

May 23, 1997
EN 96-094A

OFFICE OF ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: TENNESSEE VALLEY AUTHORITY (EA 96-414)
Sequoyah Nuclear Plant (Unit 2)
Docket No. 50-328

Subject: IMPOSITION OF CIVIL PENALTY - \$50,000

By EN 96-094, dated December 19, 1996, the Commission was notified of the intent of the staff to issue a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$100,000 to the Tennessee Valley Authority (TVA). This action, sent to TVA on December 24, 1996, was based on two Severity Level III problems at the Sequoyah Nuclear Plant, Unit 2, related to: (1) failure to implement effective and timely corrective actions resulting in poor plant material condition that caused and complicated recovery from a plant trip; and (2) a breakdown in the control of licensed activities involving failures in Operations, Maintenance, and Engineering activities related to replacement of an inoperable reactor trip breaker. The civil penalty was assessed at \$50,000 for each of the two problems.

The licensee responded to the Notice in a letter dated January 23, 1997. In the response, TVA agreed that the violations occurred and did not contest the \$50,000 civil penalty for the second of the two Severity Level III problems; however, TVA maintained that the NRC's categorization of the first problem at Severity Level III and the proposed imposition of a civil penalty of \$50,000 was inconsistent with the Enforcement Policy. After careful consideration of the licensee's response, the staff has concluded that the licensee did not provide an adequate basis for reduction of the Severity Level or mitigation of the civil penalty.

Accordingly, an Order Imposing Civil Monetary Penalty in the amount of \$50,000 has been issued today. Under the terms of the Order, the licensee may within 30 days of the date of the Order, pay the civil penalty or request a hearing.

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PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL
VERIFICATION THAT LICENSEE HAS RECEIVED ACTION

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