

U.S. NUCLEAR REGULATORY COMMISSION
Region III Office of Public Affairs
801 Warrenville Road, Lisle IL 60532-4351

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CONTACT: Jan Strasma 630/829-9663
Angela Dauginas 630/829-9662
E-mail: opa3@nrc.gov

NRC STAFF PROPOSES \$50,000 FINE AGAINST CONSUMERS POWER COMPANY
FOR FIRE PROTECTION VIOLATIONS AT THE PALISADES NUCLEAR PLANT

The Nuclear Regulatory Commission staff has proposed a \$50,000 fine against Consumers Power Company for failing to take prompt action to correct fire protection deficiencies at its Palisades Nuclear Power Station.

The plant is located near South Haven, Michigan.

In late 1994 Consumers Power began an extensive review of the Palisades plant to find instances where equipment design and installation failed to meet NRC fire protection requirements.

In March and April of this year NRC inspectors found significant fire protection deficiencies which had been identified during the utility's review but which had not been adequately and promptly corrected.

In notifying the utility of the proposed fine, NRC Regional Administrator A. Bill Beach said, "Our review has indicated that your staff's corrective actions for those issues were not effective and were not implemented within a time frame consistent with the potential safety significance of the deficiencies."

He added, "Our inspection also revealed that in instances where all corrective actions had been completed, the corrective actions were not sufficiently rigorous to adequately resolve the issues."

One example of the failure to adequately and promptly correct deficiencies was the coordination of fuses in the electrical circuitry for an emergency diesel generator. Fuse coordination means assuring that a fuse protecting a subsystem would blow first without affecting the fuse for the entire system.

This fuse deficiency could have made the diesel generator inoperable under certain conditions. The NRC inspection found that the utility failed to give adequate guidance to plant operators to allow them to take prompt action to recover the diesel generator in the event of fuse failure.

"While the probability of a fire occurring as described in NRC regulations is low, the consequences of such an event occurring at Palisades could have been high," said Mr. Beach. "The ability to maintain the plant in a safe shutdown condition, as required by the fire protection regulations, could only have been achieved by significant operator actions, troubleshooting, and repair activities to compensate for the design deficiencies."

Once the deficiencies in the corrective actions were identified in the NRC inspection, the utility began extensive activities to improve its corrective action process and to correct the fire protection deficiencies. These actions included modification of the diesel generator circuitry to correct the fuse coordination problem.

Consumers Power Company has until September 12 to pay the fine or to protest it. If the fine is protested and subsequently imposed by the NRC staff, the utility may request a hearing.

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NOTE: The area code for the NRC Region III office has been changed to 630.