

October 22, 1996

EA 96-355

Mr. J. H. Mueller  
Site Vice President  
Zion Generating Station  
Commonwealth Edison Company  
101 Shiloh Boulevard  
Zion, IL 60099

SUBJECT: NRC ENGINEERING AND TECHNICAL SUPPORT (E&TS) INSPECTION  
REPORT NO. 50-295/96011(DRS); 50-304/96011(DRS)

Dear Mr. Mueller:

This refers to the engineering and technical support inspection conducted by Mr. Z. Falevits and others of this office from July 22 through August 22, 1996. The inspection included a review of activities authorized for your Zion Nuclear Generating Station. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed report.

The areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of a selective examination of design documents, procedures and representative records, interviews with personnel, and observations of activities in progress. The purpose of the inspection was to determine whether activities authorized by your license were conducted safely and in accordance with NRC requirements.

The team determined that significant problems existed in several technical areas and engineering processes. Examples included: an ineffective 10 CFR 50.59 safety evaluation process, inadequate modification closeout and post-modification testing process, lack of control and understanding of the Technical Specification Interpretation process that allowed inappropriate interpretations, inadequate identification and resolution of recurring equipment deficiencies and examples of failure to follow procedures and inadequate procedures. Oversight of the above engineering activities was considered weak.

When viewed in the aggregate, the problems described in this report represent a significant deficiency in the overall execution of engineering activities. Your close and immediate attention to these problems is warranted. The specific areas of apparent violation are described in the paragraph below.

Based on the results of this inspection, five apparent violations were identified and are being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), evaluation process, which resulted in lack of safety evaluations or inadequate safety

9610280022 961022  
PDR ADOCK 05000295  
Q PDR

1001  
11

evaluations. The second apparent violation involved a failure to ensure that field-installed design change modifications had been properly evaluated, tested or signed off prior to placing them in service. The third apparent violation concerned failure to indicate the operability status of systems, structures and components that had been modified and placed in use, but not yet fully tested. The fourth apparent violation concerned failure to take timely corrective actions for an extended period of time to address equipment nonconforming conditions. The fifth apparent violation concerned inadequate procedures and failure to follow procedures, which contributed to Technical Specification Interpretation deficiencies and the failure to enter the discrepancies generated by your Updated Final Safety Analysis Report (UFSAR) conformance review into your problem identification process.

Accordingly, no Notice of Violation is presently being issued for these inspection findings. In addition, please be advised that the number and characterization of the apparent violations described in the enclosed inspection report may change as a result of NRC review.

A pre-decisional enforcement conference to discuss these apparent violations will be scheduled on a date to be determined. The decision to hold a pre-decisional enforcement conference does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. This conference is being held to obtain information to enable the NRC to make an enforcement decision, such as a common understanding of the facts, root causes, missed opportunities to identify the apparent violations sooner, corrective actions, significance of the issues, and the need for lasting and effective corrective actions. In particular, we expect you to address any extenuating circumstances that led to the apparent breakdown in the engineering processes depicted in the apparent violations noted above.

In addition, this is an opportunity for you to point out any errors in our inspection report and for you to provide any information concerning your perspectives on: (1) the severity of the violations; (2) the application of the factors that the NRC considers when it determines the amount of the civil penalty that may be assessed in accordance with Section VI.B.2 of the Enforcement Policy; and (3) any other application of the Enforcement Policy to this case, including exercise of discretion in accordance with Section VII.

You will be advised in separate correspondence of the results of our deliberations on this matter. No response regarding these apparent violations is required at this time.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter, its enclosures, and your response to this letter will be placed in the NRC Public Document Room.

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

Original signed by Geoffrey E. Grant

Geoffrey E. Grant, Director  
Division of Reactor Safety

Docket Nos. 50-295; 50-304  
License Nos. DPR-39; DPR-48

Enclosure: Inspection Report  
No. 50-295/96011(DRS);  
No. 50-304/96001(DRS)

cc w/encl: D. A. Sager, Vice President,  
Generation Support  
H. W. Keiser, Chief Nuclear  
Operating Officer  
G. K. Schwartz, Station Manager  
W. Stone, Regulatory Assurance  
Supervisor  
I. Johnson, Acting Nuclear  
Regulatory Services Manager  
Document Control Desk - Licensing  
Richard Hubbard  
Nathan Schloss, Economist,  
Office of the Attorney General  
Mayor, City of Zion  
State Liaison Officer, Wisconsin  
State Liaison Officer  
Chairman, Illinois Commerce Commission

Distribution:

Docket File w/encl	SRI's, Zion, Braidwood,	Enf. Coordinator, RIII w/encl
PUBLIC IE-01 w/encl	Byron w/encl	RAC1 w/encl (E-mail)
OC/LFDCB w/encl	G. E. Grant, RIII w/encl	CAA1 w/encl (E-mail)
DRP w/encl	LPM, NRR w/encl	W. L. Axelson, RIII w/encl
RIII PRR w/encl	DRS w/encl	A. B. Beach, RIII w/encl

DOCUMENT NAME: G:\DRS\ZIO96011.DRS

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure  
"N" = No copy

OFFICE	RIII	E	RIII	E	RIII	E	RIII	N	RIII
NAME	ZFalevits/ Guzman:nh	#	MRing LMiller	#	BBurgess	#	BBurgess section 6.8.1	#	HClayton/GGrant
DATE	10/16/96		10/16/96		10/17/96		10/18/96		10/22/96

OFFICIAL RECORD COPY