

From: Kenneth M. Clark (KMC2)  
To: JTK  
Date: Friday, May 6, 1994 1:51 pm  
Subject: Press Release on Vogtle Enforcement

*SM calls  
after 1:00 PM*

Please notify the following at Georgia Power and Southern Nuclear Operating Company, re the Vogtle press release for Monday, May 9, 1994:

Georgia Power: David Altman, Public Affairs manager  
(404) 526-7475

SNOC: Ed Crosby, Public Affairs Mgr. (205) 868-5752

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✓ According to our "practice" we should notify them this afternoon if we are going to issue forth on Monday. If we notify them Monday, our normal "practice" would be to issue the press release on Tuesday. ✓

✓  
NO My barometer says Ebnetter may get the signal to notify company officials this afternoon, clearing the decks for Monday's press volley.

If you want, I can call the above two after company officials have been informed.

CC: WMB, SDE, BXU, CFE, JRJ

TO: J. Korseck, OPA  
FROM: K. Clark, Region II

B191

NRC STAFF PROPOSES \$200,000 FINE AGAINST  
GEORGIA POWER COMPANY

The Nuclear Regulatory Commission is proposing to fine Georgia Power Company \$200,000 for supplying inaccurate and incomplete information related to the reliability of diesel generators at the company's Vogtle nuclear power plant in Georgia.

In addition to the proposed fine, the NRC is issuing ~~demands~~ for ~~information~~ to Georgia Power, regarding individual performance failures of six officials, to enable the NRC to determine whether additional enforcement actions are necessary.

The proposed fine follows an investigation conducted by the NRC's Office of Investigations (OI) as a result of allegations received in June 1990 that false statements were made to the NRC by senior management of Georgia Power regarding the reliability of diesel generators at Vogtle. In March of 1990, the company declared a Site Area Emergency during a refueling outage at Vogtle 1 when offsite power was lost concurrent with the failure of the only diesel generator that was then available.

Georgia Power agreed not to return Vogtle 1 to power until the NRC's Regional Administrator II in Atlanta, Georgia, was

satisfied the plant could do so safely. In support of a request to return the unit to operation, the company made an oral presentation in Region II offices in April 1990 and specifically addressed diesel generator reliability at the request of the NRC. The agency granted permission for the unit to return to operation shortly afterward.

When allegations were received in June 1990, a special team inspection by the NRC examined the technical and safety significance of the allegations. Based on evidence from the special team inspection, information gathered in the OI investigation, letter submittals from Georgia Power on the diesel generators, and discovery responses in a Vogtle operating license amendment proceeding, the NRC has concluded that five violations occurred. The proposed civil penalty cites repeated failures of company management to provide complete and accurate information related to successful starts, failures or problems occurring with the diesel generators.

These alleged violations have been categorized as a Severity Level II problem on a scale of I to V, with Level I representing a problem or violation of very significant regulatory concern.

As the NRC stated in the letter transmitting the Notice Violation to the licensee, ". . . these violations are of regulatory significance, not because of the <sup>e</sup> affect that the inaccuracies had on the safety of plant operation, but because the circumstances surrounding the communications with the NRC demonstrate an inadequate regard individually by a number of senior licensee officials, and collectively by the licensee's management, for complete and accurate communications with the NRC."

The base civil penalty for Severity Level II is \$80,000. The civil penalty was increased 50 percent for NRC identification <sup>4</sup> and 100 percent for prior opportunity to identify and correct the problem, escalating the proposed fine to \$200,000.

Georgia Power has 30 days to submit a written statement to the NRC admitting or denying the violations, explaining the reasons for them if admitted, stating the corrective actions that have or will be taken and the date when full compliance will be achieved.

The company also has 30 days to pay the proposed fine or to protest it, in whole or in part. If the fine is protested and later imposed, Georgia Power may request a public hearing.

~~The individuals have~~

Georgia Power also has 30 days to submit its written response to the demands for information. By separate correspondence, company individuals who are subjects of demand for information are being given an opportunity to submit separate responses.

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