



**Consumers
Power
Company**

General Offices: 1945 Parnall Road, Jackson, Michigan 49201 • (517) 788-1217

June 10, 1982

Russell B. DeWitt
Vice President
Nuclear Operations

82-25
Rec'd
6/14/82

R C DeYoung, Director
Office of Inspection and Enforcement
Division of Reactor Operations Inspection
US Nuclear Regulatory Commission
Washington, DC 20555

DOCKET 50-255 - LICENSE DPR-20 -
PALISADES PLANT - RESPONSE TO NOTICE OF VIOLATION AND PROPOSED IMPOSITION
OF CIVIL PENALTIES DATED MAY 12, 1982

NRC letter dated May 12, 1982, (DeYoung to Selby) transmitted a Notice of Violation and proposed imposition of civil penalties related to apparent items of noncompliance identified during an inspection conducted November 1 through December 18, 1981 (IE Inspection Report 50-255/81-28). The items of noncompliance and responses thereto are as follows:

Item:

Technical Specification 3.6.1.a states that containment integrity shall not be violated unless the reactor is in cold shutdown condition.

Contrary to the above, containment integrity was violated between 1810 and 2235 hours on December 14, 1981 when a manual vent path from the containment was created through the open inner personnel airlock door and open manual valve P5A-VAS. At the time of this occurrence, the facility was in a heatup and pressurization phase prior to reactor startup.

Response:

- a. Admission or Denial of the Alleged Violation. Consumers Power Company admits the event described above did occur. This event was reported to NRC on December 28, 1981 as Licensee Event Report 50-255/81-52.
- b. Reason for Violation. The reason for establishing the vent path from containment to the auxiliary building was that containment pressure had increased (as a result of plant heatup which was in progress) to approximately 1.0 psig. Containment pressure increases during plant heatup result from expansion of air inside containment and normally would be decreased by venting containment through the vent and purge system. However, because of problems previously identified with containment vent valves (LER 50-255/79-09), they could not be used to vent the containment building. To provide an alternate method for reducing pressure, a vent path through a 1/2-inch line

8206170313 820610
PDR ADOCK 05000255
PDR
Q

IE-14

RCDeYoung, Director
Palisades Plant

2

Response to Notice of Violation and Proposed Imposition of
Civil Penalties Dated May 12, 1982
June 10, 1982

Response: (Continued)

having automatic isolation capability was established. This vent path, however, had limited capacity, and was not sufficient to accommodate the buildup of pressure experienced on December 14, 1981.

In a proposed change to the Palisades Technical Specifications (submitted to NRC on November 24, 1980), a containment pressure limit of 1.0 psig had been proposed. Pending NRC approval of this proposed change, an administrative limit of 1.0 psig was established. As a result, the Shift Supervisor felt compelled to reduce containment pressure. After observing that the alternate vent path was not effectively limiting containment pressure, the Shift Supervisor elected to vent containment through a three-inch manual valve.

Because primary coolant system temperature was greater than 210°F, containment integrity had to be maintained. To ensure that containment integrity could be expeditiously re-established in the event of an emergency, the Shift Supervisor stationed an operator at the venting location. In the Shift Supervisor's opinion, having an operator stationed at the venting location satisfied containment integrity requirements of the Technical Specifications.

While Consumers Power Company intends to pay the civil fine levied by the NRC (a check in the amount of \$16,000 is enclosed with this letter), we find it necessary to protest categorization of the containment integrity violation as Severity Level III for the following reasons:

1. The NRC's final enforcement policy (47 FR 9987, March 9, 1982) describes a Severity Level III violation in reactor operations as significant violations involving five points. Of these five points, two are pertinent to this event and they involve: (1) A Technical Specification Limiting Condition for Operation (LCO) being exceeded (where the appropriate Action Statement was not satisfied) that resulted in loss of safety function or a degraded condition; and, sufficient information existed which should have alerted the licensee that he was in an Action-Statement Condition; and, (2) A system designed to prevent or mitigate a serious safety event not being able to perform its intended function under certain conditions (e.g. safety system not operable unless offsite power is available, materials or components not environmentally qualified). In this particular instance, the shift supervisor had taken a number of compensatory measures including stationing an operator at the three-inch manual valve venting location with the ability to terminate venting upon command. Thus, while the Technical Specification in question was indeed violated, it is Consumers Power Company's position that the intent of the Technical Specification was met and that no loss of safety function occurred.

RCDeYoung, Director
Palisades Plant
Response to Notice of Violation and Proposed Imposition of
Civil Penalties Dated May 12, 1982
June 10, 1982

3

2. The categorization of this violation as Severity Level III seems to be based in a large part on the perception of the NRC that this violation is indicative of a significant breakdown in management controls at the Palisades Plant. This conclusion is based upon the statement in the May 12, 1982 NRC letter that says: "Although the shift supervisor believed such actions would meet the intent of the facility technical specifications, we are concerned that the shift supervisor did not request guidance from either site or corporate management prior to unlocking the inner airlock door and opening the valve which resulted in violation of containment integrity. Also, management did not provide proper guidance to operating personnel on how to control pressure buildup in containment". Consumers Power Company disputes the significance of these failures as evidenced by the prompt and effective actions taken by the Company in response to this violation. However, the Enforcement Policy clearly indicates that a Severity Level III citation is characterized by a loss of safety function, and while the perceived failure in management controls is significant, the Policy does not identify such failures as being of this Severity Level.

3. It is our opinion that the actions taken by the shift supervisor in this case could be considered as meeting the intent of the Palisades Technical Specifications. This opinion is based on the fact that in a number of normal operating situations, the operator is instructed to rely on manual action for accomplishing a safety function even though new NRC requirements or plant Technical Specifications, if more strictly interpreted, might require automatic action. Examples of this include: In IE Bulletin 79-06C it was stipulated that pending installation of an automatic trip feature, an operator should be stationed in the control room in order to trip primary coolant pumps in the event of safety injection system initiation. In another instance, PWR facilities were requested by NRC to station an operator in the control room to initiate auxiliary feedwater flow under emergency conditions, until installation of automatic initiation circuitry could be completed. The most recent example is Consumers Power Company letter of June 2, 1982 entitled "Technical Specification Clarification for Containment Isolation Valve Testing" which states, that based upon discussion with the NRC staff and Combustion-Engineering Standard Technical Specifications, unrestricted boron sampling of safety injection tanks will be performed by permitting manual containment isolation valves to be opened provided that at least one manual valve is closed within four hours.

RCDeYoung, Director

Palisades Plant

Response to Notice of Violation and Proposed Imposition of
Civil Penalties dated May 12, 1982

June 10, 1982

4

- c. Corrective Actions Taken and Results Achieved. The Shift Supervisor involved was removed from shift supervision duties pending re-evaluation of his comprehension of Technical Specification requirements. A meeting with Shift Supervisors and Shift Technical Advisors was conducted to provide a briefing regarding this event. The advisory role of the Shift Technical Advisor was stressed. Additional training in Technical Specification requirements has been provided to Shift Supervisors, Shift Technical Advisors, and Duty and Call Superintendents.

The containment exhaust system has been modified such that two, eight-inch vent paths, each having automatic isolation capability, are available whenever containment pressure must be reduced.

- d. Corrective Actions Which Will be Taken. No further action with respect to this noncompliance is contemplated.
- e. Date When Full Compliance Will be Achieved. All corrective actions have been completed.

Item:

Technical Specification 6.8.1.a requires implementation of applicable procedures in Regulatory Guide 1.33, Appendix A (November 1972). Appendix A relates to procedures for performing maintenance which can affect the performance of safety-related equipment. Palisades Maintenance Procedure CRD-M-13, "Control Rod Drive Mechanism Seal Housing Replacement," a procedure which addresses safety-related component performance, specifies the installation of the flexitalic gasket (Step 5.4.3) before the installation of the seal housing assembly (Steps 5.4.4 through 5.4.7).

Contrary to the above, during maintenance on Control Rod Drive Mechanism No. 3 on October 24, 1981, the flexitalic gasket was installed after the seal housing assembly. Therefore, there was no gasket at the pressure boundary between the reactor coolant system and the containment building atmosphere. This resulted in a primary coolant leak which was identified during hydrostatic testing.

Response:

- a. Admission or Denial of the Alleged Violation. The event described above did occur, and was reported to NRC on December 29, 1981 as Licensee Event Report 50-255/81-49.
- b. Reasons for the Violation. During reinstallation of seal housing components for control rod drive mechanism (CRDM) Number 3, the seal housing gasket was improperly installed, in that it was apparently not placed in its specified location within the seal housing. As a result, an inadequate seal existed and leakage occurred through the seal housing.

RCDeYoung, Director

Palisades Plant

Response to Notice of Violation and Proposed Imposition of

Civil Penalties Dated May 12, 1982

June 10, 1982

5

Response: (Continued)

The procedure being used specified the correct gasket location, and also required verification by the supervisor in charge of the work that the gasket had been correctly installed. The supervisor was in the area where the work was being performed, was able to observe the repairman during the CRDM seal installation sequence, and based on the activity he was able to observe, concluded that the seal housing components had been properly installed. However, the supervisor did not personally inspect the seal housing to verify proper assembly.

- c. Corrective Actions Taken and Results Achieved. The seal housing for CRDM number 3 was reassembled in accordance with the procedure. The crew which had performed the assembly of CRDM number 3 had also assembled another seal housing, which was subsequently opened, inspected and found to have been properly assembled.

The repairman and the supervisor involved were disciplined.

Maintenance Supervisors have been briefed regarding this event (particular emphasis was placed on the significance of verification signatures as they apply to completed maintenance activities). Procedures related to Maintenance Department Administration have been revised to clarify the meaning of verification signatures.

- d. Corrective Actions to be Taken. No further action with respect to this item is contemplated.
- e. Date When Full Compliance Will be Achieved. The corrective actions described above have been completed.

Item:

Technical Specification 6.8.1a requires implementation of applicable procedures in Regulatory Guide 1.33, Appendix A (November 1972). Appendix A relates to procedures for performance of safety-related equipment. Palisades Administrative Procedure 5. "Maintenance Administration," requires that, following emergency maintenance on safety-related equipment, the Plant Review Committee (PRC) shall complete a review (Paragraph 5.1.2.1) and and Equipment Outage Report (EOR) shall be completed (Paragraph 5.2.12.2) prior to declaring affected equipment operable.

Contrary to the above, emergency maintenance was performed on January 19, 1981. A test valve on a sprinkler line in the southwest cable penetration room was replaced and the system was declared operable before the licensee performed a PRC review or completed an EOR. A PRC review was conducted about three months later.

RCDeYoung, Director
Palisades Plant
Response to Notice of Violation and Proposed Imposition of
Civil Penalties Dated May 12, 1982
June 10, 1982

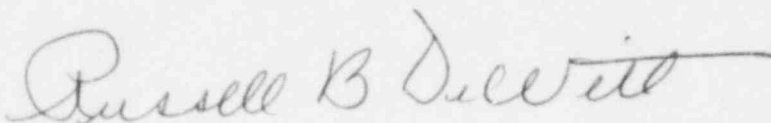
6

Response:

- a. Admission or Denial of the Alleged Violation. The event described above did occur.
- b. Reasons for the Violation. Failure to obtain the required review resulted from oversight on the part of supervisory personnel.
- c. Corrective Actions Taken and Results Achieved. The necessary reviews related to the emergency maintenance performed on January 19, 1981 were satisfactorily completed.
- d. Corrective Actions to Prevent Recurrence. The requirement to obtain a PRC review following emergency maintenance has been reevaluated and determined not to be necessary or important to safety. Accordingly, this requirement has been deleted from procedures related to administration of maintenance activities.

The requirements related to processing of an Equipment Outage Request following emergency maintenance, but prior to declaring affected equipment operable, will be reviewed with maintenance, but prior to declaring affected equipment operable, will be reviewed with maintenance and operations supervisory personnel.

- e. Date When Full Compliance Will be Achieved. Palisades is currently in full compliance with Administrative Procedures related to emergency maintenance. The reviews to be conducted with the supervisory personnel will be completed by September 1, 1982.



Russell B DeWitt
Vice President Nuclear Operations

CC Director, Office of Nuclear Reactor Regulation
Administrator, Region III, USNRC
Resident Inspector - Palisades

CONSUMERS POWER COMPANY

Palisades Plant

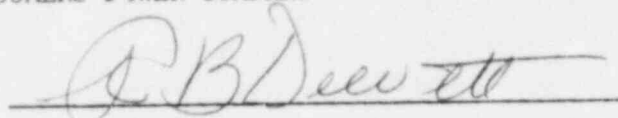
RESPONSE TO NOTICE OF VIOLATION AND PROPOSED
IMPOSITION OF CIVIL PENALTIES DATED MAY 12, 1982

Docket 50-255
License DPR-20

At the request of the Commission and pursuant to the Atomic Energy Act of 1954 and the Energy Reorganization Act of 1974, as amended, and the Commission's Rules and Regulations thereunder, Consumers Power Company submits our response to Notice of Violation and Proposed Imposition of Civil Penalties Dated May 12, 1982.

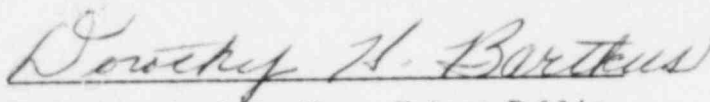
CONSUMERS POWER COMPANY

BY



R B DeWitt, Vice President
Nuclear Operations

Sworn and subscribed to before me this 10th day of June 1982.



Dorothy H Bartkus, Notary Public
Jackson County, Michigan

My commission expires March 26, 1983.

IE file

• BILL FOR COLLECTION

U. S. Nuclear Regulatory Commission

Bill No. _____

6-14-82

Date _____

(Department or Establishment and Bureau or Office)
Washington, DC 20555

(Address)

PAYER:

Consumers Power Company
Jackson, Michigan 49201

*This bill should be returned by the
payer with his remittance.
SEE INSTRUCTIONS BELOW.*

Date	DESCRIPTION	Quantity	Unit Price		Amount
			Cost	Per	
6-14-82	In payment of the civil penalty imposed on 5-12-82 for containment integrity violation Civil Penalty of \$16,000. EA 82-25 DOCKET 50-255				\$16,000. 00
AMOUNT DUE THIS BILL.					\$16,000.00



This is not a receipt

INSTRUCTIONS

Tender of payment of the above bill may be made in cash, United States postal money order, express money order, bank draft, or check, to the office indicated. Such tender, when in any other form than cash, should be drawn to the order of the Department or Establishment and Bureau or Office indicated above.

Receipts will be issued in all cases where "cash" is received, and only upon request when remittance is in any other form. If tender of payment of this bill is other than cash or United States postal money order, the receipt shall not become an acquittance until such tender has been cleared and the amount received by the Department or Establishment and Bureau or Office indicated above.

Failure to receive a receipt for a cash payment should be promptly reported by the payer to the chief administrative officer of the bureau or agency mentioned above.

DATE
06/09/82

CONSUMERS POWER COMPANY

TREASURER OF THE UNITED STATES

No. NSJ- 294496

SEQUENCE NO

C40306

PURCHASE ORDER NUMBER	INVOICE NUMBER	INVOICE DATE	GROSS AMOUNT	ADJUSTMENT AMOUNT	NET AMOUNT
CK73-0933			16,000.00		16,000.00
IN PAYMENT OF THE CIVIL PENALTY IMPOSED ON CONSUMERS POWER COMPANY PALISADES PLANT ON 5/12/82 FOR CONTAINMENT INTEGRITY VIOLATION CIVIL PENALTY OF \$16,000.00					
PAYMENT INQUIRES - CALL ACCOUNTS PAYABLE 517-788-0741					

ADJUSTMENT CODES
D - DISCOUNT
E - EXTENSION ERROR
F - FREIGHT

P - PRICE VARIANCE
Q - QUANTITY VARIANCE
R - RETAINER

T - SALES TAX
X - OTHER

TOTAL \$ 16,000.00



**Consumers
Power
Company**

JACKSON, MICHIGAN

74-60

724

No. 294496

CHECK DATE

06/09/82

SEQ NO

040306

PAY THIS AMOUNT

\$16,000.00

TO THE
ORDER
OF

TREASURER OF THE UNITED STATES
U S NUCLEAR REGULATORY COMM
WASHINGTON DC 20555

NOT VALID OVER \$25,000 OR AFTER
THREE MONTHS FROM DATE

CONSUMERS POWER COMPANY
SPECIAL ACCOUNT

THE NATIONAL BANK OF JACKSON JACKSON MICHIGAN

AM Griswold
TREASURER