

November 8, 1996

EA 96-410

Southern Nuclear Operating Company, Inc.
ATTN: Mr. D. N. Morey
Vice President
Farley Project
P. O. Box 1295
Birmingham, AL 35201-1295

SUBJECT: NRC INTEGRATED INSPECTION REPORT 50-348/96-09 AND 50-364/96-09,
AND NOTICE OF VIOLATION

Dear Mr. Morey:

On October 12, 1996, the NRC completed an inspection at your Farley Nuclear Plant (FNP) facility. The enclosed report presents the results of this inspection.

During the six-week period covered by this inspection period, your conduct of activities at FNP was generally characterized by safety-conscious operations, sound engineering and maintenance practices, and careful radiological work controls. However, a violation of NRC requirements was identified. We are particularly concerned about this violation because it represents two separate events involving system alignment errors by non-licensed operators. These errors resulted in the inoperability of the 1B emergency diesel generator, and caused two plant transients associated with the Unit 2 letdown system.

The violation is cited in the enclosed Notice of Violation (Notice), and the specific circumstances surrounding it is 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 your October 25, 1996 reply to the Notice of Violation for NRC Inspection Report numbers 50-348/96-10 and 50-364/96-10, you committed to provide to NRC a supplemental response by December 24, 1996, to address the additional long term corrective actions regarding the programmatic aspects of the pipe support discrepancies discussed in Inspection Report numbers 50-348/96-07 and 50-364/96-07. You are requested to address in the supplemental response the additional examples of support discrepancies discussed in Paragraph E1.2 of the attached inspection report. We are also concerned with the adequacy of your structural welding inspection program, specifically the fact that the number of weld discrepancies identified during recent NRC inspections indicates that there may be other similar deficiencies in your welding program.

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In addition, two 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. These apparent violations concern: 1) Failure to install Kaowool fire barriers as required by your Fire Protection Program, and 2) Programmatic breakdown of the Kaowool independent inspection program. Accordingly, no Notice of Violation is presently being issued for these inspection findings. In addition, 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 November 18, 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 action. 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.

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

Sincerely,

(Original signed by Pierce H. Skinner)

Pierce H. Skinner, Chief
Reactor Projects Branch 2
Division of Reactor Projects

Docket Nos.: 50-348 and 50-364
License Nos.: NPF-2 and NPF-8

Enclosures: 1. Notice of Violation
2. Inspection Report 50-348/96-09
and 50-364/96-09

cc w/encls: (See page 3)

cc w/encls:

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

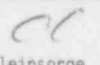
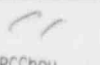
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

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