five failures to adhere to conditions of your license and appropriate sections of the license application regarding requirements for controlled areas and three failures to perform adequate radiological surveys.

On March 13, 1987, the NRC issued a Notice of Violation and Proposed Imposition of Civil Penalty for your failure to implement critical elements of your Radiation Protection Program and to maintain management control of your licensed activities. On the basis of our inspection on August 3-7, 1987, and your presentation at the Enforcement Conference, it appears that the implementation of your prior corrective actions to improve management control of the NNFD Radiation Protection Program was not completely effective, particularly with regard to internal exposure assessment and control. Inspections by the NRC continue to identify deficiencies in your Radiation Protection Program that

OCT 22 1987

could adversely affect the protection of employees from licensed radioactive material. While we recognize that your corrective actions, as described during the Enforcement Conference of September 3, 1987, should result in a significant improvement in the performance of your licensed activities, it is essential that management involvement be an ongoing effort. We believe that a key element in identifying and resolving the fundamental problems in radiological safety is the need for more in-plant observation and involvement by first and second level supervision.

At the September 3, 1987 Enforcement Conference, you described the NNFD Performance Improvement Plan designed to upgrade your Radiation Protection Program and management oversight. You also provided a written outline of the Plan to the NRC (see Enforcement Conference Summary letter dated September 17, 1987). The contents of the written outline will be considered as formal commitments to the NRC. Progress in meeting the commitments will be evaluated by the NRC during future inspections of your facility and periodic management meetings.

To emphasize the need for adequate management control of your Radiation Protection Program, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Twelve Thousand Five Hundred Dollars (\$12,500) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violations described in the enclosed Notice have been categorized as a Severity Level III problem. The escalation and mitigation factors in the Enforcement Policy were considered. Your prior performance was of a sufficiently poor nature to offset any potential for mitigation based on your extensive corrective actions. Therefore, no adjustment of the base civil penalty amount has been deemed appropriate.

You are required to respond to this letter and should follow the instructions 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. Violations A, B, C, E.1, and E.2 described in the enclosed Notice are similar to violations contained in the Notices sent to you by our letters dated November 26, 1986, and March 13, 1987. Because "similar violations," as described in the NRC Enforcement Policy, are of significant concern to the NRC, please give particular attention in your response to the identification of the root causes of these problems and your corrective actions to prevent recurrence. After reviewing your response to this Notice, 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.

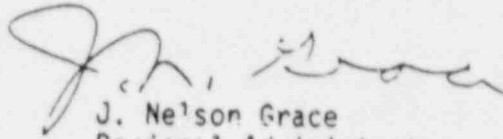
In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

OCT 22 1987

The responses 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, Pub. L. No. 96-511.

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

Sincerely,



J. Nelson Grace
Regional Administrator

Enclosure:
Notice of Violation and
Proposed Imposition
of Civil Penalty

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Babcock and Wilcox Company
Naval Nuclear Fuel Division

Docket No. 70-27
License No. SNM-42
EA 87-160

During the Nuclear Regulatory Commission (NRC) inspection conducted on August 3-7, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), 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. 2822, and 10 CFR 2.205. The particular violations and associated civil penalty are listed below:

- A. 10 CFR 20.103(b)(2) states that whenever the intake of radioactive material by any individual exceeds that which would result from inhalation of radioactive material for 40 hours within seven consecutive days at the uniform concentrations specified in Appendix B, Table 1, Column 1, of 10 CFR Part 20 (40 MPC-hour), the licensee is to make such evaluations and take such actions as are necessary to assure against recurrence and shall maintain records of such occurrences, evaluations, and actions taken in a clear and readily identifiable form suitable for summary review and evaluation.

Contrary to the above, between January 1 and July 7, 1987, evaluations were not performed for 17 individuals who, based on urinalysis results, exceeded the 40 MPC-hour control measure.

- B. 10 CFR 20.103(a)(3) requires that for purposes of determining compliance with the regulations, the licensee use suitable measurements of concentrations of radioactive materials in air for detecting and evaluating airborne radioactivity in restricted areas and in addition, as appropriate, use measurements of radioactivity in the body, measurements of activity excreted from the body, or any combination of such measurements as may be necessary for timely detection and assessment of individual intakes of radioactivity by exposed individuals.

Contrary to the above:

1. Between January 1 and July 7, 1987, timely detection of intakes of radioactive material were not performed. Specifically, as of August 7, 1987, analyses of urine samples routinely collected as backup for the regular monthly samples had not been performed for three individuals who worked in the chemistry laboratory during February 1987 and who had potential exposures documented in excess of 40 MPC-hours.
2. As of August 7, 1987, intakes of radioactivity by security guards were not routinely assessed even though they performed physical security searches of contaminated protective clothing being removed from the Recovery Area.

- C. License Condition 9 of Special Nuclear Material License No. SNM-42 requires that licensed material be used in accordance with statements, representations, and conditions contained in Sections I through IV and IX of the application dated February 22, 1982, and supplements, dated February 21 and November 8, 1983, and March 14, April 11, and May 3, 1984.

Section IV, Chapter 1, of the license application requires that the licensee maintain procedures for the control of radiation safety of the facility, its operations, and the environment and to ensure compliance with regulatory requirements.

Procedure A66-03, Urine Sample Program for Soluble Uranium, March 25, 1987, Section E.4.2, requires that when the urinalysis result based on monthly samples is more than four picocuries per liter (pCi/l) but less than or equal to 12 pCi/l, and the time period between samples is greater than fourteen days, the licensee will: (a) analyze any stored sample that may be available, (b) confirm the result, (c) identify the probable cause and correct or initiate additional control measures, and (d) determine whether others could have been exposed and perform bioassay measurements.

Contrary to the above, from January 1, to April 6, 1987, eleven occurrences of urine uranium concentrations greater than 4 pCi/l but less than 12 pCi/l were identified and the actions required by Procedures A66-03 were not taken.

- D. License Condition 9 of Special Nuclear Material License No. SNM-42 requires that licensed material be used in accordance with statements, representations, and conditions contained in Sections I through IV and IX of the application dated February 22, 1982, and supplements, dated February 21 and November 8, 1983, and March 14, April 11, and May 3, 1984.

1. Section IV, Chapter 3, Paragraph 3.5.1.C, of the application states that exhausted air will not be recycled in controlled areas.

Contrary to the above, as of August 7, 1987, exhaust air was recycled in the Advanced Fuel, Research Test Reactor Fuel Element and Recovery Areas, all of which are classified controlled areas.

2. Section IV, Chapter 3, Paragraph 3.5.3.F, of the application states that air is not to be recycled in "hot" uncontrolled areas.

Contrary to the above, as of August 7, 1987, exhausted air was being recycled in the Central Storage Vault which is a "hot" uncontrolled area.

3. Section IV, Chapter 3, Paragraph 3.5.1.F, of the application states that random testing of protective clothing will be performed for removable contamination at least weekly and that coveralls and shoe covers be worn in controlled areas.

Contrary to the above, as of August 7, 1987, random testing of protective clothing was not performed on a weekly basis in the Research Test Reactor Fuel Element (RTRFE) area, and coveralls were not worn in the RTRFE and Advanced Fuels areas which are controlled areas.

4. Section IV, Chapter 3, Paragraph 3.5.3.C, of the application requires that shoecovers and coveralls be worn by personnel in uncontrolled, "hot" areas, and that lab coats be worn by personnel in uncontrolled "intermediate" and "special" areas.

Contrary to the above, as of August 7, 1987, personnel in the waste treatment facility, an uncontrolled "intermediate" contamination area, did not wear lab coats as required; and coveralls were not worn by individuals in the Central Storage Vault, an uncontrolled "hot" area.

5. Section IV, Chapter 3, Paragraph 3.5.2.E, of the application states that personnel may not enter uncontrolled areas from controlled areas if the hand monitor gives results in excess of twice the background levels for either hand.

Contrary to the above, as of August 7, 1987, friskers at exits of controlled areas were not set up to detect contamination at levels two times the background.

- E. 10 CFR 20.201(b) requires each licensee to make or cause to be made such surveys as may be necessary for the licensee to comply with the regulations in 10 CFR Part 20 and are reasonable under the circumstances to evaluate the extent of radiation hazards that may be present.

Contrary to the above, surveys to ensure that clean area contamination limits are met prior to the transfer of material were not performed for:

1. Movement of carts containing protective clothing from the laundry facility, a contaminated area, to a clean area between January 31 and August 4, 1987.
2. Movement of drums used to transport material from the waste treatment facility, a contaminated area, to a clean area between January 31 and August 4, 1987.

- F. License Condition 9 of Special Nuclear Material License No. SNM-42 requires that licensed material be used in accordance with statements, representations, and conditions contained in Sections I through IV and IX of the Application dated February 22, 1982, and supplements, dated February 21 and November 8, 1983, and March 14, April 11, and May 3, 1984.

Section IV, Chapter 1, of the license application requires that the licensee maintain procedures for the control of radiation safety of the facility, its operations, and the environment and to ensure compliance with regulatory requirements.

Procedure A66-05, Contamination Control, September 27, 1984, specifies the radiological classification of plant areas and the frequency and reporting level for instrument surveys for total contamination (fixed and loose).

Contrary to the above, as of August 7, 1987, instrument surveys for total contamination (fixed and loose contamination) and the classification of facility areas based on contamination level were not as described in Procedure A66-05.

Collectively, these violations have been categorized as a Severity Level III problem (Supplements IV and VI).

Cumulative Civil Penalty - \$12,500 (assessed equally among the violations).

Pursuant to the provisions of 10 CFR 2.201, Babcock and Wilcox Company is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) admission or denial of the violation, (2) the reasons for the violation if admitted, (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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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.

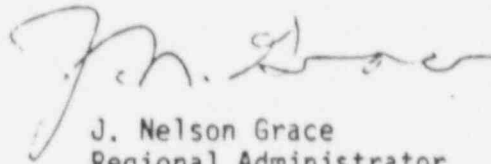
Within the same time as provided for the response required above under 10 CFR 2.201, the licensee may pay the civil penalty by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of the civil penalty proposed above, or the cumulative amount of the civil penalties if more than one civil penalty is proposed, 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, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), 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 to the Director, Office of Enforcement, noted above (Reply to a 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, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region II.

FOR THE NUCLEAR REGULATORY COMMISSION



J. Nelson Grace
Regional Administrator

Dated at Atlanta, Georgia
this 12 day of October 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
631 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

JUL 15 1987

Docket No. 30-20787
License No. 29-21452-01
EA 87-121

Consolidated NDE, Inc.
ATTN: J. Lee Ballard
President
6 Woodbridge Avenue
P.O. Box 593
Woodbridge, New Jersey 07095

Gentlemen:

Subject: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC Inspection No. 87-01)

This refers to the special NRC safety inspection of activities authorized by NRC License No. 29-21452-01 conducted on June 10, 1987 at your facility in Woodbridge, New Jersey, and at a field site in Port Reading, New Jersey. The report of the inspection was forwarded to you on June 26, 1987. The inspection was conducted to review the circumstances associated with an event identified by your staff and reported to the NRC involving unauthorized individuals having access to a high radiation area that existed at the Port Reading field site. During the inspection, two violations of NRC requirements were identified. On July 2, 1987, we held an enforcement conference with Mr. Clifford J. Williams and another member of your staff during which the violations, their causes, and your corrective actions were discussed.

The violations, which are described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice), include failure to maintain direct surveillance of the high radiation area in Port Reading, resulting in individuals having access to the area while a radiographic source was exposed; and failure to properly post an access point to the area with a required warning sign. Although the individuals who had unauthorized access to the high radiation area did not receive radiation exposures in excess of regulatory limits, the NRC is concerned that (1) the potential existed for such an exposure, and (2) similar violations were identified during the previous NRC inspection conducted on September 30 - October 1, 1986, but your past corrective actions were not effective in preventing recurrence. The violations demonstrate the need for increased management attention to the radiation safety program to ensure (1) adherence to regulatory requirements and safe performance of licensed activities; and (2) prompt and effective correction of deficiencies when they are identified, including necessary actions to assure your employees recognize their accountability for their actions.

To emphasize this need, I have been authorized, after consultation with the Director, Office of Enforcement, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Five Thousand Dollars (\$5,000) for the violations described in the enclosed Notice. In accordance

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

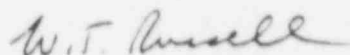
with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violations described in the enclosed Notice have been categorized in the aggregate as a Severity Level III problem to focus on their underlying causes, namely, a lack of adequate management attention to and control of the radiation safety program, as evidenced by the failure to take adequate corrective actions to ensure proper control of access to high radiation areas. Although the NRC considered an increase in the civil penalty amount because of the repetitive nature of these violations, the civil penalty has not been increased because the event was reported to the NRC, even though such reporting was not required.

You are required to respond to the enclosed Notice and should follow the instructions specified in the Notice in preparing your response. In your response, you should document the specific actions taken to correct the violations 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 future inspections, the NRC will determine whether further enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed Notice will be placed in the NRC's Public Document Room.

The responses 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.

Sincerely,



William T. Russell
Regional Administrator

Enclosure: Notice of Violation and
Proposed Imposition of
Civil Penalty

cc: w/encl:
Public Document Room (PDR)
Nuclear Safety Information Center (NSIC)
State of New Jersey

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Consolidated NDE, Inc.
Woodbridge, New Jersey 07095

Docket No. 30-20787
License No. 29-21452-01
EA 87-121

During a special NRC safety inspection conducted on June 10, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Apperdx C (1987), the Nuclear Regulatory Commission proposes to impose a civil penalty pursuant to Section 234 of the Atomic Energy Act of 1984, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violations and the associated civil penalty are set forth below:

- A. 10 CFR 34.41 requires in part that during each radiographic operation, the radiographer or radiographer's assistant maintain direct surveillance of the operation to protect against unauthorized entry into a high radiation area, unless the area is locked or equipped with a control device or alarm system as described in 10 CFR 20.203(c)(2).

Contrary to the above, on June 5, 1987, at a field site in Port Reading, New Jersey, radiographic operations involving a pipe located about 40 feet above ground level resulted in a high radiation area that was neither locked nor equipped with an alarm system or control device, and direct surveillance of all routes of access to the area to protect against unauthorized entry was not maintained by the radiographer or radiographer's assistant.

- B. 10 CFR 20.203(c)(1) requires that each high radiation area be conspicuously posted with a sign or signs bearing the radiation caution symbol and the words "Caution-High Radiation Area."

Contrary to the above, during radiographic operations on June 5, 1987 at a field site in Port Reading, New Jersey, a high radiation area was created that was accessible from a platform, and this high radiation area was not conspicuously posted with a "Caution-High Radiation Area" sign.

These violations have been categorized in the aggregate as a Severity Level III problem (Supplement IV).

Cumulative Civil Penalty - \$5,000 assessed equally between the violations.

Pursuant to the provisions of 10 CFR 2.201, Consolidated NDE, Inc. (Licensee) is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this 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, (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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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.

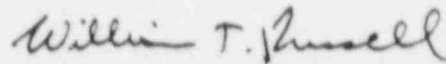
Within the same time as provided for the response required above under 10 CFR 2.201, the Licensee may pay the civil penalty by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of the civil penalty proposed above, or the cumulative amount of the civil penalties if more than one civil penalty is proposed, 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, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), 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 to the Director, Office of Enforcement, noted above (Reply to a 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, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region I, 631 Park Avenue, King of Prussia, Pennsylvania 19406.

FOR THE NUCLEAR REGULATORY COMMISSION



William T. Russell
Regional Administrator

Dated at King of Prussia, Pennsylvania,
this 15th day of July 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

NOV 05 1987

Docket No. 30-20787
License No. 29-21452-01
EA 87-121

Consolidated NDE, Inc.
ATTN: J. Lee Ballard
President
6 Woodbridge Avenue
P.O. Box 593
Woodbridge, New Jersey 07095

Gentlemen:

Subject: ORDER IMPOSING A CIVIL MONETARY PENALTY

This letter refers to your two letters dated August 26, 1987 and October 1, 1987, in response to the Notice of Violation and Proposed Imposition of Civil Penalty sent to you with our letter dated July 15, 1987. Our letter and Notice described violations identified during NRC Inspection No. 87-01, conducted on June 10, 1987.

A civil penalty in the amount of \$5,000 was proposed to emphasize the need for increased management attention to the radiation safety program to ensure (1) adherence to regulatory requirements and safe performance of licensed activities, and (2) prompt and effective correction of deficiencies when they are identified, including necessary actions to assure your employees recognize their accountability for their actions.

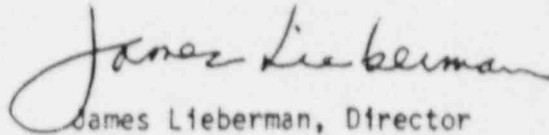
In your responses, you do not deny any of the cited violations, but request a reduction in the civil penalty amount. After careful consideration of your responses, we have concluded, for the reasons given in the Appendix attached to the enclosed Order Imposing A Civil Monetary Penalty, that a sufficient basis was not provided for reduction of the civil penalty amount. Accordingly, we hereby serve the enclosed Order on Consolidated NDE, Inc. imposing a civil penalty in the amount of Five Thousand Dollars.

We will examine implementation of your corrective action during a subsequent inspection.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room.

Sincerely,



James Lieberman, Director
Office of Enforcement

Enclosures:

1. Order Imposing A Civil Monetary Penalty
2. Appendix - Evaluation and Conclusion

cc w/encls:

Public Document Room
Nuclear Safety Information Center (NSIC)
State of New Jersey

UNITED STATES

NUCLEAR REGULATORY COMMISSION

In the Matter of	)	Docket No. 30-20787
	)	License No. 29-21452-01
Consolidated NDE, Inc.	)	EA No. 87-121
Woodbridge, New Jersey 07095)	

ORDER IMPOSING A CIVIL MONETARY PENALTY

I

Consolidated NDE, Inc., Woodbridge New Jersey 07095 (the "licensee") is the holder of License No. 29-21452-01 (the "license") issued by the Nuclear Regulatory Commission (the "Commission" or "NRC") which authorize the licensee to use sealed sources to perform industrial radiography. The license was issued on October 6, 1983, and is due to expire on September 30, 1988.

II

An NRC safety inspection of the licensee's activities under the license was conducted on June 10, 1987. During the inspection, the NRC staff determined that the licensee had not conducted its activities in full compliance with NRC requirements. A written Notice of Violation and Proposed Imposition of Civil Penalty was served upon the licensee by letter dated July 15, 1987. The Notice states the nature of the violations, the provisions of the Nuclear Regulatory Commission's requirements that the licensee had violated, and that the civil penalty is assessed equally among the violations. Two responses, dated August 26, and October 1, 1987, to the Notice of Violation and Proposed Imposition of Civil Penalty, were received from the licensee.

III

After consideration of the licensee's responses and the statements of fact, explanations, and arguments for remission or mitigation of the proposed civil penalty contained therein, as set forth in the Appendix to this Order, the Director, Office of Enforcement has determined that the penalties proposed for the violations designated in the Notice of Violation and Proposed Imposition of Civil Penalty should be imposed.

IV

In view of the foregoing 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, IT IS HEREBY ORDERED THAT:

The licensee pay a civil penalty in the amount of Five Thousand Dollars (\$5,000) within thirty days of the date of this Order, by check, draft, or money order, payable to the Treasurer of the United States and mailed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555.

V

The licensee may, within thirty days of the date of this Order, request a hearing. A request for a hearing shall be clearly marked as a "Request for

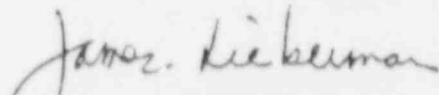
an Enforcement Hearing" and shall be addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region I.

If a hearing is requested, the Commission will issue an Order designating the time and place of the hearing. If the licensee fails to request a hearing within thirty days of the date of this Order, the provisions of this Order shall be effective without further proceedings. If payment has not been made by that time, the matter may be referred to the Attorney General for collection.

In the event the licensee requests a hearing as provided above, the issue to be considered at such hearing shall be:

- a. whether the licensee was in violation of the Commission requirements as set forth in the Notice of Violation and Proposed Imposition of Civil Penalty as referenced in Section II above; and
- b. whether, on the basis of such violation, this Order should be sustained.

FOR THE NUCLEAR REGULATORY COMMISSION


James Lieberman, Director
Office of Enforcement

Dated at Bethesda, Maryland
this 5th day of November 1987

Appendix

Evaluation and Conclusion

On July 15, 1987, a Notice of Violation and Proposed Imposition of Civil Penalty was issued for violations of a license issued to Consolidated NDE, Inc. The licensee responded to the Notice by two letters dated August 26, and October 1, 1987. In its responses, the licensee does not deny any of the violations, which were classified in the aggregate as a Severity Level III problem, but does request a substantial reduction in the amount of the civil penalty. The NRC's evaluation and conclusion regarding the licensee's responses are as follows:

I. Restatement of Violations

- A. 10 CFR 34.41 requires in part that during each radiographic operation, the radiographer or radiographer's assistant maintain direct surveillance of the operation to protect against unauthorized entry into a high radiation area, unless the area is locked or equipped with a control device or alarm system as described in 10 CFR 20.203(c)(2).

Contrary to the above, on June 5, 1987, at a field site in Port Reading, New Jersey; radiographic operations involving a pipe located about 40 feet above ground level resulted in a high radiation area that was neither locked nor equipped with an alarm system or control device, and direct surveillance of all routes of access to the area to protect against unauthorized entry was not maintained by the radiographer or radiographer's assistant.

- B. 10 CFR 20.203(c)(1) requires that each high radiation area be conspicuously posted with a sign or signs bearing the radiation caution symbol and the words "Caution-High Radiation Area."

Contrary to the above, during radiographic operations on June 5, 1987 at a field site in Port Reading, New Jersey, a high radiation area was created; that was accessible from a platform, and this high radiation area was not conspicuously posted with a "Caution-High Radiation Area" sign.

These violations have been categorized in the aggregate as a Severity Level III problem (Supplement IV).

Cumulative Civil Penalty - \$5,000 assessed equally between the violations.

II. Summary of Licensee Response

The licensee, in its responses, does not deny either of the two violations, which were similar to violations identified during the previous inspection in 1986. However, the licensee does request a substantial reduction in the civil penalty amount, stating that: (1) the individuals involved in the previous similar violations were not the same persons; (2) when dealing with human beings there always has and always will be a failure factor that management can control only up to a point regardless of how diligently they train, qualify and supervise the field

labor force; (3) management is constantly alert to the Radiation Safety Program, adherence to requirements, and prompt and effective correction of deficiencies when they are identified; and (4) the licensee percentage of profit (loss in this case) is devastating at this time and a \$5,000 civil penalty is of major proportions in today's market.

III. NRC Evaluation of Licensee Response

Although the NRC recognizes that the previous violations identified in 1986 involved individuals other than those responsible for the violations in 1987, it is nonetheless management's responsibility to take appropriate action whenever violations are identified to ensure that all individuals involved in licensed activities, not just those responsible for the violations, are aware of the violations so that appropriate action can be taken to prevent recurrence by any individual. Since these violations recurred, management's actions to prevent recurrence were not effective. In fact, the licensee's procedures for disciplining employees, including imposition of fines and discharges, which were described in their August 26 response, were not incorporated in the licensee Rules and Regulations for use of radioactive material until after these recent violations were identified in June, 1987. Therefore, management's attention to the radiation safety program, as described in the licensee's response, does not provide a basis for reduction of the civil penalty.

Further, the licensee's financial information submitted in its October 1, 1987 letter, particularly with regard to net sales, does not demonstrate that imposition of a civil penalty would create such a severe financial burden that the facility could not continue to operate. Therefore, the NRC finds, consistent with its Enforcement Policy, that the imposition of a civil penalty will not result in economic termination of the licensee's business or financial hindrance of the licensee's ability to safely conduct licensed activities. Consequently, the licensee's current financial condition does not provide a basis for reduction of the civil penalty.

IV. NRC Conclusion

The licensee did not provide sufficient information for reduction of the civil penalty amount. Therefore, the NRC staff concludes that a \$5,000 civil penalty should be imposed.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

SEP 23 1987

Docket Nos. 30-05900, 30-05901, 30-06392
License Nos. 35-00502-02, 35-00502-03, 42-01068-07
EA 87-35

Halliburton Company
ATTN: Alan A. Baker, President,
Halliburton Services Division
Post Office Drawer 1431
Duncan, Oklahoma 73536

Gentlemen:

SUBJECT: ORDER MODIFYING LICENSE AND NOTICE OF VIOLATION
AND PROPOSED IMPOSITION OF CIVIL PENALTY (NRC INSPECTION
REPORT NOS. 30-05900/86-02 AND 30-20094/86-01)

This refers to the special, unannounced inspection conducted December 8-12, 1986, at Halliburton facilities in Duncan, Oklahoma; Pauls Valley, Oklahoma; and Oklahoma City, Oklahoma. Violations identified during the inspection by Mr. L. T. Ricketson were discussed with you and members of your staff at the conclusion of the inspection and at the enforcement conferences held in the Region IV office on January 26 and May 27, 1987.

The apparent violations occurred during the period of December 1984 to December 1986 and involved operations at field camps and at your waste handling area. They include unauthorized use of byproduct material, failure to calibrate survey instruments, failure to properly instruct individuals involved in operations using licensed materials, failure to maintain materials accountability records, failure to maintain records of survey results, and failure to post documents and notices. These violations are of significant concern to the NRC because they collectively demonstrate a breakdown in management oversight and control of your radiation protection program. They also demonstrate the need to implement a thorough internal auditing program with management review.

To emphasize the importance of maintaining adequate management oversight and control of the radiation safety program, I am issuing the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) in the amount of One Thousand Dollars (\$1000) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violations under the licenses described in the enclosed Notice have been categorized in the aggregate as a Severity Level III problem. The base value of a civil penalty for a Severity Level III problem or violation is \$500. The escalation and mitigation factors in the Enforcement Policy were considered and the base civil penalty amount has been increased by

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100 percent because: (1) the corrective actions taken indicate minimal licensee initiative and a lack of management involvement, (2) some of the violations existed for extensive time periods, and (3) some of the violations involve multiple occurrences.

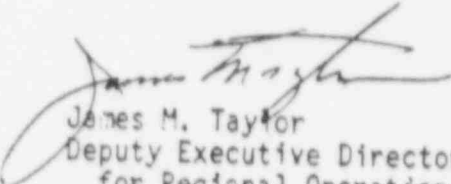
In addition to the civil penalty, further remedial action is needed to ensure that Halliburton Company improves management oversight and control over licensed operations. The NRC recognizes that the licensee is taking actions in this area and that a July 1, 1987 Confirmatory Action Letter has been issued addressing these actions. However, the NRC has determined that the completed and proposed corrective actions do not extend far enough to ensure thorough management involvement in the day-to-day operations of licensed activities. Accordingly, the NRC is issuing the enclosed Order Modifying Licenses at this time, which requires that the licensee implement a plan for performing internal auditing and corporate management notification of audit results.

You are required to respond to this letter and should follow the instructions specified in the enclosed Order and Notice when preparing your response. In your response to the Notice, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to the Notice, including your proposed corrective actions, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

The responses 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.

Sincerely,


James M. Taylor
Deputy Executive Director
for Regional Operations

Enclosures:

1. Order Modifying License
2. Notice of Violation and
Proposed Imposition of Civil Penalty

cc: Oklahoma Radiation Control Program Director

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the matter of	)	Docket Nos.	30-05900
HALLIBURTON COMPANY	)		30-05901
(Halliburton Services Division)	)		30-06392
Post Office Drawer 1431	)	License Nos.	35-00502-02
Duncan, Oklahoma 73536	)		35-00502-03
	)		42-01068-07
	)	EA 87-35	

ORDER MODIFYING LICENSES

I

Halliburton Company (the Licensee) is the holder of several byproduct material licenses. License No. 35-00502-02 authorizes the Licensee to possess and use byproduct material for the purpose of performing tracer studies in oil and gas wells. Amendment No. 25 to the license was issued December 18, 1986. The license expires on March 31, 1991. License No. 35-00502-03 authorizes the Licensee to possess and use byproduct material for the purposes of research and development and the manufacture of tracer materials and gauging equipment used in oil field operations. Amendment No. 55 to the license was issued July 7, 1987. The license expires on March 31, 1991. License No. 42-01068-07 authorizes the Licensee to possess and use byproduct material for the purpose of performing tracer studies and well logging in oil and gas wells. Amendment No. 42 to the license was issued August 31, 1986. The license expires on August 31, 1989.

II.

On December 8-12, 1986, the NRC conducted a special inspection to review the circumstances surrounding alleged activities being performed under License No. 35-00502-03 and 35-00502-05. Several apparent violations were identified during the inspection. One of the violations was of particular concern because it involved activities being performed without NRC authorization. Specifically,

Halliburton Industrial Services, Inc. was authorized under License No. 35-00502-05 to perform salvage and decontamination activities of spent fuel racks at its facility in Duncan, Oklahoma. On April 11, 1985, while disposal activities were taking place, Halliburton Industrial Services, Inc. was dissolved as a separate corporation. On that same day, Halliburton Company took possession of the facility. When the salvage and decontamination activities proved economically unfeasible, the spent fuel racks were cut into small pieces by Halliburton Company without NRC authorization and disposed of at an authorized disposal site. Because Halliburton Company was not an authorized recipient of the byproduct material, such possession violated NRC requirements. Further, contrary to NRC requirements, Halliburton Company continued to conduct decontamination activities at the Duncan, Oklahoma site from April 11, 1985 to December 19, 1985. At no time prior to the inspection did Halliburton Industrial Services, Inc. or Halliburton Company notify the NRC of these occurrences.

These circumstances, when viewed together with the other violations, demonstrated that Halliburton Company management failed to exercise adequate oversight and control of its radiation safety program. The NRC communicated its concerns to the Licensee during an enforcement conference held on January 26, 1987. Pursuant to NRC request, the Licensee committed, by letter dated April 16, 1987, not to conduct activities which had been authorized under License No. 35-00502-05. Further, in a Confirmatory Action Letter dated May 1, 1987, the NRC documented the Licensee's commitment to request an amendment to License No. 35-00502-03 which would authorize the decontamination activities previously authorized under License No. 35-00502-05.

Another enforcement conference was held on May 27, 1987 to discuss with the Licensee the need to develop a comprehensive audit program. The NRC determined that an audit program was necessary because of the multiple licenses held by the Licensee and because the violations identified during the inspection indicated the need for greater management involvement in the radiation safety program. Consequently, on June 9, 1987, Halliburton Company submitted a letter describing its proposed audit program. The NRC documented the Licensee's commitment in a Confirmatory Action Letter dated July 1, 1987.

III.

After consideration of the facts, the NRC has concluded that there was a significant breakdown in management oversight and control of operations involving licensed material and has determined that an improved program of internal auditing and corporate management notification is needed. Further, the NRC has determined that the Licensee's completed and proposed corrective actions do not extend far enough to ensure thorough management involvement in the day-to-day operations of its licensed activities. Therefore, an Order describing in greater detail the requirements of the corporate audit program is necessary.

IV.

In view of the foregoing and pursuant to Sections 81, 161b, 161d, and 161e of the Atomic Energy Act of 1954, as amended (Act), and the Commission's regulations 10 CFR 2.204, and Parts 30 and 39, IT IS HEREBY ORDERED THAT:

A. The Licensee shall submit within 30 days of the date of this Order a description of a corporate audit program for NRC review and approval. NRC approval will constitute incorporation of the corporate audit program into the following licenses: (1) No. 35-00502-02, (2) No. 35-00502-03, and (3) No. 42-01068-07. As a minimum, the audit program shall consist of the elements described below.

1. Comprehensive audits of the handling, use, storage and disposition of licensed materials shall be conducted at intervals not to exceed 3 months by either the Radiation Safety Officer (RSO) or Assistant Radiation Safety Officer (ARSO) for their licenses for which they are responsible. Audits shall be conducted at each active field station or service center. (Active sites are those at which radioactive material has been possessed, used, or stored within the previous 6 months.) Any deficiencies noted by the audit shall be promptly corrected. The audits shall be documented in a report within 30 days of each audit and the report shall be submitted to the Manager of the Government Regulations Department, Halliburton Services. A determination shall be made whether the deficiency was an isolated event or one that indicates a potential systematic failure in which case all field stations and service centers shall be notified.

2. Additional unannounced audits shall be performed if prior corrective actions are not implemented or if the corrective actions were not effective.
 3. As a minimum, a review of the audit findings shall be conducted for each licensed activity by the Manager of Government Regulations Department, Halliburton Services, at intervals not to exceed six months and the review shall be documented in a report. In addition, the Manager of Government Regulations Department, or an NRC-approved alternate, shall conduct periodic audits at selected active field stations or service centers.
- B. Within 30 days of the audit review required by Item A.3 above, copies of the completed audit report shall be provided to the President, Halliburton Services, for his review.
 - C. The President, Halliburton Services, shall be the responsible Licensee representative to ensure that all corrective actions are properly implemented and incorporated into the licensee's program.
 - D. Records of the reviews and audits identified above shall be maintained for inspection by the Commission for a period of 3 years.

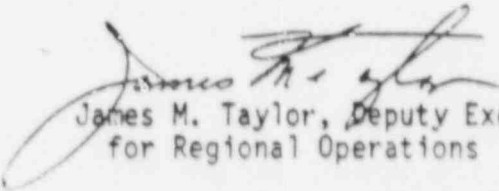
The Regional Administrator, Region IV, or his designee may relax or rescind any of the above provisions for good cause.

v.

The Licensee or any other person adversely affected by this Order may within 30 days of the date of this Order request a hearing. A request for a hearing shall be addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555. A copy of the hearing request shall also be sent to the Assistant General Counsel for Enforcement, Office of General Counsel, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, and to the Regional Administrator, Region IV, 611 Ryan Plaza, Suite 1000, Arlington, Texas 76011. If a person other than the Licensee requests a hearing, that person shall set forth with particularity the manner in which the petitioner's interest is adversely affected by this Order and should address the criteria set forth in 10 CFR 2.714(d).

If a hearing is requested, the Commission will issue an Order designating the time and place of the hearing. If the Licensee fails to request a hearing within 30 days of the date of this Order, the provisions of this order shall be effective without further proceedings.

In the event the Licensee or any other person requests a hearing as provided above, the issue to be considered at such hearing shall be whether this Order should be sustained.


James M. Taylor, Deputy Executive Director
for Regional Operations

Dated at Bethesda, Maryland,
this 23 day of September 1987.

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Halliburton Company
(Halliburton Services Division)
Duncan, Oklahoma

Docket Nos. 30-05900
30-05901
30-06392
License Nos. 35-00502-02
35-00502-03
42-01068-07
EA 87-35

During an NRC inspection conducted on December 8-12, 1986, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), 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, PL 96-295, and 10 CFR 2.205. The particular violations and associated civil penalty are set forth below:

- A. Pursuant to 10 CFR 30.3, no person shall possess or use byproduct material except as authorized by specific or general license issued pursuant to 10 CFR Chapter I.

Contrary to the above, Halliburton Company took possession of spent fuel racks contaminated with byproduct material on April 11, 1985 and was not authorized by its license to possess this material. In addition, Halliburton Company used the byproduct material without a license in that it conducted operations to decontaminate reactor components contaminated with the byproduct material during the period of April 11, 1985, to December 19, 1985. Furthermore, when the operations to decontaminate the reactor components proved economically unfeasible, without NRC authorization, Halliburton Company cut the spent fuel racks into small pieces and disposed of them at an authorized disposal site.

- B. License Condition 13 of License No. 35-00502-02 requires that licensed activities be conducted in accordance with statements, representations, and procedures contained in the license application dated April 11, 1984, and certain subsequent correspondence.

Part 11 of the license application requires that the licensee calibrate survey instruments at intervals not to exceed six months.

Contrary to the above, survey instrument number 20872 assigned to the Oklahoma City, Oklahoma, camp and used on August 18, 1986; September 16, 1986; and November 26, 1986, had not been calibrated within the six month period prior to use.

- C. 10 CFR 19.12 requires that all individuals working in a restricted area be instructed in the precautions and procedures to minimize exposure to radiation and radioactive materials, and in the applicable provisions of Commission's regulations and licenses for the protection of personnel from such exposures.

Contrary to the above, an individual working in the licensee's Rayfrac facility had not been trained concerning radiation safety and the applicable regulatory requirements.

- D. 10 CFR 30.51(a) requires that each licensee keep records showing the receipt, transfer, and disposal of licensed material.

Contrary to the above, records of receipt, transfer, and disposal of licensed material were not available for operations involving licensed material conducted at the Oklahoma City, Oklahoma camp prior to April 7, 1986.

- E. 10 CFR 20.401(b) requires that each licensee maintain records showing the results of surveys required by 10 CFR 20.201(b).

Contrary to the above, records of results of surveys performed at job sites and storage areas were not available for operations conducted from the Oklahoma City, Oklahoma camp prior to April 6, 1986.

- F. 10 CFR 19.11(a) and (b) require that current copies of 10 CFR Part 19, 10 CFR Part 20, the license, license conditions, documents incorporated into the license, license amendments, and operating procedures be posted or that a notice be posted describing these documents and where they may be examined.

Contrary to the above, on the days of the NRC inspection, neither the documents nor the notice were posted at the Pauls Valley, Oklahoma, camp; the Oklahoma City, Oklahoma, camp; or the Rayfrac facility in Duncan, Oklahoma.

- G. 10 CFR 19.11(c) requires that Form NRC-3, "Notice to Employees," be posted for viewing by individuals engaged in licensed activities.

Contrary to the above, on the days of the NRC inspection, Form NRC-3 was not posted at the Pauls Valley, Oklahoma camp; the Oklahoma City, Oklahoma, camp; or the Rayfrac facility in Duncan, Oklahoma.

Collectively, these violations have been categorized as a Severity Level III problem (Supplements IV and VI).

Cumulative Civil Penalty - \$1000 assessed equally among the violations.

Pursuant to the provisions of 10 CFR 2.201, Halliburton Company is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region IV, 611 Ryan Plaza Drive, Suite 1000, Arlington, Texas 76011, within 30 days of the date of this 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, (3) the corrective steps that 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. If an adequate reply is not received within the time specified in this Notice, an order may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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.

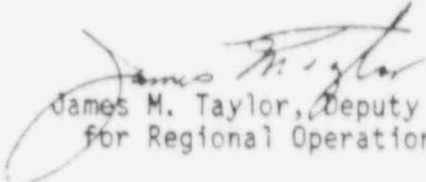
Within the same time as provided for the response required above under 10 CFR 2.201, Halliburton Company may pay the civil penalty by letter addressed to the Director, Office of Enforcement, with a check, draft, or money order payable to the Treasurer of the United States in the cumulative amount of One Thousand Dollars (\$1000) 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 Halliburton Company fail to answer within the time specified, an order imposing the civil penalty will be issued. Should Halliburton Company 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 five 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. Halliburton 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 any civil 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.

The responses to the Director, Office of Enforcement, noted above (Reply to a Notice of Violation, letter with payment of civil penalty, and Answer to a Notice of Violation) 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 IV.

FOR THE NUCLEAR REGULATORY COMMISSION


James M. Taylor, Deputy Executive Director
for Regional Operations

Dated at Bethesda, Maryland,
this 23 day of September 1987.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
831 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

JUN 25 1987

Docket Nos: 030-01267; 070-01717
License Nos: 06-06941-01; SNM-1504
EA 87-93

Norwalk Hospital
ATTN: Carl J. Collica
Vice President, General Services
24 Stevens Street
Norwalk, Connecticut 06856

Gentlemen:

Subject: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY
(NRC Inspection No. 87-001)

This refers to the NRC inspection conducted on April 28, 1987 at Norwalk Hospital of activities authorized by NRC License Nos. 06-06941-01 and SNM-1504. The inspection report was sent to you on May 26, 1987. During the inspection, multiple violations of NRC requirements were identified. On June 2, 1987, an enforcement conference was conducted with you and members of your staff to discuss the violations, their causes and your corrective actions.

The violations, which are described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty, include: failure to conduct required surveys; failure to properly post an area of the hospital with the required radioactive caution sign; failure to wear protective clothing and certain personnel monitoring devices when handling radioactive material; storage of food in an area where radioactive material was used and stored; and failure to meet several specific additional requirements of your license. The violations are of particular concern because some of the violations indicate an apparent complacent attitude by members of your staff towards compliance with NRC requirements, while others raise questions concerning the adequacy of your training program.

Many of the violations identified by the NRC should have been identified during routine supervision of licensed activities, or, at a minimum, during your internal audits of the radiation safety program. The root cause of these violations appears to be the failure to make clear assignments of duties and responsibilities for the conduct of the nuclear medicine program following recent significant changes in management personnel. The violations and apparent attitude exhibited by some of your staff demonstrate the need for increased and improved management attention to, and control of, the radiation safety program to assure adherence to NRC requirements and safe performance of licensed activities.

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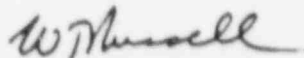
To emphasize this need, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Two Thousand Five Hundred Dollars (\$2,500) for the violations described in that Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), the violations described in the Notice have been classified in the aggregate as a Severity Level III problem to focus on their underlying cause, namely, a lack of management control of the radiation safety program. The base civil penalty for a Severity Level III violation or problem is \$2,500. In considering the escalation and mitigation factors set forth in the Enforcement Policy, the NRC recognizes that your prior enforcement history has been good. However, mitigation of the civil penalty based on this factor was not deemed appropriate because (1) most of the violations should have been detected and corrected by management during the routine performance of program supervision and audits; and (2) recent substantial changes in program management were poorly implemented.

You are required to respond to this letter and the enclosed Notice, and should follow the instructions 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 future inspections, the NRC will determine whether further action is needed to ensure compliance with regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

The responses 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 No. 96-511.

Sincerely,



William T. Russell
Regional Administrator

Enclosure: Notice of Violation and Proposed
Imposition of Civil Penalty

cc:

J. Gelsomino, Physicist, Norwalk Hospital
Public Document Room
Nuclear Safety Information Center (NSIC)
State of Connecticut

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Norwalk Hospital
Norwalk, Connecticut 06856

Docket Nos. 030-01267; 070-01717
License Nos. 06-06941-01; SNM-1504
EA 87-93

During an NRC inspection conducted on April 28, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), 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. 10 CFR 20.201(b) requires that each licensee make such surveys as may be necessary to comply with all sections of Part 20, and are reasonable under the circumstances to evaluate the extent of radiation hazards that may be present. As defined in 10 CFR 20.201(a), "survey" means an evaluation of the radiation hazards incident to the production, use, release, disposal, or presence of radioactive materials or other sources of radiation under a specific set of conditions.

Contrary to the above, a survey was not made to evaluate the extent of radiation hazards incident to waste disposal under 10 CFR 20.301, which describes the authorized means of disposing of licensed material contained in waste. Specifically, on April 28, 1987, a vial containing 125 microcuries of licensed material was disposed in the normal trash, and prior to disposal, a survey was not made to evaluate the presence of radioactive material.

- B. 10 CFR 20.203(e)(1) requires that each room in which licensed materials are used or stored and which contain any radioactive material (other than natural uranium or thorium) in an amount exceeding 10 times the quantity specified in Appendix C of Part 20 shall be conspicuously posted with a sign or signs bearing the radiation caution symbol and the words "Caution Radioactive Material."

Contrary to the above, on April 28, 1987, the brachytherapy storage and mold preparation area contained radioactive material in excess of 10 times the amounts specified in Appendix C of Part 20, namely, a 150 millicurie cesium-137 calibration source and a 900-microcurie strontium-90 calibration source, and the room was not posted with a "Caution Radioactive Material" sign.

- C. Condition 17 of License No. 06-06941-01 requires that licensed material be possessed and used in accordance with statements, representations and procedures contained in the license application dated April 12, 1983.

1. Block 10 of this application requires that, prior to using a survey meter, the technologist check the meter to verify that it is operational, including a response check with a source of radioactivity.

Contrary to the above, on April 28, 1987, a technologist using a survey meter did not first verify that the survey meter was operational. Specifically, she did not perform a response check of the meter with a source of radioactivity.

2. Block 10 of this application requires that the dose calibrator be calibrated in accordance with procedures contained in Appendix D, Section 2, of Regulatory Guide 10.8.

- a. Item A.1 of Appendix D, Section 2, requires that the dose calibrator linearity be determined at installation and quarterly thereafter.

Contrary to the above, the dose calibrator linearity test had not been performed for the 3rd quarter of 1985 and the 2nd quarter of 1986.

- b. Item C. of Appendix D, Section 2, requires that the daily constancy test be performed before each day's use of the instrument.

Contrary to the above, on April 28, 1987, a technologist used the dose calibrator to assay a technetium-99m generator elution for molybdenum content, and the constancy test was not performed until after that assay.

- c. Item C of Appendix D, Section 2, requires that a comparison be made between the measured dose calibrator output reading and the decay corrected activity and that the percent deviation be recorded.

Contrary to the above, from April 1, 1987 until April 28, 1987, no comparison was made between the measured dose reading and the decay corrected activity and the percent deviation was not calculated and recorded.

3. Block 15 of this application requires that radioactive material be used in accordance with Appendix G of Regulatory Guide 10.8.

- a. Item 1 of Appendix G, requires that laboratory coats or other protective clothing be worn at all times in areas where radioactive materials are used.

Contrary to the above, on April 28, 1987, a technologist performed work with radioactive material in the hot lab, and at the time, the technologist did not wear a laboratory coat or other protective clothing.

- b. Item 5.b of Appendix G, prohibits the storage of food, drink, or personnel effects in areas where radioactive materials are used or stored.

Contrary to the above, as of April 28, 1987, food was stored in the brachytherapy storage and mold preparation room, a place where radioactive material is used and stored.

- c. Item 8 of Appendix G requires that TLD finger badges be worn during elution of generators and preparation, assay, and injection of radiopharmaceuticals.

Contrary to the above, on April 28, 1987, a technologist eluted a generator, and prepared and assayed radiopharmaceuticals, without wearing the required TLD finger badge.

4. Block 17 of this application requires that surveys be performed in accordance with the "Area Survey Procedures" in Appendix I of Regulatory Guide 10.8.

- a. Item 3 of Appendix I requires that a weekly survey, including wipes, be performed of selected areas and the results of these surveys be documented.

Contrary to the above, between December 1986, and April 1987, wipes of selected areas was only performed on a monthly basis.

- b. Item 5 of Appendix I requires that a permanent record be kept of all survey results.

Contrary to the above, daily surveys were conducted but a record was not maintained for November 11, 12, 13, 14, 1986; the week of November 17, 1986; the week of November 24, 1986; December 11, 12, 15, 1986 and for the month of March 1987.

Collectively, these violations have been categorized in the aggregate as a Severity Level III problem (Supplements IV and VI)

Cumulative Civil Penalty - \$2,500 - assessed equally among the violations.

Pursuant to the provisions of 10 CFR 2.201, Norwalk Hospital (Licensee) is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this 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, (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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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 above under 10 CFR 2.201, the Licensee may pay the civil penalty by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount 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, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), 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 to the Director, Office of Enforcement, noted above (Reply to a 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, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region I.

FOR THE NUCLEAR REGULATORY COMMISSION

W.T. Russell

William T. Russell
Regional Administrator

Date at King of Prussia, Pennsylvania
this 25th day of June 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

SEP 22 1987

Docket Nos. 30-01267
70-01717
License Nos. 06-05941-01
SNM-1504
EA 87-93

Norwalk Hospital
ATTN: David W. Osborne
President and Chief Executive Officer
24 Stevens Street
Norwalk, Connecticut 06856

Gentlemen:

This refers to your letter dated August 7, 1987, in response to the Notice of Violation and Proposed Imposition of Civil Penalty sent to you by our letter dated June 25, 1987. Our letter and Notice described violations identified during NRC Inspection No. 87-01, conducted on April 28, 1987. To emphasize the need for increased and improved management attention to, and control of, the radiation safety program to assure adherence to NRC requirements and safe performance of licensed activities, a civil penalty of Two Thousand Five Hundred Dollars (\$2,500) was proposed.

In your response, you do not specifically deny any of the cited violations but appear to question the appropriateness of the NRC citing three of the violations, and also request elimination or reduction of the Severity Level of the violations, which were classified in the aggregate as a Severity Level III problem, based on your assertion that Severity Level III conditions did not exist. After careful consideration of your response, we have concluded, for the reasons given in the Appendix, attached to the Order Imposing Civil Monetary Penalty, that a sufficient basis has not been provided for either (1) withdrawal of any violation, (2) reduction of the Severity Level, or (3) mitigation or withdrawal of the civil penalty. Accordingly, we hereby serve the enclosed Order on the Norwalk Hospital imposing a civil monetary penalty in the amount of Two Thousand Five Hundred Dollars (\$2,500). We will review the effectiveness of your corrective actions during a subsequent inspection.

In your response, sufficient information was not provided regarding the specific corrective actions taken in response to several violations, in particular, the violations caused by individuals' failure to follow established procedures. Please provide this information to the Regional Administrator, Region I, within 30 days of the date of this letter. This response should include a description of the actions taken or planned to improve the management control and oversight exercised by the Radiation Safety Officer and the Radiation Safety Committee over the Radiation Safety Program.

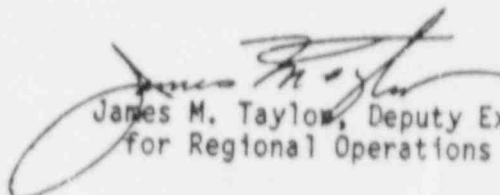
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RETURN RECEIPT REQUESTED

Norwalk Hospital

- 2 -

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room.

Sincerely,


James M. Taylor, Deputy Executive Director
for Regional Operations

Enclosures:

1. Order Imposing Civil Monetary Penalty
2. Appendix - Evaluation and Conclusion

cc w/encls:

C. Collica, Vice President, General Services
J. Gelsomino, Physicist, Norwalk Hospital
Public Document Room
Nuclear Safety Information Center (NSIC)
State of Connecticut

UNITED STATES

NUCLEAR REGULATORY COMMISSION

In the Matter of	)	Docket Nos. 30-01267
	)	70-01717
Norwalk Hospital	)	License Nos. 06-06941-01
Norwalk, Connecticut 06856	)	SNM-1504
	)	EA 87-93

ORDER IMPOSING A CIVIL MONETARY PENALTY

I

Norwalk Hospital (the "licensee") is the holder of Byproduct Material License Nos. 06-06941-01 and SNM-1504 (the "licenses") issued by the Nuclear Regulatory Commission (the "Commission" or "NRC") which authorize the licensee to possess and use radioactive materials for diagnostic and therapeutic medical procedures. The licenses were issued on November 22, 1960, were most recently renewed on May 10, 1983, and are due to expire on June 30, 1988.

II

An NRC safety inspection of the licensee's activities under the licenses was conducted on April 28, 1987. During the inspection, the NRC staff determined that the licensee had not conducted its activities in full compliance with NRC requirements. A written Notice of Violation and Proposed Imposition of Civil Penalty was served upon the licensee by letter dated June 25, 1987. The Notice stated the nature of the violations, the provisions of the NRC's requirements that the licensee had violated, and the amount of the civil penalty proposed for the violations. The licensee responded to the Notice of Violation and Proposed Imposition of Civil Penalty by letter dated August 7, 1987.

III

After consideration of the licensee's response and the statements of fact, explanation, and argument for mitigation contained therein, the Deputy Executive Director for Regional Operations has determined that the penalty proposed for the violations designated in the Notice of Violation and Proposed Imposition of Civil Penalty should be imposed.

IV

In view of the foregoing and pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205, IT IS HEREBY ORDERED THAT:

The licensee pay a civil penalty in the amount of Two Thousand Five Hundred Dollars (\$2,500) within 30 days of the date of this Order, by check, draft, or money order, payable to the Treasurer of the United States and mailed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555.

V

The licensee may request a hearing within 30 days of the date of this Order. A request for a hearing shall be clearly marked as a "Request for an Enforcement Hearing" and shall be addressed to the Director, Office of Enforcement, U.S.

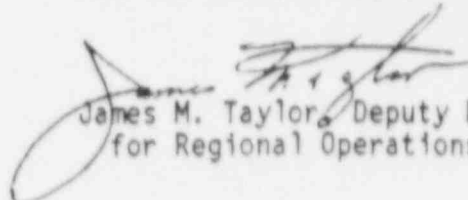
Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region I.

If a hearing is requested, the Commission will issue an Order designating the time and place of the hearing. If the licensee fails to request a hearing within 30 days of the date of this Order, the provisions of this Order shall be effective without further proceedings. If payment has not been made by that time, the matter may be referred to the Attorney General for collection.

In the event the licensee requests a hearing as provided above, the issues to be considered at such hearing shall be:

- (a) whether the licensee was in violation of the Commission's requirements as set forth in the Notice of Violation and Proposed Imposition of Civil Penalty referenced in Section II above, and
- (b) whether, on the basis of such violation, this Order should be sustained.

FOR THE NUCLEAR REGULATORY COMMISSION


James M. Taylor, Deputy Executive Director
for Regional Operations

Dated at Bethesda, Maryland
this 21st day of September, 1987

APPENDIX

EVALUATIONS AND CONCLUSIONS

On June 25, 1987, a Notice of Violation and Proposed Imposition of Civil Penalty (NOV) was issued for violations identified during a routine NRC inspection. Norwalk Hospital responded to the Notice on August 7, 1987. In its response, the licensee does not specifically deny any of the cited violations, but does appear to question the appropriateness of the NRC citing three of the violations. The licensee also requests that the Severity Level be reduced or eliminated. The NRC's evaluation and conclusion regarding the licensee's arguments are as follows:

I. Restatement of Violations

- A. 10 CFR 20.201(b) requires that each licensee make such surveys as may be necessary to comply with all sections of Part 20, and are reasonable under the circumstances to evaluate the extent of radiation hazards that may be present. As defined in 10 CFR 20.201(a), "survey" means an evaluation of the radiation hazards incident to the production, use, release, disposal, or presence of radioactive materials or other sources of radiation under a specific set of conditions.

Contrary to the above, a survey was not made to evaluate the extent of radiation hazards incident to waste disposal under 10 CFR 20.301, which describes the authorized means of disposing of licensed material contained in waste. Specifically, on April 28, 1987, a vial containing 125 microcuries of licensed material was disposed in the normal trash, and prior to disposal, a survey was not made to evaluate the presence of radioactive material.

- B. 10 CFR 20.203(e)(1) requires that each room in which licensed materials are used or stored and which contain any radioactive materials (other than natural uranium or thorium) in an amount exceeding 10 times the quantity specified in Appendix C of Part 20 shall be conspicuously posted with a sign or signs bearing the radiation caution symbol and the words "Caution Radioactive Material."

Contrary to the above, on April 28, 1987, the brachytherapy storage and mold preparation area contained radioactive material in excess of 10 times the amounts specified in Appendix C of Part 20, namely, a 150 millicurie cesium-137 calibration source and a 900-microcurie strontium-90 calibration source, and the room was not posted with a "Caution Radioactive Material" sign.

- C. Condition 17 of License No. 06-06941-01 requires that licensed material be possessed and used in accordance with statements, representations and procedures contained in the license application dated April 12, 1983.
1. Block 10 of this application requires that, prior to using a survey meter, the technologist check the meter to verify that it is operational, including a response check with a source of radioactivity.

Contrary to the above, on April 28, 1987, a technologist using a survey meter did not first verify that the survey meter was operational. Specifically, she did not perform a response check of the meter with a source of radioactivity.

2. Block 10 of this application requires that the dose calibrator be calibrated in accordance with procedures contained in Appendix D, Section 2, of Regulatory Guide 10.8.

- a. Item A.1 of Appendix D, Section 2, requires that the dose calibrator linearity be determined at installation and quarterly thereafter.

Contrary to the above, the dose calibrator linearity test had not been performed for the 3rd quarter of 1985 and the 2nd quarter of 1986.

- b. Item C of Appendix D, Section 2, requires that the daily constancy test be performed before each day's use of the instrument.

Contrary to the above, on April 28, 1987, a technologist used the dose calibrator to assay a technetium-99m generator elution for molybdenum content, and the constancy test was not performed until after that assay.

- c. Item C of Appendix D, Section 2, requires that a comparison be made between the measured dose calibrator output reading and the decay corrected activity and that the percent deviation be recorded.

Contrary to the above, from April 1, 1987 until April 28, 1987, no comparison was made between the measured dose reading and the decay corrected activity and the percent deviation was not calculated and recorded.

3. Block 15 of this application requires that radioactive material be used in accordance with Appendix G of Regulatory Guide 10.8.

- a. Item 1 of Appendix G, requires that laboratory coats or other protective clothing be worn at all times in areas where radioactive materials are used.

Contrary to the above, on April 28, 1987, a technologist performed work with radioactive material in the hot lab, and at the time, the technologist did not wear a laboratory coat or other protective clothing.

- b. Item 5.b of Appendix G, prohibits the storage of food, drink, or personnel effects in areas where radioactive materials are used or stored.

Contrary to the above, as of April 28, 1987, food was stored in the brachytherapy storage and mold preparation room, a place where radioactive material is used and stored.

- c. Item 8 of Appendix G requires that TLD finger badges be worn during elution of generators and preparation, assay, and injection of radiopharmaceuticals.

Contrary to the above, on April 28, 1987, a technologist eluted a generator, and prepared and assayed radiopharmaceuticals, without wearing the required TLD finger badge.

4. Block 17 of this application requires that surveys be performed in accordance with the "Area Survey Procedures" in Appendix I of Regulatory Guide 10.8.

- a. Item 3 of Appendix I requires that a weekly survey, including wipes, be performed of selected areas and the results of these surveys be documented.

Contrary to the above, between December 1986, and April 1987, wipes of selected areas were only performed on a monthly basis.

- b. Item 5 of Appendix I requires that a permanent record be kept of all survey results.

Contrary to the above, daily surveys were conducted but a record was not maintained for November 11, 12, 13, 14, 1986; the week of November 17, 1986; the week of November 24, 1986; December 11, 12, 15, 1986 and for the month of March 1987.

Collectively, these violations have been categorized in the aggregate as a Severity Level III problem (Supplements IV and VI)

Cumulative Civil Penalty - \$2,500 - assessed equally among the violations.

II. Summary of Licensee Response

The licensee, in its response, does not specifically deny any of the violations. However, the licensee does appear to question the appropriateness of citing Violations C.2.a, C.2.b, and C.2.c. With regard to Violation C.2.a, the licensee argues that the calibrations were performed, but are missing from the records. The licensee also claims that over the five year period since the last inspection, only two quarterly calibrations could not be found. With regard to Violation C.2.b, the licensee argues that the technician did perform a constancy check after the equipment was used, but prior to patient use, and that reviewing prior data indicates constancy checks have been performed on a daily basis. With regard to Violation C.2.c, the licensee states that performing a decay correction from month to month is redundant, since the half life of the radioactive

material is 30 years, and that an annual decay correction suffices given the $\pm 5\%$ control limits of the constancy test. While the licensee admits that the tolerance ranges from the March use sheet were not transferred to the April use sheet, it argues that this does not imply that the constancy check was performed improperly but that the technologists, aware that the activity changed imperceptibly, simply applied the March control limits to the April observations.

The licensee also requests that the NRC reduce or eliminate the Severity Level, stating that it is the judgement of its chief physicist and an outside consulting physicist that Severity Level III conditions did not exist.

III. NRC Evaluation of Licensee Response

With respect to the licensee's claims concerning Violation C.2.a, the NRC notes that the license requires linearity tests be performed quarterly with no exceptions. The NRC can not accept the licensee's argument that the calibrations were performed but are missing from the records. The licensee had maintained records of all other linearity tests performed between January 1985, and April 1987, as a regular practice. As documentation was missing only for tests performed for the 3rd quarter of 1985 and 2nd quarter of 1986, the NRC concludes that this lack of documentation indicates that these two tests were not performed. With respect to the licensee's arguments regarding Violation C.2.b, Item C of Appendix D, Section 2 of Regulatory Guide 10.8 requires that the test for constancy be performed before each day of use of the instrument. As the licensee admits that the constancy check was performed after the equipment was used, a violation occurred. With respect to the licensee's arguments regarding Violation C.2.c, the inspectors asked the licensee's physicist if a comparison had been made between the measured value and decay corrected calibrated activity, and were informed that the expected values had not been calculated and documented as required by Appendix D, Section 2 of Regulatory Guide 10.8. Therefore, the NRC concludes that the violation occurred as stated in the Notice of Violation.

With respect to the licensee's request to reduce or eliminate the Severity Level, the licensee provides no basis for its request. The NRC recognizes that each violation, if considered individually, would normally be classified at Severity Level IV. However, the violations, when considered collectively, are appropriately classified as a Severity Level III problem because collectively they demonstrate a lack of management control over the licensee's radiation safety program.

IV. NRC Conclusion

The licensee has not provided an adequate basis for withdrawing any of the violations or for reducing the Severity Level of the violations. The NRC has concluded that the violations collectively represent a breakdown in management control of the radiation safety program, occurred as stated in the Notice of Violation, and were appropriately classified in the aggregate as a Severity Level III problem. Therefore, the NRC concludes that the proposed civil penalty in the amount of \$2,500 should be imposed.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

OCT 1 1987

Docket No. 030-11906
License No. 12-16941-01
EA 87-170

Professional Service Industries, Inc.
ATTN: Mr. Harold L. Ahlberg
1000 Jorie Blvd.
Suite 34
Oakbrook, IL 60521

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES
(NRC INSPECTION REPORT NO. 030-11906/87001(DRSS))

This refers to the inspection conducted on August 19, 1987, at your facility in Oakbrook, Illinois. The inspection included a review of the circumstances associated with the loss or theft of a moisture-density gauge containing licensed material. The loss was identified by your staff and reported to the NRC on August 7, 1987. The report of the inspection was forwarded to you by letter dated August 28, 1987. During the inspection, violations of NRC requirements were identified. The violations, the causes, and your corrective actions were discussed during an enforcement conference in the Region III office on August 26, 1987, between Mr. Leland Lewis and other members of your staff and Dr. C. J. Paperiello and other members of the Region III staff. The violations that are described in the enclosed Notice include: (1) failure to secure a moisture-density gauge containing licensed material while the device was stored in the back of a pickup truck in an unrestricted area; (2) failure to make an immediate report after the gauge was lost or stolen; (3) failure to maintain shipping papers accessible to authorities in the event of an accident or inspection, and (4) failure to block and brace the gauge to prevent shifting during transport.

Collectively, these violations demonstrate a breakdown in management oversight and control of your radiation safety program. Over the past two years, there have been two other events, in addition to the August 6, 1987 event, in which licensee employees failed to maintain adequate surveillance and control over moisture-density gauges containing licensed material. On May 9, 1986, and again on January 29, 1987, your staff notified the NRC that moisture-density gauges containing licensed material had been run over by construction vehicles at field sites in Massilon, Ohio and Detroit, Michigan, respectively. Fortunately, although both gauges sustained significant mechanical damage, the radioactive sources remained intact. In addition, there was a previous failure to maintain shipping papers accessible to authorities in the event of an accident. On November 15, 1985, one of your trucks was involved in a vehicle accident near Detroit, Michigan while transporting a moisture-density gauge. At the time of the accident, the shipping papers were inside the gauge storage case in the back

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of the truck rather than in the driver's compartment, as required. As a result, law enforcement personnel were unable to assess the full significance of the problem and this led to a serious disruption of vehicle traffic. That violation resulted in the imposition of a \$500 civil penalty.

Because of the large number of moisture-density gauges being used by your corporation at 24-NRC authorized locations, it is essential that corporate and branch management implement an aggressive program for ensuring that gauge users in the field maintain effective surveillance and control over all gauges to prevent physical damage, loss, or theft. These concerns were addressed on August 19, 1987 during a meeting between Mr. Leland Lewis, Corporate Radiation Safety Officer and Messrs. D. G. Wiedeman and J. Mullauer of the NRC Region III staff and were documented in a Confirmatory Action Letter that was sent to you on August 20, 1987. The NRC is concerned about the limited scope of your corporate audit function for assessing the effectiveness of training and field supervision and for verifying implementation of your procedures.

To emphasize the importance of these matters and the need to ensure implementation of effective management control over your radiation safety program, I have been authorized, after consultation with the Director, Office of Enforcement, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalties in the amount of Two Thousand Two Hundred Fifty Dollars (\$2,250) for the violations described in the enclosed Notice. The violations have been categorized in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy).

Violation I.A, involving failure to secure a moisture-density gauge which had been placed in the back of a pickup truck, has been categorized as a Severity Level II violation. Although this violation would normally be classified at Severity Level III, the violation has been classified at Severity Level II in accordance with Section III of the Enforcement Policy since the circumstances surrounding the loss or theft of the moisture-density gauge involved careless disregard of NRC requirements. Careless disregard was demonstrated since the gauge: (1) was in the back of an open bed pickup truck at a restaurant; (2) was not under constant surveillance and immediate control; (3) was not fastened to the vehicle by a locked chain or cable to prevent unauthorized removal, and (4) the key to the gauge was in the gauge's carrying case. This resulted in the loss or theft of the gauge and the potential for members of the public to receive radiation exposures in excess of NRC limits. The base value of a civil penalty for a Severity Level II violation is \$800. The escalation and mitigation factors in the Enforcement Policy were considered and the base civil penalty amount has been increased by 100 percent because of your prior poor performance in this area. As discussed above, on May 9, 1986, and again on January 29, 1987, events occurred where licensee employees failed to maintain adequate surveillance and control over moisture-density gauges.

Violation I.B, involving failure to make an immediate report after the gauge was lost or stolen, has been categorized as a Severity Level III violation. The base value of a Severity Level III violation is \$500. The escalation and

mitigation factors in the Enforcement Policy were considered and no adjustment of the base civil penalty amount has been deemed appropriate.

Violation I.C, involving failure to maintain shipping papers readily available to authorities in the event of an accident or inspection, has been categorized as a Severity Level IV violation. Although a civil penalty is not normally assessed for a Severity Level IV violation, a civil penalty of \$150 is being assessed in this instance because of your previous failure in November 1985 to maintain shipping papers accessible to authorities, as discussed above.

Section II in the Notice involves a violation categorized as a Severity Level IV violation and not assessed a civil penalty.

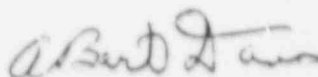
In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

You are required to respond to this letter and should follow the instructions 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 future inspections, the NRC will determine whether further NRC enforcement action, including possible modification, suspension or revocation of your license, is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

The responses 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, Pub. L. No. 96-511.

Sincerely,



A. Bert Davis
Regional Administrator

Enclosures:

1. Notice of Violation and Proposed Imposition of Civil Penalties
2. Inspection Report
No. 030-11906/87001(DRSS)

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTIES

Professional Service Industries, Inc.
1000 Jorie Blvd.
Oak Brook, IL 60521

Docket No. 030-11906
License No. 12-16941-0;
EA 87-170

During an NRC inspection conducted on August 19, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), the Nuclear Regulatory Commission proposes to impose civil penalties 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 penalties are set forth below:

I. Violations Assessed Civil Penalties

- A. 10 CFR 20.207(a) requires that licensed material stored in an unrestricted area be secured against unauthorized removal from the place of storage.

10 CFR 20.207(b) requires that licensed materials in an unrestricted area and not in storage shall be tended under the constant surveillance and immediate control of the licensee.

License Condition 24 requires that the licensee conduct its program in accordance with statements, representations, and procedures contained in listed documents which include the Radiation Safety Procedures manual dated April 1, 1987.

Section E.15.A of the referenced manual requires that gauges be securely fastened by a locked chain or cable to the vehicle to prevent unauthorized removal.

Contrary to the above, on August 6, 1987, a Campbell Pacific moisture-density gauge containing a nominal 8 millicurie cesium-137 source and a 40 millicurie americium-241 source which had been placed in the back of an open bed pickup truck in an unrestricted area was not under the constant surveillance and immediate control of the licensee and was not fastened to the vehicle by a locked chain or cable to prevent unauthorized removal.

This is a Severity Level II violation (Supplement IV).

Civil Penalty - \$1,600

- B. 10 CFR 20.402(a)(1) requires that each licensee report to the Commission, by telephone, immediately after it determines that a loss or theft of licensed material has occurred in such quantities and under such circumstances that it appears to the licensee that a substantial hazard may result to persons in unrestricted areas.

Contrary to the above, at approximately 6:30 p.m. EDT on August 6, 1987, the licensee discovered that one of its moisture-density gauges containing a nominal 8 millicurie cesium-137 source and a 40 millicurie americium-241 source which had been placed in the back of an open bed pickup truck that was parked in an unrestricted area had been either lost or stolen, and as such was aware that a substantial safety hazard existed to persons in the unrestricted area. However, the loss or theft was not reported to the NRC until 9:30 a.m. CDT on August 7, 1987, approximately 16 hours later.

This is a Severity Level III violation (Supplement IV).
Civil Penalty - \$500

- C. 10 CFR 71.5(a) requires that each licensee who transports licensed material outside the confines of its plant or other place of use comply with the applicable requirements of the regulations of the Department of Transportation (DOT) in 49 CFR Parts 170 through 189.

49 CFR 177.817(e) requires in part that shipping papers be readily available to and recognizable by authorities in the event of an accident or inspection. When the driver is at the vehicle's controls, the shipping paper is required to be within his immediate reach while he is restrained by the lap belt and either readily visible to a person entering the driver's compartment or in a holder which is mounted to the inside of the door on the driver's side of the vehicle. When the driver is not at the vehicle's controls, the shipping paper is required to be in a holder which is mounted to the inside of the door on the driver's side of the vehicle or on the driver's seat in the vehicle.

Contrary to the above, on August 6, 1987, licensed material consisting of a nominal 8 millicurie cesium-137 source and a 40 millicurie americium-241 source contained in a moisture-density gauge was transported outside of the confines of the licensee's facility, and the shipping paper was not within the driver's immediate reach, visible to a person entering the driver's compartment, mounted to the inside of the door on the driver's side of the vehicle, or on the driver's seat, but was in the back of the open bed pickup truck in the gauge transport case.

This is a Severity Level IV violation (Supplement V).
Civil Penalty - \$150

II. Violations Not Assessed a Civil Penalty

10 CFR 71.5(a) requires in part that each licensee who transports licensed material outside the confines of its plant or other place of use comply with the applicable requirements of the regulations of the Department of Transportation (DOT) in 49 CFR Parts 170 through 189.

49 CFR 177.842(d) requires that packages be so blocked and braced that they cannot change position during conditions normally incident to transportation.

Contrary to the above, on August 6, 1987, licensed material consisting of a nominal 8 millicurie cesium-137 source and a 40 millicurie americium-241 source contained in a moisture-density gauge was not blocked or braced so as to prevent it from changing position during conditions normally incident to transportation.

This is a Severity Level IV violation (Supplement V).

Pursuant to the provisions of 10 CFR 2.201, Professional Service Industries, Inc. (Licensee) is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this 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; (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 may be issued to show cause why the licensee should not be modified, suspended, or revoked or why such other action 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 above under 10 CFR 2.201, the Licensee may pay the civil penalties by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of civil penalties proposed above, or may protest imposition of the civil penalties 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 penalties will be issued. Should the Licensee elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalties, 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 penalties should not be imposed. In addition to protesting the civil penalties, such answer may request remission or mitigation of the penalties.

In requesting mitigation of the proposed penalties, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), 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

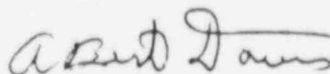
OCT 1 1987

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 to the Director, Office of Enforcement, noted above (Reply to a Notice of Violation, letter with payment of civil penalties, 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, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, 799 Roosevelt Road, Glen Ellyn, Illinois, 60137.

FOR THE NUCLEAR REGULATORY COMMISSION



A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois
this 1st day of October 1987



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

OCT 28 1987

Docket No. 030-02278
License No. 24-00513-32
EA 87-180

University of Missouri
ATTN: Jay Barton, Ph.D.
Vice President
for Academic Affairs
309 University Hall
Columbia, MO 65211

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES
(NRC INSPECTION REPORT NO. 030-02278/87002(DRSS))

This refers to the inspection conducted during the period August 24, 1987 through September 3, 1987. The inspection included a review of the circumstances surrounding an extremity overexposure that was identified by your staff on August 18, 1987 and reported to the NRC on August 19, 1987. The report of the inspection was sent to you by letter dated September 15, 1987. During the inspection, violations of NRC requirements were identified. The violations, the causes, and your corrective actions were discussed during an enforcement conference in the Region III office on September 9, 1987, between you and other members of your staff and Dr. C. J. Paperiello and other members of the Region III staff.

The violations that are described in the enclosed Notice include: (1) practices that allowed an individual in a restricted area to receive a dose to the hand in excess of 18.75 rems during the third calendar quarter of 1987, (2) failing to adequately train an individual in the precautions to minimize exposure, and (3) failing to adequately evaluate the qualifications of an individual who worked with significant quantities of radioactive material in a restricted area. Collectively, these violations demonstrate that an individual was permitted to work with sealed vials containing more than 600 millicuries of holmium-166, a high energy beta emitter, without adequate training and without verification that the individual understood how the work activities should be carried out.

Although you have procedures that address training and qualification of individuals, it appears that there is no adequate audit program in place that will ensure that these procedures are being fully implemented. During the September 9, 1987 enforcement conference you described a number of corrective actions that would be implemented to resolve the problems identified during this inspection. One of these corrective actions, use of an interim Work Permit until problems can be evaluated, could lead to an effective resolution of these problems; however, you may wish to incorporate an audit function into your radiation safety program on a permanent basis.

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To emphasize the importance of these matters and to ensure that in the future individuals are adequately trained before they are permitted to work without supervision, I have been authorized, after consultation with the Deputy Executive Director for Regional Operations, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Five Thousand Dollars (\$5,000) for the violations described in the enclosed Notice. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), the violations described in the enclosed Notice have been categorized as a Severity Level III. The escalation and mitigation factors in the Enforcement Policy were considered and the base civil penalty amount for these violations has been increased by 100 percent because of your prior poor performance. In the second quarter of 1986, an individual handled radioactive thulium-170 pellets in a restricted area at your facility and received a dose of approximately 115 rem to the hands. This incident should have demonstrated the need for better preparation for material handling activities.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response you should document the specific actions taken and any additional action you plan to prevent recurrence. In particular, describe how you will ensure that all individuals, university-wide, who work with licensed material have been adequately trained and have participated in "dry-runs" until you have determined that they are qualified to work alone. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget and required by the Paperwork Reduction Act of 1980, Pub. L. No. 96-511.

Sincerely,

Charles E. Noeline
for
A. Bert Davis
Regional Administrator

Enclosures:

1. Notice of Violation
and Proposed Imposition
of Civil Penalty
2. Inspection Report
No. 030-02278/87002(DRSS)

NOTICE OF VIOLATION

AND

PROPOSED IMPOSITION OF CIVIL PENALTY

Curators of the University of Missouri
Columbia, MO

Docket No. 030-02278
License No. 24-00513-32
EA 87-180

During an inspection conducted during the period August 24, 1987 through September 3, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), 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. 10 CFR 20.101(a) requires that no licensee possess, use or transfer licensed material in such a manner as to cause any individual in a restricted area to receive in any period of one calendar quarter from radioactive material and other sources of radiation, a total occupational dose in excess of 18.75 rems to the hands.

Contrary to the above, during the third calendar quarter of 1987, an individual who handled radioactive holmium-166 sources in a restricted area received a dose of approximately 35 rem to his left hand.

- B. 10 CFR 19.12 requires, in part, that all individuals working in a restricted area be instructed in precautions or procedures to minimize exposure to radioactive materials and in the purposes and functions of protective devices employed.

Contrary to the above, an individual was not adequately instructed in precautions or procedures to minimize exposure while handling more than 600 millicuries of holmium-166 until after receiving an extremity dose in excess of regulatory limits.

- C. License Condition No. 28 requires that the licensee conduct its program in accordance with statements, representations, and procedures contained in various listed documents, including the application dated January 29, 1981.

The application dated January 29, 1981 included an amended copy of the licensee's "Handbook of Radiological Operations," dated December 1976. Section 5.1.2 of the Handbook requires that the qualifications of subordinate personnel to handle sources safely be described as part of the application to use a source. The description is to be provided on form RadSafe 34. On receipt of this application, the health physicist will review the statements of qualifications of subordinate personnel and will include an appraisal of them with the physicist's recommendations to the local committee.

Contrary to the above, as of August 25, 1987, a form RadSafe 34 had not been completed for a subordinate who had been using holmium-166 sources with activities up to 600 millicuries. As a result, a review of the individual's qualifications was not made by the health physicist.

Collectively these violations have been classified as a Severity Level III problem (Supplement IV and VI).

Cumulative Civil Penalty - \$5,000 (assessed equally among the violations).

Pursuant to the provisions of 10 CFR 2.201, the University of Missouri (Licensee), is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this 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, (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 may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action 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 to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of 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, the 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, the answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately

OCT 28 1987

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 to the Director, Office of Enforcement, noted above (Reply to a 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, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, 799 Roosevelt Road, Glen Ellyn, Illinois, 60127.

FOR THE NUCLEAR REGULATORY COMMISSION

Charles E. Norduis
for
A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois
this 28th day of October 1987

II.B. MATERIAL LICENSEES, SEVERITY LEVEL III VIOLATION,
NO CIVIL PENALTY



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
631 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

November 23, 1987

Docket No. 99990001
License No. General License (10 CFR Part 31.5)
EA 87-203

Heublein, Incorporated
ATTN: Tripta Sarin
Plant Manager
330 New Park Avenue
P.O. Box 778
Hartford, Connecticut 06142-0778

Gentlemen:

Subject: NOTICE OF VIOLATION (NRC Inspection No. 99990001/87-18)

This refers to the special NRC inspection conducted on September 22, 1987 at your facility in Hartford, Connecticut of activities authorized by NRC General License (10 CFR Part 31.5). The report of the inspection was forwarded to you on October 21, 1987. The inspection was conducted to review the circumstances associated with an event which occurred at your facility involving the loss of a gauge containing byproduct material. The loss was identified by your staff and reported to both the State of Connecticut and the NRC. During the inspection, two violations of NRC requirements were identified. On November 2, 1987, we held an enforcement conference with you during which the violations, their causes, and your corrective actions were discussed.

The violations, which are described in the enclosed Notice of Violation (Notice), involve (1) removal of the gauge from the production line by an individual who did not possess a specific license to do so, and (2) the subsequent loss of the gauge and most probable disposal at a scrapyard during May 1987. Although it appears that the public health and safety was not adversely affected by this loss, the NRC is concerned that the violations could have resulted in unnecessary exposure of individuals to radiation. Further, the violations were preventable had procedures existed for removal and control of these gauges.

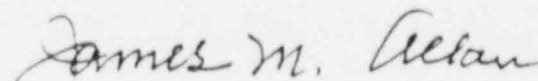
The violations are classified at Severity level III in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987) (Enforcement Policy). Although a civil penalty is normally proposed for a Severity Level III violation, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Regional Operations, I have decided that a civil penalty will not be proposed in this case because of: (1) your prompt identification and reporting of this loss to the State of Connecticut and the NRC; and (2) the promptness and extensiveness of your response in attempting to determine the whereabouts of the gauge and instituting unusually prompt and extensive corrective actions to prevent recurrence. Nonetheless, we emphasize that any similar violations in the future may result in additional enforcement action.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice in preparing your response. In your response, you should document the specific actions taken to correct the violations and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions, the NRC will determine whether further enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2,790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosure will be placed in the NRC's Public Document Room.

The responses 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, Pub. L. No. 96-511.

Sincerely,



m William T. Russell
Regional Administrator

Enclosure: Notice of Violation

cc: w/encl:
Public Document Room (PDR)
Nuclear Safety Information Center (NSIC)
State of Connecticut

NOTICE OF VIOLATION

Heublein, Incorporated
Hartford, Connecticut 06142-0778

Docket No. 99990001
General License (10 CFR Part 31.5)
EA 87-203

During a special NRC safety inspection conducted on September 22, 1987, two violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Action," 10 CFR Part 2, Appendix C (1987), the violations are set forth below:

- A. 10 CFR 31.5(c)(3) requires that any person who acquires, receives, possesses, uses or transfers byproduct material in a device pursuant to a general license shall assure that testing, installation, servicing, and removal from installation involving the radioactive materials, its shielding or containment, are performed (i) in accordance with the instructions provided by the labels; or (ii) by a person holding a specific license pursuant to 10 CFR Parts 30 and 32 or from an Agreement State to perform such activities.

Contrary to the above, during the month of May 1987, a Filtec CI-2 gauge, containing byproduct material (100 millicuries of americium-241) and possessed pursuant to a general license, was removed from its production line at the licensee's facility in Hartford, Connecticut and moved to the craft shop, and this removal was not done by persons holding a specific license or in accordance with the instructions provided by the label.

- B. 10 CFR 31.5(c)(8) requires that, except as provided in paragraph (c)(9) of section 31.5, which permits transfer to another general licensee, any person who acquires, receives, possesses, uses or transfers byproduct material in a device pursuant to a general license shall transfer or dispose of the device containing byproduct material only by transfer to persons holding a specific license pursuant to 10 CFR Parts 30 and 32 or from an Agreement State.

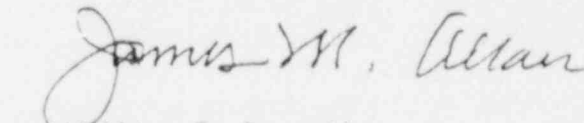
Contrary to the above, during May 1987, a Filtec CI-2 gauge containing byproduct material (100 millicuries of americium-241) was disposed of in a manner not specified in 10 CFR 31.5(c)(8) or (c)(9). Specifically, the gauge was most likely transferred to an unlicensed scrap yard.

These violations are categorized in the aggregate as a Severity Level III problem (Supplement VI)

Pursuant to the provisions of 10 CFR 2.201, Heublein, Incorporated is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation:

(1) the reason for the violation if admitted, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, an order may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action as may be proper should not be taken. Consideration may be given to extending the response time for good cause shown.

FOR THE NUCLEAR REGULATORY COMMISSION


William T. Russell
Regional Administrator

Dated at King of Prussia
this 23rd day of November 1987

NRC FORM 335 (2 84) NRCM 1102, 3201, 3202		U.S. NUCLEAR REGULATORY COMMISSION		1. REPORT NUMBER (Assigned by TIDC, add Vol. No., if any)	
BIBLIOGRAPHIC DATA SHEET				NUREG-0940 Vol. 6, No. 4	
SEE INSTRUCTIONS ON THE REVERSE					
2. TITLE AND SUBTITLE Enforcement Actions: Significant Actions Resolved Quarterly Progress Report October - December 1987				3. LEAVE BLANK	
5. AUTHOR(S) Office of Enforcement Staff				4. DATE REPORT COMPLETED	
				MONTH February	YEAR 1988
7. PERFORMING ORGANIZATION NAME AND MAILING ADDRESS (Include Zip Code) Office of Enforcement U.S. Nuclear Regulatory Commission Washington, D.C. 20555				6. DATE REPORT ISSUED	
				MONTH February	YEAR 1988
10. SPONSORING ORGANIZATION NAME AND MAILING ADDRESS (Include Zip Code) Same as 7 above				8. PROJECT/TASK/WORK UNIT NUMBER	
				9. FUNDING OR GRANT NUMBER	
12. SUPPLEMENTARY NOTES				11a. TYPE OF REPORT	
				Technical	
13. ABSTRACT (200 words or less) This compilation summarizes significant enforcement actions that have been resolved during one quarterly period (October - December 1987) and includes copies of letters, Notices, and Orders sent by the Nuclear Regulatory Commission to licensees with respect to these enforcement actions. It is anticipated that the information in this publication will be widely disseminated to managers and employees engaged in activities licensed by the NRC, so that actions can be taken to improve safety by avoiding future violations similar to those described in this publication.				11b. PERIOD COVERED (Inclusive Dates)	
14. DOCUMENT ANALYSIS - KEYWORDS/DESCRIPTORS Technical Specifications, Radiographers, Quality Assurance, Radiation Safety Program, Safety Evaluations				15. AVAILABILITY STATEMENT Unlimited	
16. IDENTIFIERS-OPEN ENDED TERMS				16. SECURITY CLASSIFICATION (This page) Unclassified	
				(This report) Unclassified	
				17. NUMBER OF PAGES	
				18. PRICE	

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