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JUN 16 1988

Docket No. 50-341  
License No. NPF-43  
EA 88-104

The Detroit Edison Company  
ATTN: B. Ralph Sylvia  
Group Vice President  
Nuclear Operations  
6400 North Dixie Highway  
Newport, Michigan 48166

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL  
PENALTIES (NRC INSPECTION REPORTS NO. 50-341/87048(DRP)  
AND NO. 50-341/88014(DRP))

This refers to the special inspections conducted on October 18, 1987 to March 31, 1988, and January 17 to April 28, 1988, at the Enrico Fermi Atomic Power Plant, Unit 2, authorized to operate under NRC Operating License No. NPF-43. These inspections examined the circumstances surrounding a Primary Containment Radiation Monitoring (PCRM) system containment isolation valve design control problem and an inoperable Noninterruptible Air System Control Air Compressor (NIAS CAC). The potential loss of primary containment integrity, due to PCRM system isolation valves failing to meet 10 CFR Part 50, Appendix A, General Design Criterion (GDC) 56, was identified by you and reported on October 17, 1987. The failure to enter Technical Specification action statements due to inoperability of a Standby Gas Treatment subsystem, a Control Room Emergency Filtration System flowpath damper and a Main Steam Isolation Valve Leakage Control subsystem which was caused by the out. of service Division II NIAS CAC was identified by the NRC. The details are contained in the subject inspection reports which were sent to you by letters dated May 9, 1988 and May 13, 1988, respectively. On April 28, 1988, an enforcement conference was held between Dr. C. J. Paperiello and other members of my staff and you and other members of your staff during which the violations, the root causes, and your corrective actions were discussed.

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

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The design control violation, which is described as Part A of the enclosed Notice of Violation and Proposed Imposition of Civil Penalties (Notice), resulted from a failure to determine that the 1984 modification to the containment isolation valve design was not an acceptable alternative to GDC 56. In addition, when the modification was made, you failed to request a change to Technical Specifications to include the automatic isolation valves and procedures were not put in place to periodically test these valves in accordance with the applicable portions of 10 CFR Part 50, Appendix J and other testing requirements (logic testing, functional testing, and positive indicator checks). A temporary exemption from GDC 56 was granted by the NRC on November 13, 1987, to be effective through the end of the local leak rate outage in March 1988. To support operation with this exemption, you committed to upgrade the effectiveness of the isolation scheme to include treating the subject valves as primary containment isolation valves in a manner consistent with Technical Specifications, revising the Emergency Operating Procedures and enhancing operator training. On March 29, 1988, the NRC staff approved an amendment to the Fermi 2 operating license which accepted your permanent redesign of the containment isolation configuration as an acceptable alternative to those specified by GDC 56.

The Technical Specification action statement violations, which are described in Part B of the enclosed Notice, resulted from the failure to recognize that the operation of the Division II NIAS CAC was required to support the operability of a Standby Gas Treatment subsystem, Control Room Emergency Filtration System damper and Main Steam Isolation Valve Leakage control subsystem. This failure led to exceeding, by approximately thirteen days, two Technical Specification action statements that required the unit to be shut down. Specifically, the action statements for the Standby Gas Treatment and Control Room Emergency Filtration Technical Specification required the unit to be placed in COLD SHUTDOWN within 36 hours following the end of the allowed seven days of inoperability specified in the action statements. In this case, however, that seven day period ended at 10:15 p.m. on January 21, 1988, and notwithstanding the fact that the affected systems remained inoperable, the unit continued to operate in violation of the Technical Specifications until February 3, 1988. Your engineering staff did not provide adequate guidance on the system interfaces to other departments and your operations staff was not sufficiently inquisitive to identify these violations when the Division II NIAS CAC was taken out of service. These violations are another example of the Fermi organization failing to fully appreciate its Technical Specification requirements. The violations described in the Notice resulted in significant degradations in the plant's ability to respond to certain types of accidents.

To emphasize the importance of proper system design in accordance with regulatory requirements and the need to understand the affects of auxiliary equipment on system operability and your Technical Specifications, 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 in the amount of Two Hundred Thousand Dollars (\$200,000) 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 (1988) (Enforcement Policy), the violations described in Parts A and B of the enclosed Notice have separately 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. The base civil penalty amount for the violation in Part A has been increased 50% because of the minimal corrective actions that were taken initially which necessitated NRC intervention and by an additional 50% because of your poor past performance in the area of engineering and technical support which included a previous civil penalty (EA 87-232) for failures in this area. Mitigation of the civil penalty for identification and reporting was considered but deemed inappropriate because of your failure to fully recognize the scope of the problem at the time the initial modification was made. The base civil penalty amount has been increased by 100 percent for the violation in Part B because of your poor past performance in handling out of service equipment, which was discuseed in the Plant Operations section of the most recent Systematic Assesement of Licensee Performance, as well as for the inadequate engineering and technical support mentioned above, which in this case allowed plant operations personnel to operate the plant in a degraded conditon.

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.

JUN 16 1988

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,  
Original signed by  
A. Bert Davis

A. Bert Davis  
Regional Administrator

Enclosures:

- 1. Notice of Violation and Proposed Imposition of Civil Penalties
- 2. Inspection Reports  
No. 50-341/87048(DRP);  
No. 50-341/88014(DRP)

cc w/enclosures:  
 Patricia Anthony, Licensing  
 P. A. Marquardt, Corporate Legal Department  
 DCD/DCB (RIDS)  
 Licensing Fee Management Branch  
 Resident Inspector, RIII  
 Project Manager, NRR  
 Ronald Callen, Michigan Public Service Commission  
 Harry H. Voight, Esq.  
 Michigan Department of Public Health  
 Monroe County Office of Civil Preparedness  
 SECY  
 CA  
 OGPA  
 J. M. Taylor, DEDRO  
 J. Lieberman, OE  
 L. Chandler, OGC  
 T. Murley, NRR  
 RAO:RIII  
 PAO:RIII  
 SLO:RIII  
 M. Stahulak, RIII  
 Enforcement Coordinators  
 RI, RII, RIV, RV

RIII Anderson/rr 6/15/88	RIII Gredon 6/15/88	RIII Grobe 6/15/88	POST FAX RIII Chandler 6/13/88	POST FAX RIII Lieberman 6/13/88	RIII Paperfello 6/15/80	RIII Davis 6/15	POST FAX RIII Taylor 6/13/88
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