



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION IV  
1600 E. LAMAR BLVD.  
ARLINGTON, TX 76011-4511

August 18, 2017

EA-16-216

Mr. G. T. Powell, Executive Vice President  
and Chief Nuclear Officer  
STP Nuclear Operating Company  
South Texas Project Electric Generating Station  
P.O. Box 289  
Wadsworth, TX 77483

SUBJECT: SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION - NOTICE  
OF VIOLATION, NRC INSPECTION REPORT 05000498/2017009;  
05000499/2017009, AND NRC INVESTIGATION REPORTS 4-2015-014  
AND 4-2016-008

Dear Mr. Powell:

This letter refers to the investigations conducted at the South Texas Project Electric Generating Station, Units 1 and 2, by the U.S. Nuclear Regulatory Commission's (NRC's) Office of Investigations. The purpose of the investigations was to determine whether willful fire protection-related violations of NRC requirements occurred at the South Texas Project Electric Generating Station, Units 1 and 2. The investigations were initiated on March 25, 2015, and December 2, 2015, and were completed on September 23, 2016, and February 24, 2017, respectively.

In the letter transmitting NRC Inspection Report 05000498/2016010; 05000499/2016010 dated June 29, 2017 (Agencywide Documents Access and Management System (ADAMS) ML17180A436), we provided you with the opportunity to address the two apparent violations identified in the report by either attending a predecisional enforcement conference, requesting alternative dispute resolution, or by providing a written response before we made our final enforcement decision. In a letter dated August 3, 2017 (ADAMS Accession ML17215A184), you provided a written response to the apparent violations.

Based on the information developed during the investigation and the information that you provided in your response to the inspection report dated June 29, 2017, the NRC has determined that two violations of NRC requirements occurred. The violations of Title 10 of the *Code of Federal Regulations* (10 CFR) 50.48(a)(1)(iv) and 10 CFR 50.9 are cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding them are described in detail in the inspection report dated June 29, 2017. These violations involved two examples of failing to implement fire protection program written procedures and three examples involving the failure to ensure that information required by the Commission's regulations, orders, or license conditions maintained by the licensee are complete and accurate in all material respects. These violations are being characterized collectively in accordance with the NRC Enforcement Policy as a Severity Level III problem.

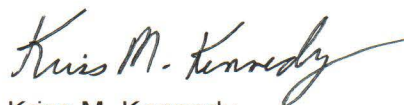
In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of \$140,000 is considered for a Severity Level III problem. Because your facility is the subject of a willful escalated enforcement action, the NRC considered whether credit was warranted for *Identification* and *Corrective Action* in accordance with the civil penalty assessment process in Section 2.3.4 of the NRC Enforcement Policy. The NRC has determined that *Identification* credit is warranted because your personnel identified the condition and entered it into the corrective action program. The NRC has also determined that *Corrective Action* credit is warranted for your prompt and comprehensive corrective actions that included: (1) placing the fire watch program under the oversight of the maintenance department; (2) taking disciplinary actions against the individual; (3) correcting the incomplete and inaccurate information; and (4) conducting training on ethics and compliance awareness for all site personnel.

Therefore, to encourage prompt identification and comprehensive correction of violations, I have been authorized, after consultation with the Director, Office of Enforcement, not to propose a civil penalty in this case. However, significant violations in the future could result in a civil penalty.

The NRC has concluded that information regarding: (1) the reason for the violations; (2) the corrective actions that have been taken and the results achieved; and (3) the date when full compliance was achieved is already adequately addressed on the docket in your letter dated August 3, 2017. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room and in ADAMS, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,



Kriss M. Kennedy  
Regional Administrator

Dockets: 05000498, 05000499  
Licenses: NPF-76, NPF-80

Enclosure: Notice of Violation

## NOTICE OF VIOLATION

STP Nuclear Operating Company  
South Texas Project Electric Generating  
Station, Units 1 and 2

Dockets: 05000498, 05000499  
Licenses: NPF-76, NPF-80  
EA-16-216

During NRC investigations conducted March 25, 2015 through February 24, 2017, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 50.48(a)(1)(iv) requires, in part, that a licensee must have a fire protection plan that outlines the plans for fire protection, fire detection, suppression capability, and limitation of fire damage.

STP Nuclear Operating Company's Technical Specification 6.8.1.d requires, in part, that written procedures shall be established, implemented, and maintained covering the fire protection program implementation.

Procedure ZFG-0001, "Fire Watch Program Guideline," Revision 10, Step 4.2, requires, in part, that each hourly fire watch shall be responsible for inspecting all areas of the room for possible indications of smoke, fire, or potential fire hazards, which includes looking behind all accessible areas, behind panels and components that may obscure the fire watches' view.

Procedure ZFG-0001, "Fire Watch Program Guideline," Revision 11, Step 6.0, requires, in part, that a condition report shall be written for a missed fire watch. Procedure OPGP03-ZX-0002, "Condition Reporting Process," Revision 50, Step 3.7, requires, in part, that condition report owners are responsible for proper resolution of the condition, including ensuring that the condition report description is accurate and actions are initiated to address the condition.

Contrary to the above, the licensee failed to implement written procedures covering the fire protection program, as evidenced by the following two examples:

1. On May 8-15, 2014, hourly fire watches failed to follow Procedure ZFG-0001 and inspect all areas of the room for possible indications of smoke, fire, or potential fire hazards. Specifically, 20 fire watches, 17 in Unit 1, and 3 in Unit 2, were improperly performed as a result of improper written instructions provided by a supervisor that directed the hourly fire watches to only look at areas of impairments or transient fire loads instead of inspecting all areas of the room, as required by fire protection program requirements.
2. On March 4, 2015, a supervisor failed to follow Procedure OPGP03-ZX-0002 when the supervisor closed a condition report and failed to ensure that the condition report description was accurate and actions were initiated to address the condition. Specifically, the supervisor documented inaccurate information in Condition Report 15-4871 that stated, in part, that when a fire watch for Unit 2, Mechanical Auxiliary Building, Room 67 was inadvertently closed, fire watch personnel routinely traversed through the area while performing rounds, and

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once identified the round was performed immediately with no issues identified. However, no fire watch personnel traversed the area because the room was locked and it was not part of their normal route. Therefore, no fire watch personnel entered the room as documented in the condition report closure.

- B. 10 CFR 50.9 requires, in part, that information required by the Commission's regulations, orders, or license conditions to be maintained by the licensee shall be complete and accurate in all material respects.

STP Nuclear Operating Company Technical Specification 6.8.1.d requires, in part, that written procedures shall be established, implemented, and maintained covering the fire protection program implementation.

Procedure ZFG-0001, "Fire Watch Program Guideline," Revision 10, Step 4.2, requires, in part, that each hourly fire watch shall be responsible for inspecting all areas of the room for possible indications of smoke, fire, or potential fire hazards, which includes looking behind all accessible areas and behind panels and components that may obscure the fire watches' view. Step 4.2.12 requires, in part, that after completing the inspection of the assigned area, scan the appropriate "Fire Watch Scan Point" above the fire watch posting.

Procedure ZFG-0001, "Fire Watch Program Guideline," Revision 11, Step 6.0, requires, in part, that a condition report shall be written for a missed fire watch. Procedure OPGP03-ZX-0002, "Condition Reporting Process," Revision 50, Step 3.7, requires, in part, that condition report owners are responsible for proper resolution of the condition, including ensuring that the condition report description is accurate and actions are initiated to address the condition.

Contrary to the above, the licensee failed to ensure that information required by the Commission's regulations, orders, or license conditions maintained by the licensee are complete and accurate in all material respects, as evidenced by the following three examples:

1. On May 8-15, 2014, the licensee failed to maintain complete and accurate records associated with hourly fire watches. Specifically, a total of 20 fire watch records, 17 in Unit 1, and 3 in Unit 2 were recorded (scanned) as being completed without inspecting all areas of the room for possible indications of smoke, fire, or potential fire hazards. This information was material to the NRC because the performance of fire watches enables the rapid detection, control, and suppression of a fire in accordance with the fire protection program requirements.
2. On March 4, 2015, the licensee failed to maintain complete and accurate records associated with a condition report. Specifically, a supervisor willfully documented inaccurate information in Condition Report 15-4871 that stated, in part, that when a fire watch for Unit 2, Mechanical Auxiliary Building, Room 67, was inadvertently closed, fire watch personnel routinely traversed through the area while performing rounds, and once identified the round was performed immediately with no issues identified. However, no fire watch personnel traversed the area because the room was locked and it was not part of their normal route. Therefore, no fire watch personnel entered the room, as documented in the

condition report. This information was material to the NRC because condition reports associated with missed fire watches provide evidence of compliance with licensee procedures and NRC requirements.

3. On April 14, 2015, the licensee failed to maintain complete and accurate records associated with a condition report. Specifically, a supervisor deliberately documented inaccurate information in Condition Report 15-9793 that stated, in part, that field interviews with a fire watch manager and a fire watch lead indicated that the Unit 2 fire watches (FW8934) were properly performed. However, the supervisor did not confirm with the fire watch manager or a fire watch lead that the fire watches had been properly performed. This information was material to the NRC because condition reports associated with missed fire watches provide evidence of compliance with licensee procedures and NRC requirements.

This is a Severity Level III problem (NRC Enforcement Policy Section 2.2.1.d).

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance was achieved is already adequately addressed on the docket in your letter dated August 3, 2017. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation; EA-16-216" and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region IV, 1600 E. Lamar Blvd., Arlington, TX 76011-4511, and a copy to the NRC Resident Inspector at the South Texas Project Electric Generating Station, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

If personal privacy or proprietary information is necessary to provide an acceptable response, please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such information, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). The NRC also includes significant enforcement actions on its Web site at (<http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/>).

In accordance with 10 CFR 19.11, you may be required to post this Notice within 2 working days of receipt.

Dated this 18th day of August 2017