

September 18, 1997
EN 97-089

OFFICE OF ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Detroit Edison Company (EA 97-201)
Fermi 2
Docket No. 050-341

Subject: PROPOSED IMPOSITION OF CIVIL PENALTY - \$50,000

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$50,000 will be issued on or about September 23, 1997, to Detroit Edison Company. The action was based on one Severity Level III violation pertaining to the licensee's failure to implement timely and effective corrective actions to resolve electrical switch preventive maintenance (cleaning, lubricating, and cycling) problems. The failure to implement an effective preventive maintenance program resulted in the failure of several electrical disconnect switches installed in safety related and non-safety related systems.

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$50,000 or \$55,000 is considered for a Severity Level III violation occurring prior to or after November 12, 1996, respectively. Because the majority of the period of noncompliance occurred prior to November 12, 1996, a civil penalty in the amount of \$50,000 is being proposed. Because this was not the first escalated enforcement action within 2 years, the staff considered whether credit was warranted for identification and corrective action. The NRC determined that credit was not warranted for identification. 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 the licensee's staff understood the safety significance of this issue and the need to implement effective corrective action. The NRC determined that credit was warranted for Corrective Actions. Therefore, a base civil penalty of \$50,000 is being proposed for the Severity Level III violation.

It should be noted that the licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification will be:

Mailing of Notice
Telephone Notification of Licensee

September 23, 1997
September 23, 1997

The State of Michigan will be notified.

The licensee has thirty days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

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PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL
VERIFICATION THAT LICENSEE HAS RECEIVED ACTION

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PDR I&E
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