



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION III
801 WARRENVILLE ROAD
LISLE, ILLINOIS 60532-4351

September 23, 1997

EA 97-201

Mr. D. R. Gipson
Senior Vice President
Nuclear Generation
The Detroit Edison Company
6400 North Dixie Highway
Newport, MI 48166

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL
PENALTY - \$50,000 (NRC Inspection Reports 50-341/97002 and
50-341/97003)

Dear Mr. Gipson,

The NRC conducted two inspections at the Enrico Fermi 2 Nuclear Power Plant from February 1, 1997 through June 26, 1997. These inspections reviewed several matters, including 480 volt motor control centers fused disconnect switch maintenance, corrective actions associated with motor operated valve shaft set screws, and primary containment oxygen monitor calibrations. Exit meetings for these inspections were conducted on March 19, March 27, May 9, and June 26, 1997. The reports of these inspections were sent to you by letters dated June 2 and July 1, 1997. A predecisional enforcement conference was held in the Region III office on August 6, 1997. Subsequent to the predecisional enforcement conference, the NRC elected to address the issues relating to the primary containment oxygen monitor calibration by subsequent correspondence.

Based on the information developed during the inspections and the information your staff provided during the predecisional enforcement conference, the NRC has determined that significant violations of NRC requirements occurred. These violations are cited in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) and the circumstances surrounding the violations are described in the subject inspection report.

The violation in Section I of the Notice involves inadequate lubrication of motor control center (MCC) switches. The site engineering and maintenance staffs did not specify the preventive maintenance lubrication frequency or address the vendor's recommendation for twice-a-year visual inspection and operation of MCC components. This led to unexpected operation (opening) of four safety related fused disconnect switches and seven non-safety related fused disconnect switches since 1993. These failures are related to previous NRC violations cited in NRC Inspection Reports 50-341/94012 and 50-341/95003 for use of unapproved lubricants on these switches by Fermi maintenance personnel. Maintenance personnel immediately discontinued the use of unapproved lubricants. However, since there

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was no approved lubricant, no lubrication was being performed on these switches for about 18 months. Several additional MCC switch lubrication problems concerning drying of the lubricant and lack of periodic switch movement occurred in early 1997. The potential safety consequence and the regulatory significance of the MCC switch issue are high because of a potential common mode failure under seismic event conditions. Both industry information and previous NRC violations should have triggered broad corrective actions to identify, correct, and prevent potential MCC switch failures. The failure of your staff to implement corrective actions for these longstanding equipment problems resulted in a violation of 10 CFR 50, Appendix B, Criterion XVI, "Corrective Actions." This violation is classified in accordance with NUREG-1600 as a Severity Level III violation.

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$50,000 is considered for Severity Level III violations occurring before November 12, 1996. Since most of the noncompliance period occurred before November 12, 1996, a base civil penalty of \$50,000 was considered for this case. Because Fermi has been the subject of escalated enforcement actions within the last two years¹, the NRC considered whether credit was warranted for *Identification* and *Corrective Action* in accordance with the civil penalty assessment process in Section VI.B.2 of the Enforcement Policy. *Identification* credit was not warranted. Although a specific failure was identified during a surveillance activity, the subsequent analysis did not identify the root cause and missed the opportunity to identify the potential for common mode failures. In addition, extensive NRC involvement was required to ensure that your staff understood the safety significance of this issue and the need to implement effective corrective action. *Corrective Action* credit was warranted based on the corrective actions (implemented and proposed) that were discussed at the enforcement conference. The corrective actions included (1) a substantial effort in cleaning, lubricating, and cycling of approximately 1000 fused disconnect switches connected to safety-related and balance of plant loads prior to start-up from the forced outage; (2) documenting MCC fused disconnect problems; (3) training personnel on proper latching indications prior to start-up from the forced outage; (4) evaluating replacement of MCC equipment; (5) evaluating the mixing of lubricants found compatible with each other and MCC components; and (6) enhancing the preventive maintenance program.

Therefore, to emphasize the need to identify the root cause of safety significant problems, I have been authorized, after consultation with the Director, Office of Enforcement, to issue the enclosed Notice of Violation and proposed Imposition of Civil Penalty (Notice) in the base amount of \$50,000 for the Severity Level III violation.

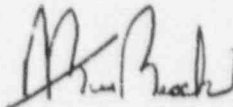
¹ EA 96-095 was issued on May 21, 1996, for inadequate corrective actions for issues related to Diesel Generator Service Water Pump cycling.

The violation described in Section II of the Notice discussed one Severity Level IV violation that was not assessed a civil penalty. This violation addresses a High Pressure Coolant Injection valve motor pinion gear set screw failure that occurred during a routine surveillance. Similar to the disconnect switch failures described above, this failure occurred due to the lack of a systematic program for correcting known generic deficiencies. Although Fermi had implemented some corrective actions on this valve, these corrective actions were not effective in preventing the set screw failure. This violation is classified in accordance with the Enforcement Policy as a Severity Level IV violation.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

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

Sincerely,



A. Bill Beach
Regional Administrator

Docket No. 50-341
License No. NPF-43

Enclosure: Notice of Violation and Proposed
Imposition of Civil Penalty

cc w/encl: N. Peterson,
Supervisor of Compliance
P. A. Marquardt, Corporate
Legal Department
James R. Padgett, Michigan Public
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