

September 27, 1996

EA 96-367

Mr. Lew W. Myers
Vice President - Nuclear
Centerior Service Company
P.O. Box 97, A200
Perry, OH 44081

SUBJECT: SPECIAL INSPECTION REPORT NO. 50-440/96008(DRS)

Dear Mr. Myers:

This refers to the special inspection conducted from August 26 through September 11, 1996, at your Perry Nuclear Power Plant, Unit 1, facility to review two Licensee Event Reports documenting events involving your emergency closed cooling system. The enclosed report presents the results of this inspection.

Based on the results of this inspection, four 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), NUREG 1600.

Two of the apparent violations involve technical specification limiting condition for operation action requirements which were exceeded. One of these involved a 45 hour period where the emergency closed cooling system was inoperable, and the actions required by technical specification 3.0.3 were not completed.

The remaining two apparent violations involve corrective action issues. In one case corrective actions were neither timely nor adequate to address a leaking safety-related motor-operated butterfly valve. In a second case, corrective actions failed to correct an adverse condition regarding the ability to operate safety-related control room complex chillers at low lake temperatures. Further, poor post-modification testing failed to promptly identify that the problem had not been corrected. While both of these events occurred more than two years ago, problems regarding corrective actions for these events existed at the time of the inspection and are of particular concern.

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No Notice of Violation is presently being issued for these inspection findings. Please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review.

A predecisional enforcement conference to discuss these apparent violations has been scheduled for October 11, 1996. The decision to hold a predecisional 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 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 a 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 the exercise of discretion in accordance with Section VII.

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

A violation was also identified by the inspectors regarding Licensee Event Report (LER) 93-021 because it failed to provide an adequate assessment of the safety consequences and implications of the event as required by 10 CFR 50.73. This violation is of concern because a comprehensive and detailed LER is important for reviewers, who may not have an in-depth knowledge of your specific plant design, to fully understand the significance of the event.

This violation is cited in the enclosed Notice of Violation, and the circumstances surrounding the violation are described in detail in the enclosed report. Please note that you are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

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

L. W. Myers

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

Sincerely,

Original signed by G. E. Grant

Geoffrey E. Grant, Director
Division of Reactor Safety

Docket No. 50-440

Enclosures: 1. Notice of Violation
2. Inspection Report
No. 50-440/96008(DRS)

cc w/encls: J. P. Stetz, Senior Vice
President - Nuclear
L. W. Worley, Director, Nuclear
Services Department
J. D. Kloosterman, Manager,
Regulatory Affairs
W. R. Kanda, Director, Perry
Nuclear Assurance Department
N. L. Bonner, Director, Perry
Nuclear Engineering Department
H. Ray Caldwell, General Superintendent
Nuclear Operations
R. D. Brandt, General Manager Operations
Terry L. Lodge, Esq.
State Liaison Officer, State of Ohio
Robert E. Owen, Ohio Department of Health
C. A. Glazer, State of Ohio
Public Utilities Commission

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