

DCS

August 31, 1989

Docket No. 50-245
License No. DPR-21
EA 89-124

Northeast Nuclear Energy Company
ATTN: Mr. E. J. Mroczka
Senior Vice President - Nuclear
Engineering and Operations Group
P. O. Box 270
Hartford, Connecticut 06141-0270

Gentlemen:

Subject: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY -
\$25,000 (Inspection Report No. 50-245/89-13)

This letter refers to the special NRC Inspection conducted on May 17-18, 1989 at the Millstone Nuclear Generating Station, Unit 1, Waterford, Connecticut to review the inadequate control of activities involving radioactivity resulting in the transport of a contaminated high pressure pump (hydrolaze equipment) and trailer from Millstone Unit 1 to a vendor's facility in Moorestown, New Jersey on May 11, 1989, with contamination levels in excess of the regulatory limit. The event was identified to you by the vendor and subsequently reported to the NRC by your staff. During the inspection, the report of which was sent to you on June 9, 1989, violations associated with this incident were identified. On June 21, 1989, an enforcement conference was held with members of your staff to discuss the violations, their causes, and your corrective actions.

The violations are described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty. The first violation involves a failure to establish an adequate procedure to prevent contamination of hydrolaze equipment, located in a noncontaminated area, by transport of radioactivity from the flooded reactor cavity through hoses connected to the equipment. It appears that siphoning of contamination out of the Radiation Controlled Area (RCA) via hoses connected to the hydrolaze equipment was the likely cause of the contamination. As a result of this failure, additional violations of NRC requirements were identified, including (1) the shipment of equipment with removable external contamination levels in excess of the limits specified in Table 10 of 49 CFR 173.443; (2) failure to perform appropriate tests to ensure that contamination levels were within allowable limits prior to releasing the equipment for shipment; (3) failure to supply shipping papers describing the hazardous material (radioactive contamination) in the shipment.

The NRC is particularly concerned with the inadequate control of radioactive material and inadequate procedural reviews associated with this event. The hydrolaze equipment, which had been leased from the vendor, was used and dispositioned without adequate evaluation of the potential contamination of

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the equipment. For example, the procedure which controlled use of this equipment had been reviewed by the Plant Operations Review Committee (PORC) without recognition that adequate precautions did not exist in the procedure to ensure that radioactivity would not be released from the RCA during the hydrolaze operation.

Although the hydrolaze equipment was positioned outside the RCA of the plant during use, the discharge hoses from the equipment ran into the reactor building, an RCA, and your staff subsequently determined that five of the six hoses had external contamination. Since contamination of this number of hoses was not expected during use, management should have concluded that additional investigation and examination of the remaining equipment, including a check of the inside of the hoses, was warranted prior to release of the equipment from the site, so as to ensure that the equipment was not contaminated. However, additional examinations were not performed. As a result of this failure, the equipment was released for offsite transportation with removable contamination levels in excess of ten times the regulatory limit. Furthermore, because an appropriate examination was not performed prior to release, radioactive shipping papers describing the contamination were not prepared and persons who may have come into contact with the equipment were not aware of the need to take precautions when handling the equipment. Although the surface contamination in this event was localized and, therefore, may not have resulted in a significant dose to workers or the public, the weakness in your procedures could have allowed the release of a package with more significant contamination.

These violations demonstrate the need for improved planning, review and control of activities that can result in loss of control of radioactive material at your facility to assure that the activities are carried out safely and in accordance with regulatory requirements. To emphasize these needs, I have been authorized, after consultation with the Director, Office of Enforcement, and the Deputy Executive Director for Materials Safety, Safeguards and Operations Support, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) in the amount of Twenty-Five Thousand Dollars (\$25,000) for the violations described in the enclosed Notice. The violations have been classified in the aggregate at Severity Level III in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions", 10 CFR Part 2, Appendix C (Enforcement Policy) (1989) because they involve a significant failure to control licensed material. This failure resulted in significant violations of transportation requirements. However, the focus of this enforcement action is on the breakdown in the management controls of your radiation protection program that led to the release of radioactive materials from the primary system as a result of decontamination activities. Therefore, the violations have been assessed a penalty based on Supplement IV, Health Physics, rather than Supplement V, Transportation.

The base civil penalty for a Severity Level III violation is \$50,000. The escalation and mitigation factors set forth in the Enforcement Policy were considered, and the civil penalty amount was mitigated by 50% because your corrective actions were considered prompt and comprehensive. Although you

promptly reported the incident to the NRC once it was identified to you by the vendor, no adjustment is appropriate for this factor since the event was brought to your attention by the vendor after the contaminated equipment was transported offsite. The remaining violations were identified by the NRC. In addition, your performance in the radiation protection/transportation area, although improving, is considered average as evidenced by a Category 2 rating during the last SALP in which deficiencies were noted in the supervision of field activities. The remaining mitigation and escalation factors were also considered and no further adjustment is warranted.

You are required to respond to this letter and the enclosed Notice, 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 Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further action is needed to ensure compliance with 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, PL No. 96-511.

Sincerely,

Original Signed By
WILLIAM T. RUSSELL

William T. Russell
Regional Administrator

Enclosure: Notice of Violation and Proposed
Imposition of Civil Penalty

cc w/encl:

W. D. Romberg, Vice President, Nuclear Operations
S. E. Scace, Station Superintendent
D. O. Nordquist, Director of Quality Services
R. M. Kacich, Manager, Generation Facilities Licensing
D. B. Miller, Station Superintendent, Haddam Neck
Gerald Garfield, Esquire
Public Document Room (PDR)
Local Public Document Room (LPDR)
Nuclear Safety Information Center (NSIC)
NRC Resident Inspector
State of Connecticut

bcc w/encl:

Region I Docket Room (w/concurrences)

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J. Goldberg, OGC

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