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NRC STAFF PROPOSES TO FINE NORTHEAST NUCLEAR ENERGY COMPANY  
\$220,000 FOR ALLEGED VIOLATIONS AT ITS  
MILLSTONE UNIT 1 NUCLEAR PLANT

The Nuclear Regulatory Commission staff has cited Northeast Nuclear Energy Company for two alleged violations of NRC requirements at the Millstone Unit 1 nuclear power plant, in Waterford, CT. The staff has proposed a \$220,000 fine.

The alleged violations were determined after an NRC inspection at Millstone 1 on January 8-12, 1990, and a subsequent investigation by the NRC Office of Investigations. The alleged violations are that Northeast's former Engineering Manager deliberately delayed taking corrective actions for a condition adverse to quality at the facility in 1989, and then harassed, intimidated and discriminated against an engineer.

In June 1989, Northeast Utilities found that there was a potential problem with Unit 1's Feedwater Coolant Injection system, which is a high pressure emergency core cooling system. In October of that year, an engineer was assigned to implement a modification to the system. After completing the technical analysis on or about October 30, 1989, the engineer concluded that the FWCI system would not work as originally designed and was therefore inoperable. Northeast Utilities did not declare the system inoperable until November 17, 1989, and notified the NRC.

NRC regulations require licensees to promptly identify and correct conditions adverse to quality. In this case, there was an interval of approximately five months between the time the licensee found that there could be a problem and the time it was corrected. For this alleged violation, the NRC staff proposes a \$120,000 fine.

The engineer chosen to perform the modification had been temporarily assigned to Unit 1 from the corporate offices, with the understanding that the job would become permanent. The NRC has concluded that in retaliation for his technical evaluation of the FWCI system, the former Engineering Manager discriminated against the engineer by not selecting him to fill a vacancy in

the Millstone Unit 1 engineering organization. For this alleged violation, the NRC staff proposes a \$100,000 fine.

In a letter to the licensee, Thomas T. Martin, Regional Administrator, NRC Region I, said that Northeast's failure to provide appropriate attention to a potential safety problem at the facility represents a significant regulatory concern to the NRC. He said it is of particular concern that the then-engineering manager did not provide attention to resolve the problem because doing so had the potential to bring Northeast Nuclear Energy Company lower scores on its next SALP (Systematic Assessment of Licensee Performance). "The failure to take prompt action to resolve this potential safety concern constitutes a violation of the requirements...", Mr. Martin said.

Mr. Martin recognized that the two violation occurred in 1989-90, that Northeast Nuclear Energy Company has implemented improvements in the programs for addressing employees concerns, and that there have been a number of management changes within the organization over the past several months. The NRC also considered the fact that a \$100,000 civil penalty was issued to Northeast on May 4, 1993, for a violation that had occurred in the same time frame.

However, Mr. Martin said, "Notwithstanding these prior actions both by you and the NRC, as well as the time that has elapsed since these violations occurred, the NRC has decided that enforcement action is warranted to reinforce the message to your present organization in particular, that 1) potential safety issues must be vigorously addressed in a timely manner and a deliberate delay in addressing such issues will not be tolerated, 2) linking the pursuit of a potential safety issue to the effect it could have on SALP scores is unacceptable, and 3) discrimination against any individual who raises such issues is unacceptable and will not be tolerated by the NRC."

Northeast Nuclear Energy Company has 30 days either to pay the proposed fine or to request in writing that part or all of it be withdrawn. The company also has 30 days to admit or deny the alleged violations, to describe the actions it has taken or plans to take to prevent recurrence, and to give the date by which it expects to be in full compliance with NRC requirements.

The State of Connecticut was informed of this enforcement action.

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