

OFFICE OF ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Sequoyah Fuels Corporation (EA 92-1
Gore, Oklahoma
Docket No. 040-08027

Subject: PROPOSED IMPOSITION OF CIVIL PENALTY - \$12,500

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$12,500 will be issued on or about August 31, 1992 to Sequoyah Fuels Corporation, Gore, Oklahoma. This action is based on two events that occurred on May 1 and June 6, 1992. In the first event, adequate procedures were not developed and adhered to for the safe conduct of a maintenance activity, resulting in a release of uranium hexafluoride (UF6) within the confines of the plant. In addition, control room operators failed to properly respond to alarms signaling over-pressurization of the section of piping involved in the UF6 release. In the second event, a control room operator failed to recognize and respond to alarms that signaled smoldering insulation on electrical heat tape around a nitrogen purge line on the UF6 feed system. Collectively, the violations associated with these events have been categorized as a Severity Level III problem. The base civil penalty was escalated 150% based on the following adjustment factors in the Enforcement Policy: identification, corrective action, licensee performance, and prior opportunity to identify.

The licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

Mailing of Notice August 31, 1992
Telephone Notification of Licensee August 31, 1992

The State of Oklahoma will be notified.

The licensee has thirty days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

Contact: J. DelMedico, OE, 504-2739 J. Lieberman OE, 504-2741

Distribution:

OWFN <u>3:00</u>	OWFN <u>3:00</u>	MNBB <u>3:00</u>	PHIL <u>3:00</u>	NL <u>3:00</u>
Chairman Selin	EDO	OC	IRM	
Comm. Rogers	DEDR	AEOD		
Comm. Curtiss	DEDS	Op Ctr		
Comm. Remick	OE			
Comm. de Planque	NMSS			
SECY	NRR			
OCA	OT			
OSP	OGC			
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Regional Offices		MAIL
RI <u>3:00</u>	RIV <u>3:00</u>	ADM: Doc. Mgt. Br.
RII <u>3:00</u>	RV <u>3:00</u>	PDR ACRS
RIII <u>3:00</u>		RES OIG

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