

No. 93-35
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FOR IMMEDIATE RELEASE
(Wednesday, March 24, 1993)

**NRC STAFF PROPOSES \$225,000 CIVIL PENALTY AGAINST TVA
FOR ALLEGED VIOLATIONS OF NRC REQUIREMENTS AT SEQUOYAH PLANT**

The Nuclear Regulatory Commission staff has proposed a \$225,000 civil penalty against the Tennessee Valley Authority for alleged violations of NRC requirements at the Sequoyah nuclear power plant, operated by TVA near Chattanooga, Tennessee.

In a letter dated March 23, 1993, NRC officials sent TVA a Notice of Violation with proposed fines related to three separate events. In the first case, the NRC said TVA did not adequately control safety system throttle valve settings which resulted in safety system valves in both units being mispositioned for approximately one to two years. A civil penalty of \$50,000 is proposed.

The second case involved both technical and administrative procedures which were not followed or were inadequate, resulting in the Unit 2 Refueling Water Storage Tank solution temperature dropping below required limits for approximately 24 hours on December 23 and 24, 1992. A civil penalty of \$75,000 is being proposed.

In the third instance, the plant experienced a dual-unit unplanned shutdown on December 31, 1992, due to an electrical disturbance in the switchyard. During the recovery of Unit 2, a series of events occurred which involved either inadequate procedures or failures to adequately follow procedures, resulting in certain control room switches being in the wrong position, valves being improperly aligned, an inadequate post-shutdown review being done, and identification of a condition adverse to quality involving control room switches which were misaligned from March 14, 1992, until the event on December 31. A civil penalty of \$100,000 is proposed.

Stewart D. Ebnetter, Administrator of the NRC's Region II office in Atlanta, told TVA in a letter accompanying the Notice of Violation that, although the NRC realizes that specific corrective actions were taken for each violation, each represents a significant breakdown in the TVA program at Sequoyah to assure that safety-related activities are properly controlled and conducted in accordance with regulatory requirements.

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TVA has 30 days from receipt of the Notice of Violation to either pay the civil penalty or to protest its imposition, in whole or in part.

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