



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
1600 EAST LAMAR BOULEVARD
ARLINGTON, TEXAS 76011-4511

February 23, 2021

EA-19-054

Mr. G. T. Powell, President and CEO
STP Nuclear Operating Company
P.O. Box 289
Wadsworth, TX 77483

SUBJECT: SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION, UNITS 1 AND 2,
NOTICE OF VIOLATION, NRC INSPECTION REPORT 05000498/2020091;
05000499/2020091 AND NRC INVESTIGATION REPORT 4-2017-034

Dear Mr. Powell:

This letter refers to the investigation completed on March 4, 2020, by the U.S. Nuclear Regulatory Commission (NRC) Office of Investigations at the South Texas Project (STP) Electric Generating Station. The investigation was conducted, in part, to determine if contractor employees and an STP Nuclear Operating Company (licensee) employee willfully provided information to the licensee in a required record known to be incomplete or inaccurate. A final exit briefing was conducted telephonically with you and staff representatives on May 28, 2020, and the results of the investigation and details regarding the apparent violation were provided to you in NRC Inspection Report 05000498/2020090; 05000499/2020090, dated July 6, 2020, Agencywide Documents Access and Management System (ADAMS) Accession No. ML20188A214.

In the letter transmitting the inspection report, we provided you with the opportunity to address the apparent violation identified in the report by attending a predecisional enforcement conference, participating in an alternative dispute resolution mediation session, or providing a written response before we made our final enforcement decision. In a letter dated August 5, 2020 (ADAMS Accession No. ML20218A448), you provided a written response to the apparent violation.

Based on the information developed during the investigation and the information that you provided in your response to the inspection report dated July 6, 2020, the NRC has determined that a violation of NRC requirements occurred. The violation of Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.9, "Completeness and accuracy of information," is cited in the enclosed Notice of Violation (Notice), and the circumstances surrounding it are discussed in detail in the July 6, 2020, inspection report. The NRC has determined that this violation involved willfulness in the form of a deliberate failure to ensure that information required by the Commission's regulations, orders, or license conditions to be maintained by the licensee is complete and accurate in all material aspects.

Information obtained in a supplemental OI investigation that concluded on October 20, 2020, which focused on actions by the refueling crew's contract supervisor, also informed the NRC's

determination regarding the contract employee's deliberate misconduct violation. That deliberate misconduct, as described below, is an escalating factor for the severity level of the licensee's violation.

In determining the significance of a violation involving willfulness, the NRC considers such factors as: the position, training, experience level, and responsibilities of the person involved in the violation; and the significance of any underlying violation. The individual who engaged in deliberate misconduct was a contract supervisor (first-line supervisor) of the crew involved in the fuel handling incident, and the NRC holds supervisors to a high standard of integrity. A first-line supervisor is considered a licensee official, according to Section 7.0 of the NRC Enforcement Policy, and violations involving a licensee official deliberately providing incomplete or inaccurate information are considered significant and may be assigned a higher severity level. Because the contract supervisor deliberately provided inaccurate information in a required record material to the NRC, the NRC has determined that this violation is appropriately categorized at Severity Level III in accordance with the NRC Enforcement Policy.

In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of \$150,000 is considered for a Severity Level III violation.

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 staff 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) taking disciplinary action against the individual; (2) updating the core load supervisor initial and continuing training to include this event as a case study; (3) conducting an organizational effectiveness investigation; and (4) conducting site-wide communications concerning the violation.

Therefore, to encourage identification and prompt and comprehensive correction of the violation, 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 violation; (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 the July 6, 2020, inspection report and in your letter dated August 5, 2020. 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 "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 or in the NRC's ADAMS, accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the public without redaction. The NRC also includes significant enforcement actions on its website at <http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions>.

If you have any questions concerning this matter, please contact Mr. Jeffrey Josey of my staff at 817-200-1148.

Sincerely,

Scott A. Morris
Regional Administrator

Docket Nos. 50-498; 50-499
License Nos. NPF-76; NPF-80

Enclosure: Notice of Violation

SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION, UNITS 1 AND 2, NOTICE OF VIOLATION, NRC INSPECTION REPORT 05000498/2020091; 05000499/2020091 AND NRC INVESTIGATION REPORT 4-2017-034 – DATED FEBRUARY 23, 2021

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ADAMS ACCESSION NUMBER: ML

SUNSI Review: ADAMS: Non-Publicly Available Non-Sensitive Keyword:
 By: JEJ Yes No Publicly Available Sensitive NRC-002

OFFICE	SES:ACES	TL:ACES	C:DRP/A	RC	NRR	OE
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NOTICE OF VIOLATION

STP Nuclear Operating Company
South Texas Project Electric Generating Station Unit 1

Dockets: 05000498
License No.: NFP76
EA-19-054

During an NRC investigation completed on March 4, 2020, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 50.9(a) 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.

10 CFR Part 50, Appendix B, Criterion XVII, requires, in part, that sufficient records shall be maintained to furnish evidence of activities affecting quality. The licensee established quality related procedure OPGP03-ZX-0002B, "Station Cause Analysis Program," Revision 7, in part, to implement the station's problem identification and resolution process, which includes the evaluation, identification and resolution of significant conditions adverse to quality through root cause analyses. Procedure OPGP03-ZX-0002B, Step 11.2.1, requires, in part, the collection of personal statements as part of the data collection to support the evaluation process.

Contrary to the above, on March 31, 2017, the licensee failed to maintain information required by the Commission's regulations that was complete and accurate in all material respects. Specifically, following core offload activities that involved a fuel handling incident resulting in damage to two fuel assemblies, the licensee failed to maintain complete and accurate information in the form of a written statement collected for the root cause evaluation documented in condition report CR 17-13662 relative to the cause of the damage to the fuel assemblies. The contract supervisor of the crew involved in the fuel handling incident deliberately provided incomplete and inaccurate information in the written statement to the licensee that omitted the material fact that an unqualified trainee was operating the refueling machine when the fuel assemblies were damaged. As part of the corrective action program, the information supporting the root cause evaluation in the condition report CR 17-13662 was material to the NRC because it is subject to NRC inspection and informs the NRC's review of and response to incidents such as the underlying procedure violation.

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

The NRC has concluded that information regarding: (1) the reason for the violation; (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 the July 6, 2020, inspection report and in your letter dated August 5, 2020. 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-19-054" 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, U.S. Nuclear Regulatory Commission, Region IV, 1600 E. Lamar Blvd., Arlington, TX 76011-4511, and to the NRC Resident Inspector at the South Texas Project Electric Generating Station, and email it to R4Enforcement@nrc.gov within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

Enclosure

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, Director, Office of Enforcement, Washington, DC 20555-0001. A response contesting this enforcement action must be submitted to the NRC within 30 days of the date of the letter transmitting this 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 website at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal privacy or proprietary 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).

Dated this 23rd day of February 2021