



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931**

July 18, 2001

EA-01-125

Duke Energy Corporation
ATTN: Mr. W. R. McCollum
Vice President
Oconee Nuclear Station
7800 Rochester Highway
Seneca, SC 29672

**SUBJECT: FINAL SIGNIFICANCE DETERMINATION FOR A WHITE FINDING AND
NOTICE OF VIOLATION (NRC INSPECTION REPORT 50-269/01-08,
50-270/01-08, AND 50-287/01-08) - OCONEE NUCLEAR STATION**

Dear Mr. McCollum:

The purpose of this letter is to provide you with the final results of our significance determination of the preliminary White finding identified in the subject inspection report. The inspection finding was assessed using the significance determination process and was preliminarily characterized as White (i.e., an issue with low to moderate increased importance to safety, which may require additional NRC inspections). This finding involved the inability to align the station auxiliary service water (ASW) pump to supply lake water to the steam generators in sufficient time (i.e., within 40 minutes) to mitigate a design basis tornado event.

In a telephone conversation with Mr. Malcolm Widmann of NRC, Region II, on June 14, 2001, Mr. Larry Nicholson of your staff indicated that the Oconee Nuclear Station did not contest the characterization of the risk significance of this finding and that the opportunity to discuss this issue in a Regulatory Conference was declined. Mr. Nicholson indicated Duke Energy Corporation's (DEC) intention to submit a written response outlining the likely causes of the initial issue and corrective actions taken and planned in response to this finding. The NRC received DEC's response by letter dated July 5, 2001. The NRC will review your corrective actions during a future inspection as discussed below.

After considering the information developed during the inspection and your response, the NRC has concluded that the inspection finding is appropriately characterized as White for Units 1, 2 and 3. The pertinent inspection period for this finding is the first quarter of 2001, which coincided with another tornado mitigation related White finding that was previously documented in our letter to you dated November 9, 2000. Both of these White findings affect the mitigation systems cornerstone on Unit 1, resulting in a degraded cornerstone. Consequently, in accordance with the NRC's Action Matrix, we plan to perform Supplemental Inspection Procedure 95002, Inspection For One Degraded Cornerstone Or Any Three White Inputs In a Strategic Performance Area, to better understand the causes contributing to these performance issues. Before performing this supplemental inspection, a reasonable amount of time (generally about 30 to 60 days) will be allowed for the completion of your own evaluation of the related root and contributing causes for both the individual and collective issues.

You have ten business days from the date of this letter to appeal the staff's determination of significance for the identified White finding. Such appeals will be considered to have merit only if they meet the criteria given in NRC Inspection Manual Chapter 0609, Supplement 3.

The NRC also determined that a violation of Technical Specification (TS) 5.4.1 occurred with respect to the adequacy of tornado mitigation procedures. Your failure to promptly correct this condition adverse to quality when identified on January 27, 2000, was contrary to 10 CFR 50, Appendix B, Criterion XVI, and permitted this to exist for a considerably longer time. The failure to adhere to these regulatory requirements is cited as a violation in the enclosed Notice of Violation (Notice). The circumstances surrounding the violation are described in detail in the subject inspection report. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions - May 1, 2000," NUREG-1600, as amended on December 12, 2000, (Enforcement Policy), the Notice is considered escalated enforcement action because it is associated with a White finding.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was achieved is adequately addressed on the docket in your July 5, 2001, letter. 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 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

Luis A. Reyes
Regional Administrator

Docket Nos.: 50-269, 50-270, 50-287
License Nos.: DPR-38, DPR-47, DPR-55

Enclosure: Notice of Violation

cc w/encl:
see page 3

Duke Energy Corporation

3

cc w/encl:
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SIGNATURE	/RA/	/RA/	/RA/		/RA/	/RA/	/RA/
NAME	LPLISCO	CEVANS	ABOLAND		BMALLETT	FCONGEL	BORCHARDT
DATE	7/10/01	7/11/01	7/13/01		7/17/01	7/13/01	7/12/01

NOTICE OF VIOLATION

Duke Energy Corporation
Oconee Nuclear Station
Units 1, 2 and 3

Docket No. 50-269, 50-270, 50-287
License No. DPR-38, DPR-47, DPR-55
EA-01-125

During an NRC inspection completed on March 23, 2001, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions - May 1, 2000," NUREG-1600, as amended on December 12, 2000, (Enforcement Policy), the violation is listed below:

Technical Specification 5.4.1, Procedures, requires that written procedures shall be established, implemented, and maintained as recommended in Regulatory Guide 1.33, Revision 2, Appendix A, February 1978. Regulatory Guide 1.33 recommends procedures for combating emergencies and other significant events, including acts of nature such as tornados.

10 CFR 50, Appendix B, Criterion XVI, Corrective Action, requires that measures shall be established to assure that conditions adverse to quality are promptly identified and corrected.

Contrary to the above, prior to March 22, 2001, procedures for aligning the station ASW pump to mitigate a tornado, specifically Emergency Procedure (EP)/1,2,3/1800/01, Emergency Operating Procedure, Abnormal Procedure (AP)/1,2,3/1700/011, Loss of Power and AP/1,2,3/ 1700/006, Natural Disaster, were not adequate to ensure that the pump could be started within sufficient time to mitigate a design basis tornado event. In addition, on January 27, 2000, the licensee identified this condition adverse to quality, but as of March 22, 2001, had not taken corrective action to ensure that the station ASW pump could be aligned within sufficient time.

This violation is associated with a White SDP finding.

The NRC has concluded that information regarding the reason for the violation, 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 Duke Energy Corporation's letter of July 5, 2001. 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," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region II within 30 days of the date of the letter transmitting this Notice.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because any response will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's

document system (ADAMS), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room). If personal privacy or proprietary information is necessary to provide an acceptable response, then 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 material, 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 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

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

Dated this 18th day of July 2001