

NOTICE OF VIOLATION  
AND  
PROPOSED IMPOSITION OF CIVIL PENALTIES

Texas Utilities Electric Company  
Comanche Peak Steam Electric Station

Docket Nos. 50-445  
50-446  
Permit Nos. CPPR-126  
CPPR-127  
EA 86-63

The NRC's Office of Investigations (OI) conducted several investigations into allegations of employment discrimination and intimidation at Comanche Peak Steam Electric Station. An NRC Comanche Peak Intimidation Panel subsequently reviewed the OI reports and other pertinent materials and documented its review in an NRC "Report of the Review and Evaluation of Allegations of Intimidation and Harassment of Employees at Comanche Peak Steam Electric Station, Units 1 and 2," October 1985. As a result of the review, apparent violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for Enforcement Actions," 10 CFR Part 2, Appendix C (1985), 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, PL 96-295, and 10 CFR 2.205. The violations and the associated civil penalties are set forth below:

10 CFR Part 50, Appendix B, Criterion I, states that construction permit holders are responsible for the establishment and execution of a quality assurance program, that they may delegate this work to others such as contractors, but they retain the responsibility for the program. Criterion I further states that persons performing quality assurance functions shall have sufficient organizational freedom to identify quality problems; initiate, recommend, or provide solutions; and to verify implementation of solutions.

The Texas Utilities Electric Company (TUEC) Quality Assurance Manual describes Quality Control Inspectors and Quality Assurance Audit Groups as members of the Quality Assurance Division and states that the Quality Assurance Division has been assigned sufficient organizational freedom to identify quality problems.

- A. Contrary to the above, the Texas Utilities Electric Company Quality Assurance Program did not provide Quality Control Inspectors sufficient organizational freedom to identify problems in that the TUEC QA/QC Manager, on March 8, 1984, initiated an unwarranted and over-reactive response to eight electrical QC inspectors wearing T-shirts with an inspection-related slogan printed on the shirts. The reaction, highly visible to other QC inspectors, was reasonably likely to dissuade QC inspectors from reporting safety concerns.

This is a Severity Level III violation (Supplement II).  
Civil Penalty - \$40,000

- B. Contrary to the above, the Texas Utilities Electric Company Quality Assurance Program did not provide Quality Assurance personnel sufficient organizational freedom to identify problems in that in early 1983, a TUEC Quality Control Supervisor made a statement before the Quality Assurance audit groups that physical or political harm could come to an auditor as a result of his audit activities. This statement was reasonably likely to improperly influence audit findings.

This is a Severity Level III violation (Supplement II).  
Civil Penalty - \$40,000

- C. Brown & Root, Inc. is the prime contractor for construction of the Comanche Peak Steam Electric Station facility and has thus been delegated quality assurance functions by the licensee. The Brown & Root Quality Assurance Manual describes Quality Control Inspectors as members of the Quality Assurance Division and states that the Quality Assurance Division has been assigned sufficient organizational freedom to identify quality problems.

Contrary to the above, in early 1983, the Brown & Root Quality Assurance Program did not provide Quality Control Inspectors sufficient organizational freedom to identify quality problems in that a Brown & Root Quality Control Inspector was instructed by her supervisor to sign off a number of liner plate travelers which the inspector believed were inadequately documented.

This is a Severity Level III violation (Supplement II).  
Civil Penalty - \$40,000

Pursuant to the provisions of 10 CFR 2.201, Texas Utilities Electric 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 IV, 611 Ryan Plaza Drive, Suite 1000, Arlington, Texas 76011, within 30 days of the date of this Notice a written statement or explanation in reply, including 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. 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.

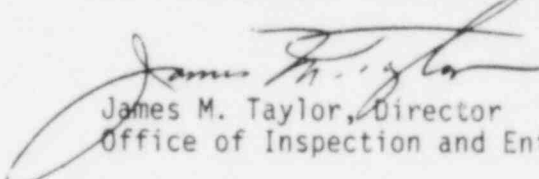
Within the same time as provided for the response required above under 10 CFR 2.201, Texas Utilities Electric Company may pay the civil penalties in the amount of One Hundred Twenty Thousand Dollars (\$120,000) or may protest imposition of the civil penalties in whole or in part by a written answer. Should Texas Utilities Electric 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 Texas Utilities Electric 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 contained 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. The attention of Texas Utilities Electric Company 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 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 2<sup>nd</sup> day of May 1986.

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