October 23, 1998

EA 98-487 EA 98-498

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

SUBJECT: NRC INTEGRATED INSPECTION REPORT 50-334/98-05, 50-412/98-05,

EXERCISE OF ENFORCEMENT DISCRETION

Dear Mr. Cross:

The NRC conducted an inspection of the Beaver Valley Power Station facilities from August 16 to October 3, 1998. The enclosed report presents the results of that inspection.

During the 7-week period covered by this inspection, your conduct of activities at the Beaver Valley Power Station facilities was characterized by safe operations. The Unit 2 startup was safely performed and lessons learned from the recent Unit 1 restart were properly implemented. Your effort to improve human performance was demonstrated through good self-checking and preevolution briefings during the startup and various surveillance testing activities. Notwithstanding the above, deficiencies in the control of maintenance activities and unnecessary out-of-service time for safety related equipment continued.

Your radiological controls were effectively established and implemented for the Unit 2 steam generator inspections. Radiological controls personnel provided overall effective oversight of the activities and appropriate occupational radiation exposure minimization techniques were implemented for the work. The radioactive contamination controls were also effective.

The enclosed report documents one design issue and 40 violations of technical specification requirements which constituted violations of NRC requirements. These violations could be considered for escalated enforcement and subject to civil penalties. However, after consultation with the Director, Office of Enforcement, and the Regional Administrator, Region I, I have been authorized to not issue Notices of Violation on those items specifically noted in the enclosed report and not propose a civil penalty in those cases in accordance with the provisions provided in Sections VII.B.3 and VII.B.4 of the NRC's Enforcement Policy. This decision was made after consideration that: (1) the violations were identified by your staff during voluntary initiatives or as part of corrective actions for previous issues; (2) corrective actions, both taken and planned, were comprehensive and timely; (3) the design deficiencies were subtle and not likely to be disclosed through routine surveillance or quality assurance activities; and (4) the violations

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are not reasonably linked to current performance. The exercise of discretion acknowledges your good effort to identify and correct subtle violations that would not be identified by routine efforts before the degraded safety systems are called upon.

No reply to this letter is necessary. Your cooperation was appreciated.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room (PDR).

Sincerely,

ORIGINAL SIGNED BY:

Charles W. Hehl, Director Division of Reactor Projects

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

Enclosure: Inspection Report 50-334/98-05, 50-412/98-05

cc w/encl:

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- R. Brandt, Vice President, Nuclear Operations Group and Plant Manager
- B. Tuite, General Manager, Nuclear Operations Unit
- W. Kline, Manager, Nuclear Engineering Department
- M. Pergar, Acting Manager, Quality Services Unit
- S. Hobbs, Acting Director, Safety & Licensing Department
- J. Macdonald, Manager, System and Performance Engineering
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