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MAR 26 1986

Docket No. 50-315  
Docket No. 50-316  
EA 86-23

American Electric Power Service  
Corporation  
Indiana and Michigan Electric Company  
ATTN: Mr. John E. Dolan  
Vice Chairman  
Engineering and Construction  
1 Riverside Plaza  
Columbus, OH 43216

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES  
(NRC INSPECTION REPORTS NO. 50-315/85027(DRS); NO. 50-315/85028  
AND NO. 50-316/85028; NO. 50-315/85029(DRP) AND NO. 50-316/85029(DRP);  
NO. 50-315/86004(DRP) AND NO. 50-316/86004(DRP)

This refers to four NRC safety inspections conducted by the NRC Region III staff and by the NRC Office of Inspection and Enforcement from August 19, 1985 through February 18, 1986 of activities at the Donald C. Cook Nuclear Plant, Units 1 and 2, authorized by NRC Operating Licenses No. DPR-58 and No. DPR-74. During these inspections violations of NRC requirements were identified which illustrate a need for significant improvement in your plant procedures that implement technical specifications and quality assurance requirements, and improvement in your ability to follow those procedures. The violations and the results of the inspections were discussed on November 13, 1985, during an Enforcement Conference held in the Region III office with you and other members of your staff and myself and members of the NRC staff. Subsequently, on December 11, 1985, Region III and the American Electric Power Corporation Service (AEP) held a management meeting in the Region III office. During this meeting your staff described past and future actions by AEP to address problems related to personnel errors, human factors considerations, design modifications, procedure revisions, and other related subjects. We will continue to review your progress in these areas.

Collectively, violations A through G described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalties are indicative of a lack of adequate attention on the part of management and staff to assure that all surveillance requirements are properly implemented. Violations A and B occurred on August 18, 1985 when D. C. Cook personnel failed to correctly align valves in the performance of a containment integrated leak rate test on Unit 1. After this problem was identified by an NRC inspector, your staff evaluated the problem and concluded that there were 15 alignment discrepancies. Eight of those discrepancies resulted from valve manipulations that were made after the initial valve lineup.

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If D. C. Cook personnel had used a more appropriate method of identifying valve status, such as valve tagging as required by the D. C. Cook Quality Assurance Program, the likelihood of mispositioned valves would have been minimized.

Violation C involves your August 29, 1985 discovery of a closed air intake damper on the Unit 2 control room emergency ventilation system (CRVS) which rendered that system inoperable. Investigations into the incident concluded that the system had been inoperable since August 16, 1985 when maintenance was last performed on the system. From August 21-24, 1985, which includes the period that the CRVS was inoperable, Unit 2 went through a startup and operated at up to 30 percent power while in an action statement for the inoperable CRVS. This violation could have been prevented if an adequate functional test had been performed after maintenance had been completed on the damper.

Violation D involves the failure of D. C. Cook personnel to conduct an adequate air lock leak test on Unit 2 after two air lock doors had been open for approximately 10 days. An NRC inspector identified this violation and noted that on July 28, 1985, D. C. Cook personnel had conducted an air lock test. However, the test was inadequate because it was limited to testing the door seals rather than testing the entire air lock. This violation occurred because licensee personnel did not sufficiently understand the requirements of 10 CFR Part 50, Appendix J.

Violations E, F, and G involve channel calibrations and functional tests that did not adequately ensure that instrumentation channels were operable or were not performed at the required frequency. Each of these NRC-identified violations existed from plant startup until August 23, 1985. Many occurred because plant personnel did not adequately analyze or understand the calibration and functional testing definitions and requirements enough to assure that all Technical Specification requirements were being met.

Violations involving errors in carrying out the requirements of your surveillance program were the subject of an Enforcement Conference on September 7, 1984 and ultimately resulted in your paying a \$50,000 civil penalty on April 26, 1985. These violations included a redundant train of the Unit 1 engineered safety features ventilation exhaust system being rendered inoperable after surveillance testing; a mispositioned control switch that rendered both motor driven auxiliary feedwater pumps inoperable; and a turbine driven auxiliary feedwater pump governor valve which was not left at the correct setting after surveillance testing. We are aware of D. C. Cook's Regulatory Performance Improvement Program which has focused on surveillance program problems. However, as evidenced by the enclosed Notice of Violation and Proposed Imposition of Civil Penalties, your corrective actions have not been effective.

The violations are of concern to the NRC because they demonstrate a need for licensee management to implement significant improvements in surveillance testing, instrument calibration, and procedure development programs. To emphasize the need for you to ensure that your program has adequate controls so that system operability is not jeopardized, I have been authorized, after consultation with the Director, Office of Inspection and Enforcement, to issue

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the enclosed Notice of Violation and Proposed Imposition of Civil Penalties in the cumulative amount of One Hundred Thousand Dollars (\$100,000) 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 (1985) (Enforcement Policy), the violations described in the enclosed Notice have been categorized collectively as a Severity Level III problem. The base civil penalty for a Severity Level III problem is \$50,000. However, after considering the escalation and mitigation factors in the Enforcement Policy, the base civil penalty has been increased by 100 percent because of the multiple examples of the violations and your prior poor performance in the area of concern.

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. After reviewing your response to this Notice, including your corrective actions, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with 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,

Original signed by  
James G. Keppler

James G. Keppler  
Regional Administrator

Enclosures:

1. Notice of Violation and Proposed Imposition of Civil Penalties
2. Inspection Reports
  - No. 50-315/85027(DRS)
  - No. 50-315/85028
  - No. 50-316/85028
  - No. 50-315/85029(DRP)
  - No. 50-316/85029(DRP)
  - No. 50-315/86004(DRP)
  - No. 50-316/86004(DRP)

RIII	RIII	RIII	RIII
<i>WJS</i> Notice / sus/kst	<i>WJS</i> Schultz	<i>S</i> Davis	<i>JGK</i> Keppler
<i>3/24/86</i>	<i>3-25-86</i>	<i>3/25</i>	<i>3/25/86</i>

American Electric Power  
Service Corporation

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cc w/enclosures:

W. G. Smith, Jr., Plant Manager

DCS/RSB (RIDS)

Licensing Fee Management Branch

Resident Inspector, RIII

Ronald Callen, Michigan

Public Service Commission

EIS Coordinator, USEPA

Region 5 Office

Nuclear Facilities and

Environmental Monitoring

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