



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

MAR 08 1994

*Region II comments
via Bruce
Wright, RII on
3/11/94*

MEMORANDUM FOR: William T. Russell, Director
Office of Nuclear Reactor Regulation

Stewart D. Ebner, Regional Administrator
Region II

Karen Cyr, Deputy General Counsel for
Hearings, Enforcement, & Administration

FROM: James Lieberman, Director
Office of Enforcement

SUBJECT: PROPOSED ENFORCEMENT ACTION - VOGTLE

On February 23, 1994, I distributed the first draft of a proposed enforcement action for Georgia Power Company's (GPC) submission of inaccurate and incomplete information on the Vogtle diesel generator problem. [REDACTED]

[REDACTED], we ask that you submit comments to OE by March 10, 1994 and participate in a meeting to discuss and finally resolve comments on March 14, 1994 at 12:30 pm.

Jim Lieberman
James Lieberman, Director
Office of Enforcement

Enclosures: As Stated

cc: J. Taylor, EDO
J. Milhoan, DEDR
F. Miraglia, NRR
B. Hayes, OI
L. Chandler, OGC
J. Goldberg, OGC
D. Matthews, NRR (5)

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PREDECISIONAL INFORMATION
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Rev. 8: VOGPAPER.R8 3/8/94

March XX, 1994

SECY-94-XXX

FOR: The Commissioners

FROM: James M. Taylor
Executive Director for Operations

SUBJECT: PROPOSED ENFORCEMENT ACTION AGAINST GEORGIA POWER
COMPANY, VOGTLE ELECTRIC GENERATING PLANT
(EA 93-304, EA 94-036, EA 94-037, and EA 94-052)

PURPOSE:

To consult with the Commission regarding the issuance of a Notice of Violation
Information to the Georgia Power Company (GPC). and Demands for
[REDACTED]

BACKGROUND:

On March 20, 1990, during a refueling outage at Vogtle Electric Generating Plant (VEGP) Unit 1, GPC declared a Site Area Emergency (SAE) when offsite power was lost concurrent with the failure of the only Unit 1 Diesel Generator (DG) that was available (1A). The other Unit 1 DG (1B) was unavailable due to maintenance activities.

The NRC immediately responded to the SAE at the VEGP site with an Augmented Inspection Team (AIT) which was subsequently upgraded to an Incident Investigation Team (IIT) on March 23, 1990.

On March 23, 1990, the NRC issued a Confirmation of Action Letter (CAL) to GPC that, among other things, confirmed that GPC had agreed not to return VEGP Unit 1 to criticality until the Regional Administrator was satisfied that appropriate corrective actions had been taken, and that the plant could safely return to power operations.

On April 9, 1990, GPC made a presentation to the NRC in the Region II offices in support of GPC's request to return VEGP Unit 1 to power operations. As part of this presentation, GPC provided information on DG starts in response to a specific NRC request that GPC address DG reliability in its April 9 presentation. GPC submitted a written summary of its April 9 presentation in an April 9, 1990 letter, "Vogtle Electric Generating Plant Confirmation of Action Letter." The NRC formally granted permission for VEGP Unit 1 to return to criticality and resume power operations on April 12, 1990.

On April 19, 1990, pursuant to 10 CFR 50.73, GPC submitted Licensee Event Report (LER) 50-424/90-06, "Loss of Offsite Power Leads to Site Area Emergency."

On June 29, 1990, GPC submitted a revised LER, 50-424/90-06-01. The purpose of the submittal was to clarify information related to successful DG starts that were discussed in the April 9, 1990 letter and the April 19, 1990 LER, and to update the status of corrective actions in the original LER.

From August 6 through August 17, 1990, the NRC conducted a Special Team Inspection (STI) at VEGP, as a result of NRC concerns about, and allegations related to, VEGP operational activities. This inspection examined the technical validity and safety significance of the allegations, but did not investigate alleged wrongdoing. The Special Team informed GPC that the June 29, 1990 submittal failed to address the April 9, 1990 data and requested that GPC clarify DG starts reported on April 9, 1990.

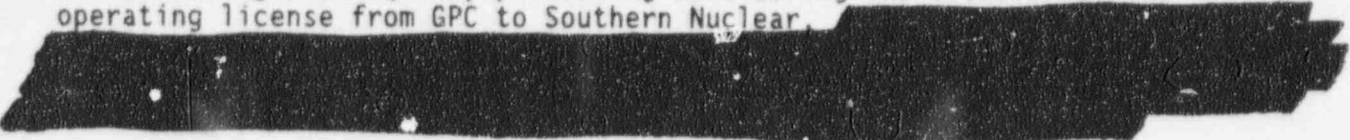
On August 30, 1990, GPC submitted a letter, "Clarification of Response to Confirmation of Action Letter." The purpose of the submittal was to clarify the diesel start information that was addressed in the April 9, 1990 submittal.

On December 17, 1993, an investigation of licensed activities was completed by the NRC's Office of Investigations (OI). The investigation was initiated in response to allegations received in June 1990 by NRC Region II asserting, in part, that material false statements were made to the NRC by senior licensee officials regarding the reliability of the DGs at VEGP as reflected in the series of communications on the issue described above. The OI Report of Investigation (Case No. 2-90-020R) is enclosed (Enclosure 1). Because of the nature of OI's preliminary conclusions, OI discussed the matter with the Department of Justice (DOJ) on January 9, 1992. By memorandum dated April 12, 1993, DOJ notified the NRC that it was closing its criminal investigation of the matter and recommended that the NRC continue its administrative proceeding. DOJ also advised the NRC to contact DOJ in the event subsequent NRC investigation identified additional evidence of criminal activity. OI discussed the final results of its investigation with DOJ on December 16, 1993, and DOJ verbally declined criminal prosecution of the matter.

[REDACTED] the staff formed a special task force on September 16, 1993, composed of representatives from the Office of Enforcement, Region II, the Office of Nuclear Reactor Regulation, and the Office of General Counsel to conduct a detailed review of the evidence

collected by OI on the allegations. The Vogtle Coordinating Group (Group) was also tasked with identifying any violations and developing a detailed analysis of the evidence in support of its conclusions.

In addition to this enforcement proceeding, there is an ongoing Atomic Safety and Licensing Board (ASLB) proceeding considering the transfer of the operating license from GPC to Southern Nuclear.



DISCUSSION:

The OI investigation concluded that evidence uncovered by OI supports a finding of deliberate failures on the part of GPC officials to provide the NRC with information that is complete and accurate in all material respects. OI concluded that:

- (1) the VEGP General Manager²(George Bockhold, Jr.) deliberately presented incomplete and inaccurate information regarding the testing of the VEGP Unit 1 DGs during an oral presentation to the NRC on April 9, 1990,
- (2) GPC submitted inaccurate and incomplete information regarding DG test results in a letter to NRC dated April 9, 1990, as a result of deliberate actions by Mr. Bockhold,
- (3) GPC submitted inaccurate and incomplete information regarding DG air quality in the April 9 letter to the NRC, as a result of deliberate actions by Mr. Bockhold,
- (4) the Senior Vice President - Nuclear Operations (George W. Hairston, III), with, at a minimum, careless disregard, submitted a false statement of diesel test results to the NRC in Licensee Event Report (LER) No. 90-006, dated April 19, 1990, as a direct result of deliberate actions by a group of senior managers including Mr. Hairston, the Vice President - Vogtle Project (C. Kenneth McCoy), the Corporate General Manager of Plant Support (William B. Shipman), and Mr. Bockhold,
- (5) Mr. Hairston, with, at a minimum, careless disregard, submitted a false statement to NRC in the letter of transmittal of a revision to LER 90-006, dated June 29, 1990,
- (6) Mr. McCoy, with, at a minimum, careless disregard, submitted both a false statement and a misleading statement in the GPC clarification of Confirmation of Action response letter to NRC dated August 30, 1990, and

²Licensee organizational charts are included in Enclosure 2.

The Commissioners

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- (7) GPC provided inaccurate information in its response to a 10 CFR 2.206 petition, dated April 1, 1991. OI could not conclude that these actions were deliberate.

OI also concluded from the combination of the above findings, and the overall review of numerous audio tape recordings of internal GPC conversations regarding their communications with the NRC on a range of issues, that, at least in the March-August 1990 time frame, there was evidence of a closed, decisive, adversarial attitude toward NRC on the part of GPC senior management.

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[REDACTED]

[REDACTED]

Finally, the Group reviewed numerous audio tapes and other evidentiary materials associated with DG testing during the March-August 1990 time frame.

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NOTE: This paper and its issues should not be publicly disclosed because the matter involves sensitive as well as predecisional enforcement issues.

James M. Taylor
Executive Director for Operations

Enclosures:

1. OI Report 2-90-020R
2. Licensee Organization Charts
3. Vogtle Coordinating Group Analysis
4. Notice of Violation [REDACTED]
[REDACTED] and Demands for Information

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PREDECISIONAL INFORMATION
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Rev. 10: VOGCOVER.R10 3/8/94

Docket No. 50-424
License No. NPF-68
EA 93-304, EA 94-036, EA 94-037, and EA 94-052
Georgia Power Company
ATTN: Mr. H. Allen Franklin
President and Chief Executive Officer
Post Office Box 1295
Birmingham, Alabama 35201

SUBJECT: NOTICE OF VIOLATION [REDACTED]
[REDACTED] AND DEMANDS FOR INFORMATION (NRC
OFFICE OF INVESTIGATIONS REPORT NO. 2-90-020 AND NRC
INSPECTION REPORT NO. 50-424,425/90-19, SUPPLEMENT 1)

This refers to the investigation conducted by the Nuclear Regulatory Commission's Office of Investigations (OI) at Georgia Power Company's (GPC) Vogtle Electric Generating Plant (VEGP) which was completed on December 17, 1993. The investigation was initiated as a result of information received in June 1990 by Region II alleging, in part, that material false statements were made to the NRC by senior officials of GPC regarding the reliability of the Diesel Generators (DGs). The pertinent events involved in this matter are described below.

On March 20, 1990, during a refueling outage at VEGP Unit 1, GPC declared a Site Area Emergency (SAE) when offsite power was lost concurrent with the failure of the only Unit 1 DG that was available (1A). The other Unit 1 DG (1B) was unavailable due to maintenance activities.

The NRC immediately responded to the SAE at the VEGP site with an Augmented Inspection Team (AIT). The NRC effort was upgraded to an Incident Investigation Team (IIT) on March 23, 1990. The IIT was composed of NRC Headquarters technical staff and industry personnel. The results of this investigation are documented in NUREG-1410, "Loss of Vital AC Power and the Residual Heat Removal System During Mid-Loop Operations at Vogtle Unit 1 on March 20, 1990."

On March 23, 1990, the NRC issued a Confirmation of Action Letter (CAL) to GPC that, among other things, confirmed that GPC had agreed not to return VEGP Unit 1 to criticality until the Regional Administrator was satisfied that appropriate corrective actions had been taken, and that the plant could safely return to power operations.

On April 9, 1990, GPC made a presentation to the NRC in the Region II offices in support of GPC's request to return VEGP Unit 1 to power operations. As part of this presentation, GPC provided information on DG starts in response to a specific NRC request that GPC address DG reliability in its April 9 presentation. GPC submitted a written summary of its April 9 presentation in an April 9, 1990 letter, "Vogtle Electric Generating Plant Confirmation of Action Letter."

On April 12, 1990, the NRC formally granted permission for VEGP Unit 1 to return to criticality and resume power operations.

On April 19, 1990, pursuant to 10 CFR 50.73, GPC submitted Licensee Event Report (LER) 50-424/90-06, "Loss of Offsite Power Leads to Site Area Emergency."

On June 29, 1990, GPC submitted a revised LER, 50-424/90-06-01. The purpose of the submittal was to clarify information related to successful DG starts that were discussed in the April 9, 1990 letter and the April 19, 1990 LER, and to update the status of corrective actions in the original LER.

From August 6 through August 17, 1990, the NRC conducted a Special Team Inspection at VEGP, as a result of NRC concerns about, and allegations related to, VEGP operational activities. This inspection examined the technical validity and safety significance of the allegations, but did not investigate alleged wrongdoing. The Special Team informed GPC that the June 29, 1990 submittal failed to address the April 9, 1990 data and requested that GPC clarify DG starts reported on April 9, 1990. Results of this inspection are documented, in part, in NRC Inspection Report No. 50-424,425/90-19, Supplement 1, dated November 1, 1991.

On August 30, 1990, GPC submitted a letter, "Clarification of Response to Confirmation of Action Letter." The purpose of the submittal was to clarify the diesel start information that was addressed in the April 9, 1990 submittal.

The NRC has carefully reviewed the evidence associated with these events, submittals, and representations to the NRC. Specifically, the NRC reviewed information gathered as part of the OI investigation, information gathered during the IIT, NUREG-1410, Supplement 1 of NRC Inspection Report 90-19, discovery responses in the Vogtle operating license amendment proceeding (Docket Nos. 50-424 OLA-3, 50-425 OLA-3), and other related information. [REDACTED]

[REDACTED] The VEGP General Manager was personally involved in the preparation of the data regarding the DG reliability and tasked the Unit Superintendent with collecting the number of successful DG starts for the 1A and 1B DGs.

[REDACTED]

In fact, the VEGP General Manager stated no criteria for successful starts, a term not fully defined, when he directed the Unit Superintendent to gather successful DG starts. The Unit Superintendent collected DG start data from the Control Room Log and the Shift Supervisor's Log [REDACTED]

[REDACTED] and orally conveyed totals to the VEGP General Manager for the 1A and 1B diesels.

[REDACTED]

Information was then presented to the NRC in an April 9, 1990 oral presentation by the VEGP General Manager and in an April 9, 1990 letter that since March 20, 1990, there were 18 and 19 successful consecutive starts on the 1A and 1B DGs, respectively, without problems or failures.

[REDACTED]

[REDACTED] the 19 trouble-free starts for the 1B DG that GPC reported in the presentation and letter included three starts with problems that occurred during DG overhaul/maintenance activities (a high lube oil temperature trip on March 22, 1990; a low jacket water pressure/turbo lube oil pressure low trip on March 23, 1990; and a failure to trip on a high jacket water temperature alarm occurring on March 24, 1990). The correct number of consecutive successful starts was 12 for the 1B DG--a number

[REDACTED] less than that reported by GPC to the NRC on April 9, 1990.

[REDACTED]

[REDACTED]

The air for starting a DG and operating its instruments and controls is derived from the starting air system. The starting air system contains dryers designed to maintain moisture content (i.e., dew point) at acceptable levels.

[REDACTED]

A review of maintenance records and deficiency cards associated with Unit 1 would have revealed that high dew points were also attributable to system air dryers occasionally being out of service for extended periods and to system repressurization following maintenance, as documented in NRC Inspection Report No. 50-424,425/90-19, Supplement 1, dated November 1, 1991.

[REDACTED]

LER 90-006, submitted to the NRC on April 19, 1990, was based, in part, on information presented to the NRC on April 9, 1990 [REDACTED]

[REDACTED] During the preparation of the LER, the Acting VEGP Assistant General

Manager - Plant Support questioned the accuracy of the April 9, 1990 letter given that there were trips on the 1B DG after March 20, 1990.

[REDACTED]

In later discussions regarding the draft LER, the General Manager, Technical Support Manager and Acting VEGP Assistant General Manager - Plant Support acknowledged that they could not identify the specific DG start that represented the starting point for the count presented to the NRC, i.e., the first start following completion of the CTP. There were also different interpretations about what testing the term CTP encompassed. The General Manager - Plant Support (Vogtle Project), the VEGP Technical Support Manager, and the Acting VEGP Assistant General Manager - Plant Support were aware that the VEGP General Manager had earlier stated that his April 9 count began after instrument recalibration. The Acting VEGP Assistant General Manager - Plant Support stated that his understanding of the CTP was that it would be a test program to determine root causes and restore operability.

[REDACTED]

In fact, the Unit Superintendent who collected the original April 9th data advised the Acting VEGP Assistant General Manager - Plant Support and the VEGP Technical Support Manager that he started his counts on March 20, prior to the time when a CTP could have been completed.

[REDACTED]

the 1A and 1B DG start counts reported on April 19, 1990 overstated the actual counts by including starts that were part of the test program.

[REDACTED]

the DGs--the failure of which was the very issue that caused an extended shutdown. GPC was aware of the NRC's interest in the DGs, in that the NRC specifically asked GPC to address DG reliability as part of its restart presentation for April 9, 1990.

[REDACTED]

Georgia Power Company

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[REDACTED]

On April 30, 1990, the Acting VEGP Assistant General Manager - Plant Support gave the VEGP General Manager a listing of 1B DG starts, [REDACTED]

After being informed that the April 19 DG start counts were in error, the Senior Vice President - Nuclear Operations informed the Regional Administrator that a revision to the April 19 LER would be submitted, in part, to correct the DG start counts. After being provided conflicting data for the second time, the Senior Vice President - Nuclear Operations again notified the Regional Administrator. He also requested that an audit be conducted by GPC's Safety Audit and Engineering Review (SAER) group to establish the correct data and to determine why the errors were made. The audit, completed June 29, narrowly focused on a review of diesel records (Test Data Sheets, Shift Supervisor's Log, and Diesel Generator Start Log) to verify the number of DG starts. The audit did not identify any specific cause for the error in the number reported in the LER. The audit stated, however, that the error appeared to result from incomplete documentation. The audit also noted that there apparently was some confusion about the specific point at which the test program was completed. [REDACTED]

[REDACTED]

On June 29, 1990, the draft cover letter for the LER revision was being reviewed at the site. The draft had originated in GPC corporate headquarters and included language personally developed by the Senior Vice President - Nuclear Operations and the Vice President - Vogtle Project. During the site review, a VEGP Technical Assistant (TA) (formerly the Acting VEGP Assistant General Manager - Plant Support) noted that the letter was incomplete and challenged the accuracy of the reasons stated in the draft cover letter in conversations with the Supervisor - SAER, the VEGP Assistant General Manager - Plant Support, the VEGP Manager - Engineering Support, and a Licensing Engineer - Vogtle Project. The VEGP TA stated that: (1) the letter failed to clarify the DG starts reported on April 9, (2) DG record keeping practices were not a cause of the difference in the DG starts reported in the April 19 LER because adequate

information was available when the counting errors were made, and (3) the erroneous counts resulted from personnel errors in developing the count.

[REDACTED]

[REDACTED]

[REDACTED]

The Vice President - Vogtle Project and the Senior Vice President - Nuclear Operations were actively involved in the preparation of the June 29 cover letter. The VEGP General Manager and Vice President - Vogtle Project reviewed, and the Senior Vice President - Nuclear Operations signed, the June 29 cover letter which stated that its purpose was, in part, to clarify information provided to the NRC on April 9.

[REDACTED] the April 9, 1990 letter. The letter stated that the errors in the April 9 letter and presentation and the April 19 LER were caused, in part, by confusion in the distinction between a successful start and a valid test.

[REDACTED]


[REDACTED] During the August 29, 1990 Plant Review Board meeting, the VEGP Manager - Technical Support questioned if the Unit Superintendent (the individual who originally collected the DG start data) was confused in the distinction between a successful start and a valid test. The VEGP General Manager admitted that the Unit Superintendent was not confused about the distinction when he collected the data which was used to prepare the April 9 letter, but stated that the sentence was not in error because other people were confused. The VEGP General Manager acknowledged that there was confusion among individuals after April 9, but admitted that the Unit Superintendent was not confused when he developed the information. [REDACTED]

[REDACTED] The August 30 letter states that the error in the April 9 letter and presentation and the April 19 LER were caused, in part, by an error made by the individual who performed the count of DG starts. [REDACTED]

[REDACTED] While GPC undertook efforts to correct the April 19 LER, it narrowly focused only on that submittal. For example, GPC conducted an audit, the scope of which was limited to review of DG records, in an attempt to correct the start count reported in the April 19 LER. Furthermore, in its June 29 submittal, while GPC referred to both the April 9 letter and the April 19 LER, it attempted to explain only the reasons for the error in the April 19 LER. The Senior Vice President - Nuclear Operations and the Vice President - Vogtle Project were directly involved in the development of the June 29 letter. [REDACTED]

[REDACTED] Subsequently, the NRC requested that GPC make a submittal addressing the April 9 letter. [REDACTED]

The Vice President - Vogtle Project committed during the August 17 meeting with the NRC special inspection team to provide clarification to the NRC regarding the April 9 letter.



GPC forwarded a submittal regarding the April 9 letter on August 30 that was drafted at corporate headquarters under the direction of the Vice President - Vogtle Project, without an assessment of the actions of the VEGP General Manager and the Unit Superintendent who developed erroneous information for the April 9 letter.

Georgia Power Company

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[REDACTED]

[REDACTED]

Although OI's investigation primarily focused on actions and communications involving the DGs, OI also reviewed other communications within a particular time-frame and made a general observation that GPC exhibited a closed, adversarial attitude toward the NRC. [REDACTED]

Georgia Power Company

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The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96-511.

Sincerely,

James L. Milhoan
Deputy Executive Director
for Nuclear Reactor Regulation,
Regional Operations, and Research

Enclosures:

1. Notice of Violation [REDACTED]
2. Demand For Information Regarding Messrs. Thomas V. Greene, Georgie R. Frederick, Harry W. Majors, and Michael W. Horton
3. Demand For Information Regarding Mr. C. Kenneth McCoy
4. Demand For Information Regarding Mr. George Bockhold, Jr.

check Vogtle consistency

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Rev. 5: VOGNOVCP.R5 3/3/94

NOTICE OF VIOLATION

[REDACTED]

Georgia Power Company
Vogtle Electric Generating Plant

Docket No. 50-424
License No. NPF-68
EA 93-304

During an NRC inspection conducted from August 6, 1990 to August 17, 1990 and an NRC investigation completed on December 17, 1993, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C, the Nuclear Regulatory Commission proposes to impose [REDACTED] pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violations [REDACTED] are set forth below:

10 CFR 50.9(a) requires that information provided to the NRC by a licensee shall be complete and accurate in all material respects.

[REDACTED]
9, 1990 letter [REDACTED]

[REDACTED] an April [REDACTED]

[REDACTED] states that: "Since March 20, the 1A DG has been started 18 times, and the 1B DG has been started 19 times. No failures or problems have occurred during any of these starts."

[REDACTED] Start 132 tripped on high temperature lube oil, Start 134 tripped on low pressure jacket water and Start 136 had a high temperature jacket water trip alarm. As of April 9, 1990, the 1B DG had only 12 consecutive successful starts without problems or failures rather than the 19 represented by GPC. The same inaccuracy was presented to the NRC at its Region II Office during an oral presentation by GPC on April 9, 1990.

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[REDACTED] The NRC relied, in part, upon this information presented by GPC on April 9, 1990 in the oral presentation and in the GPC letter in reaching the NRC decision to allow Vogtle Unit 1 to return to power operation.

[REDACTED] an April 9, 1990 letter [REDACTED]

states, when discussing the air quality of the DG starting air system at the Vogtle facility, that: "GPC has reviewed air quality of the D/G air system including dewpoint control and has concluded that air quality is satisfactory. Initial reports of higher than expected dewpoints were later attributed to faulty instrumentation."

[REDACTED] actual high dew points had occurred at the Vogtle facility. [REDACTED] the causes of those high dew points included failure to use air dryers for extended periods of time and repressurization of the DG air start system receivers following maintenance.

[REDACTED] The NRC relied, in part, upon this information presented by GPC in its letter of April 9, 1990 in reaching the decision to allow Vogtle Unit 1 to return to power operation.

[REDACTED] a Licensee Event Report (LER), dated April 19, 1990, [REDACTED]

states: "Numerous sensor calibrations (including jacket water temperatures), special pneumatic leak testing, and multiple engine starts and runs were performed under various conditions. After the 3-20-90 event, the control systems of both engines have been subjected to a comprehensive test program. Subsequent to this test program, DG1A and DG1B have been started at least 18 times each and no failures or problems have occurred during any of these starts."

[REDACTED] following completion of the comprehensive test program of the control systems, there were no more than 10 and 12 consecutive successful starts without problems or failures for 1A DG and 1B DG respectively.

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[REDACTED] an LER cover letter dated June 29, 1990 [REDACTED]
[REDACTED]

[REDACTED] states that: "In accordance with 10 CFR 50.73, Georgia Power Company (GPC) hereby submits the enclosed revised report related to an event which occurred on March 20, 1990. This revision is necessary to clarify the information related to the number of successful diesel generator starts as discussed in the GPC letter dated April 9, 1990...."

[REDACTED]

[REDACTED]

The letter states that: "If the criteria for the completion of the test program is understood to be the first successful test in accordance with Vogtle Electric Generating Plant (VEGP) procedure 14980-1 "Diesel Generator Operability Test," then there were 10 successful starts of Diesel Generator 1A and 12 successful starts of Diesel Generator 1B between the completion of the test program and the end of April 19, 1990, the date the LER-424/1990-06 was submitted to the NRC. The number of successful starts included in the original LER (at least 18) included some of the starts that

Notice

were part of the test program. The difference is attributed to diesel start record keeping practices and the definition of the end of the test program."

Notice

[REDACTED]
[REDACTED] a letter dated August 30, 1990
[REDACTED]

[REDACTED] states that: "The confusion in the April 9th letter and the original LER appear to be the result of two factors. First, there was confusion in the distinction between a successful start and a valid test... Second, an error was made by the individual who performed the count of DG starts for the NRC April 9th letter."

Notice

Notice

Dated at (City, State)
this ____ day of (Month) 19 (XX)

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Rev. 6: VOGDFI1.R6 3/8/94

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
GEORGIA POWER COMPANY)	
(Vogtle Electric Generating)	Docket Nos. 50-425/50-425
Plant, Units 1 & 2))	License Nos. NPF-68/NPF-81
)	EA 94-036

DEMAND FOR INFORMATION
REGARDING THOMAS V. GREENE, GEORGIE R. FREDERICK,
HARRY MAJORS, AND MICHAEL W. HORTON

I

Georgia Power Company (Licensee) is the holder of Facility License Nos. NPF-68, and NPF-81 (Licenses) issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR Part 50. The Licenses authorize the operation of the Vogtle Electric Generating Plant (VEGP) Units 1 and 2, in accordance with conditions specified therein.

II

On December 17, 1993, an investigation of licensed activities was completed by the NRC's Office of Investigations (OI) at Licensee's VEGP facility. The investigation was initiated in response to information received in June 1990 by NRC Region II alleging, in part, that material false statements were made to the NRC by senior Licensee officials regarding the reliability of

the Diesel Generators (DGs). The pertinent events involved in this matter are described below.

On March 20, 1990, during a refueling outage at VEGP Unit 1, GPC declared a Site Area Emergency (SAE) when offsite power was lost concurrent with the failure of the only Unit 1 DG that was available (1A). The other Unit 1 DG (1B) was unavailable due to maintenance activities.

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significance of the allegations, but did not investigate alleged wrongdoing. The Special Team informed GPC that the June 29, 1990 submittal failed to address the April 9, 1990 data and requested that GPC clarify DG starts reported on April 9, 1990. Results of this inspection are documented, in part, in NRC Inspection Report No. 50-424,425/90-19, Supplement 1, dated November 1, 1991.

On August 30, 1990, GPC submitted a letter, "Clarification of Response to Confirmation of Action Letter." The purpose of the submittal was to clarify the diesel start information that was addressed in the April 9, 1990 submittal.

III

The NRC has reviewed the evidence associated with these events, submittals, and representations to the NRC. Specifically, the NRC reviewed information gathered as part of the OI investigation, information gathered during the IIT, NUREG-1410, Supplement 1 of NRC Inspection Report 90-19, discovery responses in the Vogtle operating license amendment proceeding (Docket Nos. 50-424 OLA-3, 50-425 OLA-3), and other related information.

On June 29, 1990, the draft cover letter for the LER revision was being reviewed at the VEGP site. The draft had originated in GPC corporate headquarters and included language personally developed by the Senior Vice President - Nuclear Operations (George W. Hairston, III) and the Vice President - Vogtle Project (C. Kenneth McCoy). During this review, a VEGP Technical Assistant (TA) (formerly the Acting VEGP Assistant General Manager - Plant Support) (Alan L. Mosbaugh) noted that the draft cover letter was incomplete and challenged the accuracy of the reasons stated in the draft cover letter in conversations with the Supervisor - Safety Audit and Engineering Review (SAER) (Georgie R. Frederick), the VEGP Assistant General Manager - Plant Support (Thomas V. Greene), the VEGP Manager - Engineering Support

(Michael W. Horton), and a Licensing Engineer - Vogtle Project (Harry W. Majors). Mr. Mosbaugh stated that: (1) the letter failed to clarify the DG starts reported on April 9, 1990 (2) DG record keeping practices were not a cause of the difference in the DG starts reported in the April 19, 1990 LER because adequate information to formulate an accurate count was available when the counting errors were made, and (3) the erroneous counts resulted from personnel errors in developing the count. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Mr. Majors had staff responsibility for preparing the cover letter for the LER revision and was specifically instructed by the Senior Vice President - Nuclear Operations to work closely with the site to ensure that the submittal was accurate and complete. [REDACTED]

Mr. Horton was responsible for the Diesel Start Logs and agreed with the audit report findings regarding deficiencies in their condition. Given that his logs had not been used to collect the

DG start data, he pointed out that it was wrong to state that the condition of his logs caused errors in the information initially provided to the NRC. [REDACTED]

[REDACTED] Mr. Frederick was made aware by Mr. Mosbaugh on June 12, 1990 that, to identify the root cause of the error in the April 19, 1990 LER (i.e., personnel errors), the audit scope would need to include an assessment of the performance of the Unit Superintendent and the VEGP General Manager, the individuals that developed the initial count. Yet, the audit report did not include either of these individuals in the list of persons

contacted during the audit. On June 29, 1990, Mr. Frederick was again made aware by Mr. Mosbaugh that the root cause for the difference was personnel error. [REDACTED]
[REDACTED]
[REDACTED]

Mr. Greene was apprised of concerns regarding the June 29, 1990 letter by Mr. Mosbaugh (an individual who had been involved in preparing the April 19, 1990 LER and had been involved in developing an accurate DG start count). Mr. Mosbaugh identified to him the failure of the June 29, 1990 draft cover letter to address the inaccuracies in the April 9, 1990 letter that it referenced and Mr. Mosbaugh pointed out the erroneous causes stated for the reasons for the difference in the June 29, 1990 DG start counts. [REDACTED]

FOR THE NUCLEAR REGULATORY COMMISSION

James L. Milhoan
Deputy Executive Director
for Nuclear Reactor Regulation,
Regional Operations, and Research

Dated at Rockville, Maryland
this ____ day of ____ (Month) 19 (XX)

DRAFT
PREDECISIONAL INFORMATION
NOT FOR RELEASE WITHOUT THE APPROVAL OF THE DIRECTOR, OE

Rev. 6: VOGDFI2.R6 3/8/94

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
GEORGIA POWER COMPANY)	
(Vogtle Electric Generating)	Docket Nos. 50-425/50-425
Plant, Units 1 & 2))	License Nos. NPF-68/NPF-81
)	EA 94-052

DEMAND FOR INFORMATION
REGARDING C. KENNETH MCCOY

I

Georgia Power Company (Licensee) is the holder of Facility License Nos. NPF-68, and NPF-81 (Licenses) issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR Part 50. The Licenses authorize the operation of the Vogtle Electric Generating Plant (VEGP) Units 1 and 2, in accordance with conditions specified therein.

II

On December 17, 1993, an investigation of licensed activities was completed by the NRC's Office of Investigations (OI) at Licensee's VEGP facility. The investigation was initiated in response to information received in June 1990 by NRC Region II alleging, in part, that material false statements were made to the NRC by senior Licensee officials regarding the reliability of the Diesel Generators (DGs). The pertinent events involved in this matter are described below.

On March 20, 1990, during a refueling outage at VEGP Unit 1, GPC declared a Site Area Emergency (SAE) when offsite power was lost concurrent with the failure of the only Unit 1 DG that was available (1A). The other Unit 1 DG (1B) was unavailable due to maintenance activities.

The NRC immediately responded to the SAE at the VEGP site with an Augmented Inspection Team (AIT). The NRC effort was upgraded to an Incident Investigation Team (IIT) on March 23, 1990. The IIT was composed of NRC Headquarters technical staff and industry personnel. The results of this investigation are documented in NUREG-1410, "Loss of Vital AC Power and the Residual Heat Removal System During Mid-Loop Operations at Vogtle Unit 1 on March 20, 1990."

On March 23, 1990, the NRC issued a Confirmation of Action Letter (CAL) to GPC that, among other things, confirmed that GPC had agreed not to return VEGP Unit 1 to criticality until the Regional Administrator was satisfied that appropriate corrective actions had been taken, and that the plant could safely return to power operations.

On April 9, 1990, GPC made a presentation to the NRC in the Region II offices in support of GPC's request to return VEGP Unit 1 to power operations. As part of this presentation, GPC provided information on DG starts in response to a specific NRC

request that GPC address DG reliability in its April 9 presentation. GPC submitted a written summary of its April 9 presentation in an April 9, 1990 letter, "Vogtle Electric Generating Plant Confirmation of Action Letter."

On April 12, 1990, the NRC formally granted permission for VEGP Unit 1 to return to criticality and resume power operations.

On April 19, 1990, pursuant to 10 CFR 50.73, GPC submitted Licensee Event Report (LER) 50-424/90-06, "Loss of Offsite Power Leads to Site Area Emergency."

On June 29, 1990, GPC submitted a revised LER, 50-424/90-06-01. The purpose of the submittal was to clarify information related to successful DG starts that were discussed in the April 9, 1990 letter and the April 19, 1990 LER, and to update the status of corrective actions in the original LER.

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this inspection are documented, in part, in NRC Inspection Report No. 50-424,425/90-19, Supplement 1, dated November 1, 1991.

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[REDACTED]

Mr. McCoy was actively involved in the preparation of the June 29, 1990 cover letter and reviewed it prior to forwarding it to the Senior Vice President - Nuclear Operations for signature and issuance. The June 29, 1990 cover letter stated that its purpose was, in part, to clarify information provided to the NRC on April 9, 1990. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Mr. McCoy committed during the August 17, 1990 meeting with the NRC Special Inspection Team to provide clarification to the NRC regarding the April 9, 1990 letter. [REDACTED]

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v

[REDACTED]

FOR THE NUCLEAR REGULATORY COMMISSION

James L. Milhoan
Deputy Executive Director
for Nuclear Reactor Regulation,
Regional Operations, and Research

Dated at Rockville, Maryland
this ____ day of ____ (Month) 19 (XX)

DRAFT
PREDECISIONAL INFORMATION
~~NOT FOR RELEASE WITHOUT THE APPROVAL OF THE DIRECTOR, OE~~

Rev. 5: VOGDFI3.R5 3/4/94

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
GEORGIA POWER COMPANY)	
(Vogtle Electric Generating)	Docket Nos. 50-425/50-425
Plant, Units 1 & 2))	License Nos. NPF-68/NPF-81
)	EA 94-036

DEMAND FOR INFORMATION
REGARDING GEORGE BOCKHOLD, JR.

I

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Prior to GPC briefing the Regional Administrator, Region II, on VEGP's readiness for restart, the NRC asked GPC to address DG reliability as part of its restart presentation on April 9, 1990. For that presentation, Mr. Bockhold was personally involved in the preparation of data regarding DG reliability and tasked the Unit Superintendent with collecting the number of successful DG starts for the 1A and 1B DGs. [

In fact, Mr. Bockhold stated no criteria for successful starts, a term not formally defined, when he directed the Unit Superintendent to gather successful DG starts. [

Information was then presented to the NRC in the April 9, 1990 oral presentation by Mr. Bockhold and the April 9, 1990 letter submitted by GPC that there were 18 and 19 consecutive successful starts on the 1A and 1B DGs, respectively, without problems or failures.

GPC's report of starts in the presentation and letter included three 1B DG starts with problems that occurred during DG overhaul and maintenance activities (a high lube oil temperature trip on March 22, 1990; a low jacket water pressure/turbo lube oil pressure low trip on March 23, 1990; and a failure to trip on a high jacket water temperature alarm occurring on March 24, 1990). The correct number of consecutive successful starts without problems or failures was 12 for 1B DG--a number less than that reported by GPC to the NRC on April 9, 1990.

LER 90-006, submitted to the NRC on April 19, 1990, was based, in part, on information presented to the NRC on April 9, 1990.

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[During review of the draft LER, site personnel questioned its accuracy. Given that there were trips in the 1B DG after March 20, 1990, they did not think that the statement concerning "no problems or failures" was correct. A teleconference was subsequently held between site and corporate personnel.]

[the 1A and]
1B DG start counts reported on April 19, 1990 overstated the
actual counts by including starts that were part of the CTP.

The Senior Vice President - Nuclear Operations also stated that he thought the April 19, 1990 data had been checked.

On May 2, 1990, Mr. Bockhold was given a list of DG starts that showed that the start counts reported in the April 9, 1990 presentation, the April 9, 1990 CAL response letter, and the April 19, 1990 LER were incorrect. Mr. Bockhold agreed that the LER needed to be revised to reflect the correct number of starts. Mr. Bockhold also agreed that the April 9, 1990 letter needed to be corrected because he asked and was informed that the April 9, 1990 error was different than the April 19, 1990 error. It was also agreed that uniform language would be used to correct both documents.

During the NRC's Special Team Inspection exit interview on August 17, 1990, GPC was specifically notified by the NRC that the revised LER did not adequately clarify the DG start information contained in the April 9, 1990 letter, and NRC requested GPC to provide clarification of this submittal. GPC forwarded a submittal to the NRC on August 30, 1990 regarding the April 9, 1990 letter. A draft of the August 30, 1990 letter, sent to the site for review, suggested that one of the reasons for the error in the April 9, 1990 letter was "confusion in the distinction between a successful start and a valid test" by the individuals who prepared the DG start information for the April 9, 1990 letter. During an August 29, 1990 Plant Review Board (PRB) meeting which, among other things, reviewed the proposed August 30, 1990 submittal to the NRC, the VEGP Manager - Technical Support raised concerns about the accuracy of that statement. Mr. Bockhold admitted to the PRB that the Unit Superintendent (who originally collected the DG start data at Mr. Bockhold's direction) was not confused about the distinction between successful starts and valid tests when the start data was collected for the April 9, 1990 letter, but stated that the sentence was not in error because other people were confused. Mr. Bockhold acknowledged that there was

confusion among individuals after April 9, 1990, but admitted that the Unit Superintendent was not confused when he developed the information. [

[]
[]
] Mr. Bockhold
was aware of the NRC's interest in DG reliability in the context of an NRC decision on restart []

FOR THE NUCLEAR REGULATORY COMMISSION

James L. Milhoan
Deputy Executive Director
for Nuclear Reactor Regulation,
Regional Operations and Research

Dated at Rockville, Maryland
this ____ day of ____ (Month) 19 (XX)