



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

May 28, 1986

MEMORANDUM FOR: James G. Keppler
Regional Administrator, Region III

FROM: Ben B. Hayes, Director
Office of Investigations

SUBJECT: ENRICO FERMI 2 NUCLEAR POWER STATION: MATERIAL FALSE
STATEMENT REGARDING FULL POWER LICENSING (3-85-013)

Enclosed is a Report of Investigation concerning the captioned subject.

This investigation has developed evidence to show that during the early morning hours on July 2, 1985, as a result of a failure on the part of the shift reactor operator to follow procedures, the nuclear reactor at the Fermi facility went critical for a period of approximately 100-114 seconds. While at least three DECo employees in the control room at that time felt that a premature criticality had occurred, the official corporate position, as determined later that day by the Assistant Superintendent for Nuclear Operations, was that the reactor had not gone critical and that further study of the matter was necessary. On the afternoon of July 3, 1½ days after this event, DECo management met with the NRC Resident Inspector at the site, and for the first time notified the NRC of the operator procedural error and of the corporate position that the reactor had not gone critical, which at that time was contrary to the opinion of DECo's own Nuclear Reactor Engineering Department.

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 five member Nuclear Regulatory 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 the 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 the record by notifying the Commission of the July 2 incident.

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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.

This investigation has been closed by OI. This report has been forwarded to you for your information and whatever action you deem appropriate. You should also be aware that a copy of this investigation has been forwarded to the Department of Justice for a possible criminal prosecution. Neither this memorandum nor report contents may be released outside the NRC without the permission of the Director, OI. Internal NRC access and dissemination should be on a need and right to know basis.

Enclosure:
As stated

cc w/encl:
V. Stello, EDO
✓ E. Pawlik, OI:RIII