

IES UTILITIES INC.

John F. Franz, Jr.
Vice President, Nuclear

August 5, 1994
NG-94-2846

U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Mail Station P1-137
Washington, DC 20555


Subject: Duane Arnold Energy Center
Docket No: 50-331
Op. License No: DPR-49
Reply to a Notice of Violation Transmitted with
Inspection Report 94012
File: A-105, A-102

Dear Sir:

This letter and attachments are provided in response to the Notice of Violation concerning activities at the Duane Arnold Energy Center.

If you have any questions regarding this response, please contact my office.

Sincerely,



John F. Franz
Vice President, Nuclear

JFF/DSR/mbm
m:nrc/w/94012.nov+

Attachments: 1. Response to Notice of Violation Transmitted with Inspection Report 94012

cc: D. Robinson
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IES Utilities Inc.
Reply to A Notice of Violation
Transmitted with Inspection Report 94012

VIOLATION ONE

Section 55.49 of Title 10 of the Code of Federal Regulations, "Integrity of Examinations and Tests," required that "Applicants, licensees, and facility licensees shall not engage in any activity that compromises the integrity of any application, test, or examination required by this part."

Duane Arnold Energy Center Training Department Administrative Procedure 1802.22, "Program Description for Licensed Operator and Shift Technical Assistant Requalification Training," Revision 4, Section 5.7.4 stated, in part, that all licensed operator examination materials shall be developed in accordance with the guidelines provided in the Operator Licensing Examination Standard, NUREG 1021.

Operator Licensing Examination Standard 601, section C.4.b stated, in part, that "Those individuals with knowledge of the examination content shall not participate in any facility requalification training programs (e.g., instruction, examination, or tutoring) involving the licensees selected for the examination."

Contrary to the above, facility trainers knowledgeable of examination content failed to maintain the integrity of the examination under development by participating in classroom instruction and simulator evaluations of licensees selected for examination.
(50-331/94012-01(DRS))

This is a Severity Level IV violation (Supplement 1).

RESPONSE TO VIOLATION ONE

1. REASON FOR VIOLATION

In August 1993, the Operations Training Supervisor assigned the same person (an instructor in the Training Department) to develop the examination for use by the NRC in the operator requalification examination which it would administer in December 1993 and to instruct classes in the Operator Requalification course during the development period. The Supervisor has stated that he interpreted NRC guidance to mean that security for examinations such as this begins when the proposed examination is presented to the NRC chief examiner and he requests executed copies of the NRC's Form ES-601.1, Examination Security Agreement (ESA). The Supervisor relied on NUREG 1021 in making this interpretation.

It is clear that the Supervisor's interpretation was incorrect and that his action was in conflict with Section D.6 of ES-601 and the ESA. Contributing to this event was the fact that the DAEC had no procedure in place at the time which defined the security arrangements to be applied to examination development and could deter compromise of the integrity of examinations under development or erroneous individual interpretation of NRC guidance.

2. CORRECTIVE STEPS THAT HAVE BEEN TAKEN AND RESULTS ACHIEVED

When management was informed of this issue by the individual who had received the conflicting assignments, an investigation team comprised of staff from DAEC Licensing, Quality Assurance and Legal was assigned to review the circumstances of this event and report its findings to the Vice-President-Nuclear. The investigation involved in-depth reviews of training center documents and interviews of DAEC personnel. Pending the outcome of this investigation, the Operations Training Supervisor was relieved of his supervisory duties. The investigation concluded that there was no actual compromise of examination materials. The Operations Training Supervisor should have understood the applicable guidance correctly and he was therefore permanently reassigned to another non-supervisory position in December 1993.

On November 24, 1993, Training Department Management met with the Operations Training instructors to discuss the event and to reinforce management's expectations regarding exam security. On November 29, 1993 a meeting was held with all DAEC Training Department supervisory staff to brief them on the exam security issue and reinforce the importance of security during exam development.

Training Department Administrative Procedure (TDAP) 1802.22, "Conduct of Licensed Operator Requalification Training," was revised (May 10, 1994, Revision 5) to require that licensed operator annual exams be prepared and protected in accordance with NUREG 1021, Revision 7. This requires DAEC to adhere to NUREG 1021 exam security provisions for the utility conducted annual exams.

TDAP 1811, "Exam Development, Security, Grading and Remedial Training," was also revised to include exam security requirements for all training programs.

3. CORRECTIVE STEPS THAT WILL BE TAKEN TO AVOID FURTHER VIOLATIONS

All corrective actions have been completed.

4. DATE WHEN FULL COMPLIANCE WILL BE ACHIEVED

DAEC was in full compliance upon modification of the examination and successful conduct of the examination in December 1993.

VIOLATION TWO

Section 55.59(c)(5) of Title 10 of the Code of Federal Regulations, "Requalification Program Requirements," requires that the facility licensee shall maintain records documenting the participation of each licensed operator and senior operator in the requalification program."

Contrary to the above, the licensee failed to properly maintain records documenting the participation of each licensed operator and senior operator in the requalification program. (50-331/94012-02(DRS))

This is a Severity Level IV violation (Supplement 1).

RESPONSE TO VIOLATION TWO

1. REASON FOR VIOLATION

DAEC's method of maintaining records of course and class attendance failed to record accurately the training received by licensed operators. Absences from training or deviations from scheduled class times were not reflected in training records. The reason for the violation was DAEC's failure to have an implementing procedure that gave guidance for controlling, documenting, and compensating for instances when absence from all or part of a class occurred.

2. CORRECTIVE STEPS THAT HAVE BEEN TAKEN AND THE RESULTS ACHIEVED

The investigation team assigned to review the examination security issue also reviewed the details of this issue and concluded that existing practices should be reviewed and procedures revised appropriately. As an interim correction action, the practice of logging attendance in Operations Training programs was revised to record attendance on a topic-by-topic basis in January 1994. Training Department Administrative Procedure (TDAP) 1802, "Department Training Practices," has been revised to specify topic-by- topic attendance taking requirements for all Training Department programs. This revision was effective in May 1994.

To ensure that this procedure change was correctly understood, field instruction was provided to training staff at the time of implementation and classroom training was provided during instructor continuing training conducted in June and July 1994.

3. **CORRECTIVE STEPS THAT WILL BE TAKEN TO AVOID FURTHER VIOLATIONS**

All corrective actions have been completed.

4. **THE DATE WHEN FULL COMPLIANCE WILL BE ACHIEVED**

DAEC was in full compliance in January 1994 when the practice of logging attendance in Operations Training programs on a topic-by-topic basis, was implemented.

VIOLATION THREE

Criterion V of 10 CFR Part 50, Appendix B, "Instructions, Procedures, and Drawings," requires, in part, that activities affecting quality be prescribed by procedures appropriate to the circumstances.

Contrary to the above, Section 5.2, "Fast Manual Startup of the SBDG System," of OI-324 incorrectly directed the operators to start an emergency service water pump and a SBDG prelube oil pump prior to starting the SBDG. Since the essential 4160 Vac bus was de-energized, power was not available to either pump. Further, Section 5.4 of OI 324 incorrectly directed operators to Section 6.1 "Reenergizing a Dead 4160V Essential Bus 1A3(4) from Startup or Standby (Transformer)," of OI-304.2, which provided instructions to reenergize a dead essential 4160 Vac bus from the startup or standby transformer vice Section 6.2 which performed the evolution from the SBDG.
(50-331/94012-04(DRP))

This is a Severity Level IV violation (Supplement 1).

RESPONSE TO VIOLATION THREE

1. REASON FOR THE VIOLATION

On March 16, 1994, Operating Instruction (OI) 304.2, "4160V Essential Electrical Distribution System", was revised to add a new section which covers re-energizing a dead 4160 Vac essential bus from the startup or standby transformer. In the process of adding this revision, an existing section, Section 6.1, was renumbered to Section 6.2. This revision was made without carefully considering the potential effect on other procedures. Specifically, the OI-324, "Standby Diesel Generator System", section 5.4 step 4, directs the operator to reenergize the essential buses per OI 304.2, Section 6.1. Therefore, when the operators were attempting to restore power to an essential bus with the Standby Diesel Generator in accordance with OI-324, they were directed to the wrong section of OI 304.2. This error was discovered during initial license operator examinations on June 7, 1994.

It was also noted during the June 7 examinations that another inadequacy existed with OI 324 in that section 5.4 directs the operators to verify that the SBDG was started in accordance with Section 5.2, "Fast Manual Startup of the SBDG System." If the SBDG was not started, the operators were directed to Section 5.2. which directed the operators to start an Emergency Service Water (ESW) pump and a SBDG prelube pump prior to starting the SBDG. However, as noted during the examination with the essential bus deenergized, power would not be available to either of these pumps.

We have concluded that, when OI-324, Revision 1, was implemented in 1987, it was not apparent that section 5.2 assumes power is available to the ESW and prelube pumps. This section is intended for a fast manual startup of the SBDG with essential power available. Additionally, OI 304.2 was improperly revised in 1994 in that the revision was made without giving proper consideration to the effect on OI 324.

2. CORRECTIVE STEPS THAT HAVE BEEN TAKEN AND THE RESULTS ACHIEVED

A complete revision of Section 5.4 of OI-324 was immediately made to eliminate the need to use other procedures and to account for the lack of power for the ESW and the SBDG prelube oil pumps. This revision was effective on June 10, 1994, and was validated by the onsite simulator on June 14, 1994. No further discrepancies were identified.

3. **THE CORRECTIVE STEPS THAT WILL BE MADE TO AVOID FURTHER VIOLATIONS**

The NRC letter which transmitted this NOV requests that we provide the Staff with our corrective actions planned and in place to ensure that the procedure review and approval process is receiving adequate management attention and oversight. As described in our response to the violation contained in inspection report 93016, we committed to perform an audit of the procedure review process in June 1994. This audit focused on the effectiveness of our implementation of the procedure change control process requirements as described in Appendix A to UFSAR 17.2.

This audit was completed in June 1994 and the report is currently being finalized. Our response to the applicable issues described in the audit report and inspection report 94012 will be provided to the Staff by September 6, 1994.

4. **DATE WHEN FULL COMPLIANCE WILL BE ACHIEVED**

Full compliance was achieved on June 14, 1994, with the revision to OI 324.