



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

Designated original

JUN 03 1985

Docket No. 50-416
EA 84-23

Mississippi Power and Light Company
ATTN: William Cavanaugh, III
President
P. O. Box 1640
Jackson, MS 39205

Gentlemen:

Discrepancies in documentation of operator training were identified during a special training assessment conducted in February 1983 and a special safety inspection conducted by Region II during August and September 1983. The Region II staff evaluated these inspections and concluded that these discrepancies were not limited to documentation errors. At Region II's request, the Office of Investigations conducted investigations (Office of Investigations Report No. 2-83-037, March 5, 1984 and Report No. 2-84-005, July 13, 1984) during the period October 18, 1983 through May 9, 1984. The investigation included a review of the circumstances surrounding the submittal of false and undocumented information on operator license applications. As a result of these inspections and the investigation efforts, significant failures to comply with NRC regulatory requirements were identified.

The inspection and investigation findings demonstrate that the program for training Reactor Operators (ROs) and Senior Reactor Operators (SROs) at the Grand Gulf facility had not been established in accordance with commitments made in the Final Safety Analysis Report (FSAR) and as required by NRC regulations. The investigation also determined that 46 applications for SRO and RO licenses, containing certification by Mississippi Power and Light Company (MP&L) that each individual applicant had completed required training or courses of instruction, contained material false statements. The information provided was false in that the amount of training actually completed was less than that described in the operator license applications. The information was material because had the complete and accurate information been known to the NRC, the applicants would not have been permitted to participate in the NRC licensing examination and, consequently, would not have received licenses. In addition, even after MP&L officials became aware in 1982 that false information had been submitted, they failed to notify the NRC or to correct the submittals. This constitutes a separate material false statement by omission.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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Item 1 in the Notice of Violation and Proposed Imposition of Civil Penalties addresses the training program inadequacies. In this case, you had not established an effective program for assuring commitments made in the FSAR were implemented in the operator license training program. Specifically, MP&L delegated control of the training program to a contractor and did not exercise adequate oversight of training activities. This contributed directly to your failure to meet your commitment for comprehensive and adequate training of operator license candidates.

Items 2 and 3 of the enclosed Notice concern the material false statements. The NRC requires extraordinary care be taken to assure information provided in applications is complete and accurate. MP&L did not adequately verify the information prior to its submittal to the NRC, vigorously implement a program to identify and document the false information after being informed of its existence by a licensee employee, or inform the NRC that false information had been submitted once it became aware that the submittals contained false information.

Item 4 of the Notice addresses a procedural violation involving failure of a mechanical maintenance supervisor to correctly complete a practical factors book for a mechanic. The cause of this violation was that inadequate instructions on how to accomplish the tasks were provided to supervisors responsible for following the procedures.

To emphasize the need for MP&L to assure that the operator training program meets the commitments stated in the FSAR, and that certifications in operator license applications are accurate and complete, I have been authorized, after consultation with the Commission, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalties in the amount of Five Hundred Thousand Dollars (\$500,000) for five of the violations described in the enclosed Notice. Four of the violations have been categorized at Severity Level II in accordance with the NRC Enforcement Policy, 10 CFR Part 2, Appendix C. These were serious violations and positive corrective actions were not taken until the NRC became involved. The violations occurred in careless disregard for NRC requirements. The fifth violation has been characterized as a Severity Level I violation because it was a knowing failure to correct previously submitted false information.

The base civil penalty for a Severity Level II violation was \$64,000 at the time these violations occurred. The base civil penalty for a Severity Level I violation was \$80,000 at the time these violations occurred. In considering the appropriate amount for the penalty to be proposed for the items in the Notice, several factors were taken into consideration: 1) the duration of the violations was lengthy; 2) there were multiple examples of the violations; and 3) even after the NRC's training assessment identified training program deficiencies in January 1983, the licensee failed to correct them as evidenced by the fact that four operator candidates were rushed through qualification card sign-offs in September 1983 in a manner which could not have determined if the candidates were, in fact, adequately conversant with the material. Accordingly, I have determined that each of the three submittals of false information, and the false statement by omission, is a separate violation and should be assessed a separate civil penalty of \$100,000. The violation involving the training program inadequacies also warrants the full penalty permitted for a single violation of \$100,000. The resultant total penalty is \$500,000. The violation involving the mechanical

maintenance practical factors books has been categorized as a Severity Level IV violation and no civil penalty has been proposed.

Management meetings to discuss these matters were held in the Region II Office on September 23, October 12, November 11, and November 18, 1983. As a result of these meetings, MP&L committed to conduct a review of the previous training of all licensed operators, Shift Technical Advisors, and on-shift Operations Advisors. Certain operators were removed from licensed duties until they could be retrained and retested. These commitments were confirmed by letter dated December 5, 1983.

As a result of these commitments, MP&L examined each operator on each of 68 systems listed on the Grand Gulf licensed operator qualification card. These examinations were monitored by MP&L management, representatives of two other utilities, the Nuclear Steam Supply System vendor, and the NRC. At the completion of this examination process, the records of the operators were reviewed by a Grand Gulf recertification board consisting of plant management. The board examined operator training records, the results of the examinations, and conducted additional oral examinations as necessary. Out of twenty-seven individuals examined by the board, one was found to be unqualified and three needed training. Region II conducted licensed operator recertification and walk through examinations in February 1984 after each licensed operator had undergone the MP&L examinations. The results of the independent NRC recertification examination were that twenty-three of the twenty-six operators passed. The three who failed have been removed from licensed duties. These actions provide reasonable assurance that operators presently at the controls of the facility have met NRC requirements for training.

You are required to respond to the enclosed Notice and you should follow the instructions specified therein when preparing your response. Your response should specifically address your plans to ensure that in addition to the specific actions described above, the following programmatic actions are taken: 1) the establishment of an effective management program for the timely detection and correction of problems which could lead to violations of regulatory requirements; 2) the assurance that all submittals to the NRC, particularly in operator license applications, are complete, accurate, and contain full disclosure of required information; and 3) assurance that all personnel, licensee or contractor, are aware of the extent of their authority and responsibility for matters related to safe operation of the Grand Gulf facility. The NRC will closely monitor MP&L's corrective actions and failure to carry them out may lead to further enforcement action.

As noted above, numerous inspections involving these matters have been conducted by the NRC and also several management meetings and Enforcement Conferences have been held which concerned these issues. Written commitments have been made and actions taken by MP&L as a result of these meetings and inspection reports. In your response to the enclosed Notice of Violation and Proposed Imposition of Civil Penalties, appropriate reference to these previous submittals (by page or paragraph number as appropriate) is acceptable.

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In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosure will be placed in the NRC's Public Document Room.

The responses directed by this letter and accompanying Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,


James M. Taylor, Director
Office of Inspection and Enforcement

Enclosure:
Notice of Violation and
Proposed Imposition of
Civil Penalties

cc w/encl:
J. E. Cross, Plant Manager
Ralph T. Lally, Manager of Quality
Middle South Utilities, Inc.