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FEB 18 1987

Docket No. 50-341

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

Gentlemen:

This refers to an investigation performed by the NRC Office of Investigations (OI) at your facility. A copy of the synopsis of Investigation Report 03-84-021 is enclosed with this letter. No violations of NRC requirements were identified during the investigation.

In accordance with 10 CFR 2.790 of the NRC's "Rules and Practices," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and enclosure will be placed in the NRC Public Document Room.

We will gladly discuss any questions you may have relative to this letter or the referenced material.

Original signed by
A. Bert Davis

A. Bert Davis
Acting Regional Administrator

Enclosure: OI Investigation
Report 3-84-021 Synopsis

cc w/enclosure:

F. H. Sondgeroth, Licensing
Engineer
P. A. Marquardt, Corporate
Legal Department
DCS/RSB (RIDS)
Licensing Fee Management Branch
Resident Inspector, RIII
Ronald Callen, Michigan
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Nuclear Facilities and
Environmental Monitoring
Section
Monroe County Office of
Civil Preparedness

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PDR ADOCK 05000341
G PDR

YES
RILI
Pelke/pp
2/17/87

RILI
Farber
2/17/87

(40)
RIII
Weil
2/17/87

YES
RIII
Pawlik
2-17-87

Greenman
RIII
Greenman
2/17/87

RIII
Nordrius

RIII
Davis
2/18

DEVI
1/1

SYNOPSIS

On September 28, 1983, NRC Region III requested that OI conduct an investigation of alleged harassment and intimidation of Quality Control Inspectors and Quality Control record falsification by L.K. Comstock Company, the electrical contractor at the Detroit Edison Company (DECo), Fermi 2 Nuclear Power Station.

In December 1984, OI began an investigation of those allegations by reviewing a previously conducted DECo Nuclear Security investigation of the Comstock matter and attempting to corroborate the DECo findings. DECo's investigation determined the allegation of harassment and intimidation was unsubstantiated. A former L.K. Comstock QC Inspector apparently perceived that Comstock inspectors were being pressured into signing hundreds of conduit inspection checklists for system turnover and was uncomfortable with that assignment because they were not afforded the opportunity to verify dispositions of rejectable items.

OI has determined that the L.K. Comstock system turnover procedure for jurisdictional relinquishment of records to DECo allowed for an inspector's sign-off. This sign-off of inspection checklists merely indicated that Comstock's portion of the systems inspection was complete. All holdpoints, deviation dispositions, and nonconformance requests were punchlisted for later disposition verification by DECo. That procedure, once explained to the alleged, removed any concern as to the acceptability of the sign-off and the related alleged duress of the situation.

DECo Nuclear Security also investigated the allegation of QC record falsification and received a statement from a former L.K. Comstock QC Supervisor admitting to three (3) forgeries of the alleged's name on conduit inspection checklists. OI reviewed the DECo investigation, reviewed approximately 3000 Comstock conduit inspection checklists and identified one (1) additional suspected forgery, apparently signed by the same QC Supervisor. That document was not submitted for forensic handwriting examination. The former Comstock QC Supervisor who admitted to the original three forgeries, however, stated under oath that he committed no other record falsifications, contrary to OI's findings. He also stated that the forgeries resulted from undue pressure exerted by DECo to expedite the system turnover process, but he was either unable or unwilling to identify any individuals from DECo who may have been responsible for that pressure.

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Group Vice President
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6400 North Dixie Highway
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Gentlemen:

This refers to an investigation performed by the NRC Office of Investigations (OI) at your facility. A copy of the synopsis of Investigation Report 03-85-013 is enclosed with this letter. No violations of NRC requirements were identified during the investigation.

In accordance with 10 CFR 2.790 of the NRC's "Rules and Practices," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and enclosure will be placed in the NRC Public Document Room.

We will gladly discuss any questions you may have relative to this letter or the referenced material.

Original signed by
A. Bert Davis

A. Bert Davis
Acting Regional Administrator

Enclosure: OI Investigation
Report 3-85-013 Synopsis

cc w/enclosure:
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Resident Inspector, RIII
Ronald Callen, Michigan
Public Service Commission
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Section
Monroe County Office of
Civil Preparedness

~~8702250178 (OPP)~~
Examine from B. J. J. B. K. W.

Yes Pelke/pp 2/17/87	Yes Farber 2/17/87	Yes RIII Weil 2/17/87	Yes RIII Pawlik 2-17-87	RIII Greenman 2/17	RIII Noralius	Yes RIII Davis 2/18/87	EE 01 //
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SYNOPSIS

On July 22, 1985, NRC Region III Administrator requested the Office of Investigations (OI) conduct an investigation of an alleged material false statement by Detroit Edison Company (DECo) relating to an operator error which occurred on July 2, 1985, at the Fermi 2 facility.

This investigation has developed evidence indicating that on July 3, 1985, DECo plant management had reason to believe that a premature reactor criticality resulting from an operator error had occurred. DECo management recognized the incident as non-reportable under the Code of Federal Regulations; however, it was perceived as a significant public relations and licensing issue. The afternoon of July 3, 1½ days after the operator error occurred, DECo management did notify the NRC Resident Inspector of the operator rod pull error and stated, contrary to the advice of a nuclear consultant and one of their reactor engineers, that the error did not result in reactor criticality. DECo did advise that reactor engineering was performing a review of data to assess criticality. The NRC Resident Inspector understood that he would be advised of the reactor engineering group's findings as soon as they became available.

On July 5, 1985, DECo management again met and were purportedly convinced by reactor engineering that, in fact, the reactor had been critical for a 110-114 second period. On that date, and subsequently on July 8-12, 1985, the NRC Resident Inspector and the Resident Inspector trainee were on the Fermi site. They interacted with licensee personnel and attended the DECo staff meetings chaired by the same individuals who notified the NRC Resident Inspector on July 3, 1985 of the operator error. Those DECo employees were fully aware of the changed criticality findings and made no effort to notify the NRC representatives of the new DECo position regarding premature criticality.

On July 10, 1985, the Commission met to discuss significant issues relating to Fermi 2 and to vote on a full power license for that facility. The DECo Vice President Nuclear Operations, and Assistant Manager Nuclear Production were present and observed the discussion of significant operator errors. Neither DECo representative, both of whom were admittedly aware of the July 2 operator error and the latter aware of the premature criticality, attempted to clarify information which was furnished by NRC Region III to the Commission, that only one operator error had occurred following fuel load.

On July 12, 1985, NRC Director, Division of Licensing, signed the Fermi 2 full power license. On July 15, 1985, DECo advised the NRC Senior Resident Inspector of the premature criticality of July 2. That notification was the first public admission by DECo of what was their official corporate position regarding reactor criticality resulting from an operator error, established on July 5, 1985.