



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION IV  
611 RYAN PLAZA DRIVE, SUITE 1000  
ARLINGTON, TEXAS 76011

APR - 7 1989

Docket Nos. 50-313 & 50-368  
License Nos. DPR-51 & NPF-6  
EA No. 88-284

Arkansas Power & Light Company  
ATTN: Mr. Gene Campbell  
Vice President, Nuclear Operations  
Post Office Box 551  
Little Rock, Arkansas 72203

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES  
(NRC AND INSPECTION REPORT NOS. 88-35, 88-38, 88-42 AND 88-48)

This is in reference to several NRC inspections conducted at Arkansas Nuclear One (ANO) between October 24 and December 31, 1988, and to NRC's discussions with Arkansas Power and Light Company (AP&L) personnel at an enforcement conference in NRC Region IV's offices in Arlington, Texas on January 23, 1989. The reports of these inspections were issued on November 18, December 14, and December 22, 1988, and on January 18, 1989.

The purpose of the enforcement conference was to address several apparent violations of NRC requirements discussed in these inspection reports and to address NRC's resultant concerns about the conduct of activities at ANO in three general areas: the promptness of AP&L's corrective actions once problems are identified; the adequacy of AP&L's controls of safety-related equipment; and the adequacy of AP&L's measures to ensure safety systems meet design requirements.

NRC has reviewed all of the information in these inspection reports and the information provided by AP&L during and after the enforcement conference and is issuing the enclosed Notice of Violation and Proposed Imposition of Civil Penalties (Notice). The violations in the enclosed Notice fall into two general problem areas: 1) violations which illustrate AP&L's failure to

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initiate prompt corrective actions to resolve potential safety concerns; and 2) violations which illustrate AP&L's failure to maintain adequate control of safety-related equipment. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C, 53 Federal Register 40019 (October 13, 1988) (Enforcement Policy), these have been aggregated into two Severity Level III problems.

In regard to the timeliness of AP&L's resolution of identified safety concerns, we have concluded that the number and significance of issues which were not promptly resolved are indicative of a programmatic breakdown. As discussed in detail in the referenced inspection reports, AP&L failed to resolve promptly issues involving: mechanical stresses on safety-related equipment, the operability of the containment penetration room ventilation system, the lack of stress analysis for a section of pipe in the penetration room ventilation system and the response times of various safety-related components. These were all matters that should have been resolved more promptly because each raised questions about whether components and systems would perform as intended to assure nuclear safety. The fact that AP&L ultimately determined these issues to have minimal impact on nuclear safety does not alter our view of the regulatory significance of failing to address these matters more promptly.

In regard to AP&L's control of safety-related equipment, NRC considers AP&L's failure to ensure the operability of an emergency feedwater pump during a plant heatup, which is a violation of plant technical specifications, and AP&L's failure to assure the proper reassembly of valves associated with the ANO Unit 1 reactor coolant system to be significant issues.

The event involving the feedwater pump occurred when ANO Unit 1 was heated up to 515° F in late November 1988 with the steam-driven emergency feedwater pump not coupled to its steam turbine, a violation of ANO's technical specifications requiring two emergency feedwater pumps to be operable when the plant is heated above 280° F. AP&L's failure to properly reassemble valves led in one instance to a reactor coolant system leak on December 16, 1988, when the packing material was blown out of a valve by reactor coolant system pressure and resulted in a leak rate of approximately 25 gallons per minute. Although AP&L took immediate and appropriate actions to correct these problems and minimize the impact on plant safety, they remain significant in that they appear to be symptomatic of a general decline in attention to safety-related activities at ANO.

As you indicated at the enforcement conference, the sum of the ANO events discussed at this meeting may in part be attributed to an erosion of the degree to which administrative controls are strictly observed and an erosion of the degree to which individuals accept personal responsibility for their work. Clearly, AP&L must take steps to ensure that matters that may affect the safe operation of the plant are promptly resolved and must reinforce in its employees a sense of the importance of attention to procedures and details when plant safety is involved. We wish to emphasize, however, our interest in AP&L's commitment to thoroughly evaluate these events to understand their significance both individually and collectively and to firmly establish and correct the root causes. NRC considered whether enforcement measures in



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addition to those being taken were necessary to address the root cause or causes of these problems, but has elected to defer other actions pending the outcome of AP&L's evaluation and your commitment to have a review conducted by individuals associated with the Middle South system but outside the AP&L organization.

Nonetheless, to emphasize the importance of the prompt resolution of safety issues and the importance of controlling work activities so as not to result in a reduction of plant safety, I have been authorized after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Nuclear Materials Safety, Safeguards and Operations Support, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalties in the amount of \$175,000 for the violations described in the enclosed Notice.

The base value for each of the Severity Level III problems is \$50,000. However, the civil penalty adjustment factors in the enforcement policy were considered and resulted in the following adjustments in the penalties. The civil penalty for the corrective action violation in Section I of the Notice was increased by 100 percent based on our consideration of the prior notice and past performance factors. Specifically, this problem was identified during NRC inspections in late 1987, and led to a management meeting with AP&L. In addition, AP&L's failure to take prompt corrective actions to resolve the issue of high temperatures in the containment building resulted in a previous violation and in a proposed \$100,000 civil penalty which was issued in March 1988. The civil penalty for the violations in Section II of the Notice was increased by 50 percent because two of these violations were discovered by an NRC inspector and reasonably should have been identified earlier by the plant staff. No other adjustments were deemed appropriate.

NRC appreciates the candor displayed by AP&L during the January 23 enforcement conference. We also anticipate that the corrective actions you outlined then, in addition to those you may undertake as a result of your continuing review of these issues, will result in both improved attention to detail by your staff and in enhancing the safe operation of the ANO plants. As a result of the information presented at the enforcement conference, we are not issuing a citation for the issue involving the loss of decay heat removal as it meets the criteria for a non cited violation. We also are not issuing citations for the two design control issues discussed because both--one involving the penetration room ventilation system and one involving the decay heat removal system--are encompassed by Violations I.A through I.D in the Notice. The remaining issues discussed at the enforcement conference involving the misaligned valve during integrated leak rate testing of the containment and a liquid discharge in excess of your technical specification limits will be addressed in separate correspondence.

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

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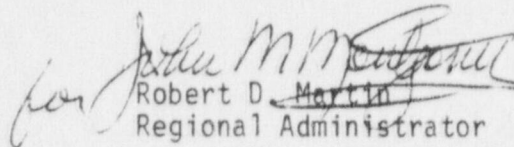
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Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

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 enclosure will be placed in the NRC Public Document Room.

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,

  
Robert D. Martin  
Regional Administrator

Enclosure:  
Notice of Violation and  
Proposed Imposition of Civil Penalties

cc: Arkansas Radiation Control Program Director