



NRC NEWS

U. S. NUCLEAR REGULATORY COMMISSION

Office of Public Affairs Region IV
611 Ryan Plaza Drive - Suite 400
Arlington, TX 76011-4005

No. IV-05-012
Contact: Victor Dricks
Phone: 817-860-8128

April 11, 2005
E-Mail: opa4@nrc.gov

NRC ISSUES “YELLOW” FINDING AT PALO VERDE NUCLEAR PLANT; PROPOSES \$50,000 FINE

The Nuclear Regulatory Commission has determined that an inspection finding at the Palo Verde Nuclear Generating Station regarding air trapped in portions of its emergency core cooling system is of “yellow” or of substantial safety significance that will result in additional NRC inspections and potentially other NRC action. The facility is operated by Arizona Public Service Co., near Wintersburg, Ariz.

The NRC staff has also proposed a \$50,000 civil penalty against the company for a related failure to perform a written safety evaluation and receive prior NRC approval before making a change to procedures for maintaining the emergency core cooling system.

NRC conducted a special inspection last summer after operators discovered air trapped in a section of piping that NRC staff believes could interfere with the performance of pumps needed to supply water for emergency core cooling and containment spray during some accident conditions.

Under the NRC’s reactor oversight process, inspection findings are evaluated under a significance determination process and assigned a color that indicates its safety significance. Findings with very low safety significance are labeled “green.” “White” findings have low to moderate safety significance, “yellow” findings have substantial safety significance, and “red” findings have high safety significance.

A preliminary “greater than green” finding was described in a January 5 inspection report. The letter transmitting the report provided the company with an opportunity to either request a regulatory and pre-decisional enforcement conference to discuss the issue or to respond in writing.

During a nine-hour public conference held on Feb. 17, the company maintained that the air voids found in piping at all three Palo Verde reactors would not have interfered with the ability of pumps to supply coolant to the reactor core during some severe accidents. The company also maintained that prior NRC approval of the procedural change made in 1992 was not necessary.

APS officials corrected the problem when it was brought to their attention last summer, but Region IV Administrator Bruce S. Mallet said escalated enforcement action is warranted because the violations have substantial importance to safety.

“The air voids might have prevented the emergency core cooling system from being able to perform its safety function during some accidents,” Mallet said. “And we expect our licensees to prepare written analyses prior to making changes in procedures that raise unreviewed safety questions and reduce safety margins at a plant.”

The company has 30 days to appeal the NRC staff’s determination of the “yellow” finding or contest the fine.

###