

PDR



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

September 11, 1998

EA 98-366
EA 98-438

Mr. Martin L. Bowling, Recovery Officer, Unit 2
c/o Ms. Patricia Loftus, Director, Regulatory Affairs
Northeast Nuclear Energy Company
P. O. Box 128
Waterford, CT 06385

SUBJECT: NOTICE OF VIOLATION AND INDEPENDENT CORRECTIVE ACTION
VERIFICATION PROGRAM CORRECTIVE ACTION IMPLEMENTATION
INSPECTION OF MILLSTONE UNIT 3 AND EXERCISE OF ENFORCEMENT
DISCRETION (NRC INSPECTION REPORT NO. 50-423/98-211)

Dear Mr. Bowling:

On April 13 through 24, May 11 through 15, May 27 through 29, June 9 through 11, and June 23 through 25, 1998, a team from the U.S. Nuclear Regulatory Commission (NRC), Special Projects Office, Office of Nuclear Reactor Regulation, performed the final phase of a corrective action implementation inspection of the Millstone Nuclear Power Station Unit 3 facility (Unit 3), licensed to Northeast Nuclear Energy Company (NNECO). This inspection was one part of an ongoing, multifaceted NRC evaluation of the Independent Corrective Action Verification Program (ICAVP) being conducted at Unit 3 by Sargent & Lundy (S&L). The corrective action inspection was conducted in several phases as corrective actions were completed by NNECO. The first phase of the corrective action implementation inspection results are documented in Inspection Report (IR) No. 50-423/98-205.

Consistent with the guidance in SECY-97-003, "Millstone Restart Review Process," this inspection included reviews of NNECO's self-assessments related to modifications made during the current outage and of the implementation of corrective actions in response to issues identified by the NRC during oversight of the ICAVP; corrective actions documented in Licensee Event Reports (LERs) resulting from NNECO's Configuration Management Plan (CMP) or the ICAVP; corrective actions documented in Confirmed Level 3 ICAVP Discrepancy Reports (DRs) issued by S&L; and corrective actions resulting from NNECO's response to the Recirculation Spray System (RSS) bellows failure.

Also reviewed were samples of DRs closed as Previously Identified, Non-discrepant, and Confirmed Level 4 to assure appropriate categorization and closure. Further, DRs were reviewed collectively to identify trends and assess their significance. DRs that required multiple interactions between S&L and NNECO were also reviewed to gain additional insights into the effectiveness of your corrective action process. In addition, Unit 2 preliminary DRs that identified possible programmatic weaknesses were reviewed to determine if similar issues existed at Unit 3.

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During this inspection, the NRC closed 11 LERs that describe events that were determined to be violations of NRC regulations for which the NRC has decided to exercise enforcement discretion pursuant to Section VII.B.1 of the NRC Enforcement Policy. The violations were Severity Level IV that NNECO had identified and corrected. As defined in the NRC's Enforcement Policy, Severity Level IV violations are the least significant within the NRC's categorization of severity level, but are more than a minor concern (that is, if left uncorrected, they could lead to more serious concerns).

The NRC had considered LER 50-423/98-029-00, dated June 11, 1998, for escalated enforcement and a civil penalty. This LER documents a condition in which nonsafety-related exhaust fans in the Engineered Safety Features and Auxiliary Building Ventilation Systems could continue to operate, increasing the potential for leakage of contaminated air to the atmosphere during a Loss-of-Coolant-Accident (LOCA), with offsite power available. This condition could cause the dose to the control room to exceed the limits specified by Criterion 19, in Appendix A to Title 10, Part 50, of the *Code of Federal Regulations* (10 CFR Part 50). In addition, the report documents two examples of a violation of 10 CFR 50.73 for failure to submit Licensee Event Reports for two conditions that were outside the design basis of the plant. These issues involved the maximum design steam flow through the turbine bypass valves (LER 50-423/98-026-00) and the maximum design temperature in service water pump cubicles (LER 50-423/98-035-00). However, in closing these issues, and in consultation with the Director, Office of Enforcement, I have decided to exercise enforcement discretion pursuant to Section VII.B.2 of the NRC's Enforcement Policy, "Violations Identified During Extended Shutdowns or Work Stoppages," rather than issuing a formal Notice of Violation. This decision is based on (1) the violations arose as a result of NNECO's activities before the events leading to the shutdown; (2) the violations were not classified higher than Severity Level II; (3) NNECO did not demonstrate willful intent to commit the violation; (4) you decided to report the two instances that were a violation of 10 CFR 50.73 prior to plant restart; and (5) plant restart required NRC approval.

Discretion in accordance with Section VII.B.2 of the Enforcement Policy is appropriate because the NRC had in place a formal plan that provided a broad-based evaluation of Millstone readiness for restart. Moreover, that plan has confirmed that NNECO has taken corrective action for these issues, and further enforcement action is not necessary to achieve remedial action. The fundamental performance issues related to this violation are similar to those that resulted in the many violations cited with the \$2.1 million civil penalty issued to you on December 10, 1997. You are not required to respond to these violations because the NRC concluded that the information regarding the reason for the violations and, the corrective actions taken to correct the violations and to prevent recurrence are adequately addressed in LERs 50-423/98-029-00, 50-423/98-026-00, and 50-423/98-035-00 and the enclosed inspection report.

During this inspection, the NRC closed LER 50-423/98-007-00, which described the failure to include all containment bypass leakage pathways in the calculation for containment leakage in violation of NRC requirements. This issue was identified by S&L, and is cited in the enclosed Notice of Violation. However, you are not required to respond to this violation because the

NRC concluded that the information regarding the reason for the violation and, the corrective actions taken to correct the violation and to prevent recurrence are adequately addressed in LER 50-423/98-007-00 and the enclosed inspection report.

The NRC is withdrawing parts of two violations. For the part of violation 50-423/97-206-03 involving the sizing of the discharge piping for charging system relief valves 3CHS*RV8119 and 3CHS*RV8123, the team concluded, based on discussions with the staff, that the piping was sized in accordance with Code requirements. For the part of violation 50-423/97-209-03 related to the radiation dose assessments in Final Safety Analysis Report (FSAR) Table 15.0.8, the team determined, based on additional information provided by NNECO, that the values in the table were consistent with the calculation results. In both cases, we are withdrawing those parts of the violations discussed above and will adjust our records accordingly.

The NRC is closing 2 Escalated Enforcement Items (EEl)s. EEl 50-423/97-209-02 describes the failure to monitor Service Water leakage from the RSS heat exchangers in accordance with Technical Specification 6.8.4. EEl 50-423/97-209-06 describes the failure to implement adequate corrective actions for the single-failure vulnerability of control room inlet dampers. In a letter dated May 6, 1998, NNECO responded to the EEl)s and identified corrective actions. The NRC determined that these EEl)s constitute violations of NRC requirements; however, they do not warrant escalated enforcement action because they are of low safety significance. These are cited as Severity Level IV violations in the enclosed Notice of Violation. You are not required to respond to these violations because the NRC concluded that the information regarding the reason for the violations, and the corrective actions taken to correct the violations and to prevent recurrence are adequately addressed in your May 6, 1998, response and the enclosed inspection report.

You may provide a response to this letter for those violations for which no response is required if the description of the violations does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information regarding the violations for which no response is required, you should follow the instructions specified in the enclosed Notice of Violation.

Overall, the NRC staff determined that the DRs reviewed were properly categorized, and acceptable corrective actions were assigned to the LERs reviewed. NNECO's corrective actions in response to issues identified by the ICAVP process and in response to the RSS expansion bellows failure, including the Integrated System Functional Review, and the outage modification self-assessments were comprehensive and appropriately identified areas that required additional actions, and the corrective actions for these self-assessment findings were acceptable. The corrective actions in response to NRC inspection report findings and Level 3 DRs were also acceptable. The issues identified in the preliminary Unit 2 DRs reviewed were either previously identified and corrected during the Unit 3 CMP, or were not applicable to Unit 3. DRs with multiple interactions between S&L and the licensee did not indicate an inadequate corrective action process; rather, these repeated interactions were a consequence of the communications protocol between the licensee and S&L. DR trends in the areas of calculation control/accuracy and drawings/component information were identified, but were considered not to be significant. The types of errors identified in these trends, even when viewed collectively, did not suggest that an expansion of the ICAVP scope would have identified errors that would call into question conformance with the design and licensing bases.

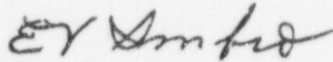
Mr. M. L. Bowling

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The findings from this inspection were presented to you and your staff during a public meeting on July 7, 1998. The violations identified during this inspection are categorized as equivalent to ICAVP significance Level 3 findings. In a letter to you dated January 30, 1998, the NRC stated that if the reviews conducted by either the ICAVP contractor or the NRC confirmed an ICAVP Significance Level 3 finding, the NRC staff would consider expanding the scope of the ICAVP taking into consideration the effectiveness of your corrective actions. During this inspection, the NRC staff determined that NNECO has taken effective corrective actions for ICAVP significance Level 3 findings identified by the NRC and the ICAVP contractor and that these corrective actions represented an appropriate expansion of the scope of NNECO's CMP and provided confidence that similar issues, if present, would likely have been found. Therefore, expansion of the ICAVP scope was not warranted.

In accordance with 10 CFR, Section 2.790(a), a copy of this letter and the enclosures will be placed in the NRC Public Document Room. Should you have any questions concerning the enclosed inspection report, please contact the project manager, Mr. J. Andersen, at (301) 415-1437, or the inspection team leader, Mr. S. Tingen, at (301) 415-1280.

Sincerely,



Eugene V. Imbro, Director
Millstone ICAVP
Associate Director for Technical Review
Office of Nuclear Reactor Regulation

Docket No. 50-423

Enclosures:

1. Notice of Violation
2. Inspection Report 50-423/98-211

cc w/encls: See next page

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Sincerely,

Original Signed by:
Eugene V. Imbro, Director
Millstone ICAVP
Associate Director for Technical Review
Office of Nuclear Reactor Regulation

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*See previous concurrence page

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DATE	9/ 10 /98		9/ 11 /98	9/ 10 /98		9/ 11 /98	9/ 11 /98	

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cc for letter to Mr. Martin L. Bowling dated:

J. Streeeter, Vice President, Nuclear Oversight
D. Amerine, Vice President, Engineering and Support Services
J. Price, Unit Director, Unit 2
P. Hinnenkamp, Director, Unit 3 Operations
F. Rothen, Vice President, Work Services
J. Stankiewicz, Training Recovery Manager
J. Cantrell, Director, Nuclear Training
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R. Bassilakis, CAN
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S. Luxton, Citizens Regulatory Commission (CRC)
Representative T. Concannon
E. Woollacott, Co-Chairman, Nuclear Energy Advisory Committee (NEAC)