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To: AKH, DBM, RMP, LLR, PHG, DXW, MAY
Date: Friday, November 5, 1993 3:59 pm
Subject: IIT Supporting Docs

documentation collected to support the IIT on Vogtle for
NREG-1410 may be accessed in NUDOS under accession no.
202190236. The Fiche address is 61000-001 thru 61012-058.
author is C. Siegel.

E-M From: Darl Hood, NRR

To: Richard K. Hoefling, OGC

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FOR IMMEDIATE RELEASE
(Tuesday, May 10, 1994)

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 Region II Administrator 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 of Violation to the licensee, "... these violations are of regulatory significance, not because of the 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 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.

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.

U P D A T E

Georgia Power Company Response to NRC action May 10, 1994

The Nuclear Regulatory Commission has informed the Company of a proposed \$200,000 fine for providing inaccurate and incomplete information to the agency related to a March 1990 incident at Plant Vogtle.

The Company has acknowledged that information initially provided to the NRC was inaccurate. The inaccuracies were discovered by the Company and reported to the NRC.

"Unfortunately, we made some mistakes in collecting and reporting information when this event occurred four years ago," said Allen Franklin, president and CEO of Georgia Power. "Those mistakes were honest and unintentional. When we discovered them, we reported it ourselves to the NRC. We've always had a policy of providing complete, accurate and clear information to the NRC."

Franklin said that safety has always been a top priority and that "the people of Plant Vogtle have already achieved much success in operating the plant safely."

"We're confident that our employees approached this matter honestly and in good faith," he added.

Franklin said that the Company is looking forward to providing more information to the NRC. "We know this additional information will be considered by the Commission."

Franklin also said that, in any event, if a civil penalty is finally ordered, it will not be paid for by Georgia Power customers.

Handwritten signature and initials:
[Signature]
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