

October 15, 2001

EA-01-248

Mr. Mano Nazar
Site Vice-President
Prairie Island Nuclear Generating Plant
Nuclear Management Company, LLC
1717 Wakonade Drive East
Welch, MN 55089

SUBJECT: PRELIMINARY WHITE FINDING
(NRC INSPECTION REPORT NO. 50-306/01-13)
(PRAIRIE ISLAND NUCLEAR GENERATING PLANT)

Dear Mr. Nazar:

On May 23, 2001, the NRC completed a special inspection at your Prairie Island Nuclear Generating Plant. The results of this inspection were documented in NRC Inspection Report 50-306/01-13. The inspection report discussed a finding pertaining to the D6 emergency diesel generator (EDG) that appeared at the time of the issuance of the report to have at least very low safety significance. The finding involves the incompatibility of the fuel oil and lubricating oil in the Unit 2 D5 and D6 EDGs, resulting in high crankcase pressure and scuffed cylinder liners in the D6 EDG. The high crankcase pressure and damage to the cylinder liners resulted in the D6 EDG being out-of-service for 206 hours for repairs. An inspection of the D5 EDG did not identify any problems with the cylinders, most likely due to being run for only 40 hours since its last total rebuild. However, if the D5 EDG were called upon to perform its intended safety function for an extended time, the oil incompatibility might have caused it to fail prematurely. In our letter transmitting the inspection report, we noted that the D5 and D6 EDGs may have been unavailable for additional time periods before the May 9 shutdown because of the oil incompatibility issue. At the end of the inspection, both your staff and the NRC were still evaluating how much time the EDGs were unavailable.

After consideration of the uncertainties involved in calculating the rate of piston performance degradation and the information your staff provided in Licensee Event Report 2-01-03, we concluded that the D6 EDG was unavailable for 33.6 days. The D6 EDG was determined to be unavailable between the surveillance tests performed on March 15, 2001 (which noted an increase in crankcase pressure) and April 9, 2001 (which was stopped due to high crankcase pressure), a total of 25 days, plus the 8.6 days for the out-of-service to repair the cylinder liner. Based on the Significance Determination Process, the issue was preliminarily determined to be White, an issue with some increased importance to safety, which may require additional NRC inspection. The finding has a low to moderate safety significance due to the D6 EDG unavailability hours and because it could have resulted in the premature failure of the D6 EDG under certain accident conditions. The as-found oil incompatibility may also affect the capability

of the D5 EDG to operate without substantial performance degradation or result in failure during conditions requiring extended operations.

The finding also appears to involve an apparent violation of Criterion XVI, "Corrective Action," of 10 CFR Part 50, Appendix B, and is being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600. The current Enforcement Policy is included on the NRC's website at www.nrc.gov/OE.

The apparent violation involves the failure to promptly identify and correct a condition adverse to quality regarding the incompatibility between the fuel and lubricating oils in the D5 and D6 emergency diesel generators. During the D6 EDG monthly surveillance test on February 12, 2001, oil leakage was identified. The oil leakage was later determined to be potentially caused by higher than normal crankcase pressure. During the D6 EDG surveillance test run on March 15, 2001, higher than normal crankcase pressure was identified. On April 9, 2001, during D6 EDG 18-month, 24-hour surveillance testing, higher than normal crankcase pressure was again identified and the surveillance test run was stopped. NRC Information Notice 96-67 informed licensees of fuel oil/lubricating oil incompatibility that had resulted in high crankcase pressure and abnormal scuffing on diesel generator cylinder liners as a generic issue for this type of diesel. However, the cause of the high crankcase pressure was not identified and corrective actions were not taken until May 9, 2001, when the EDGs were declared inoperable based on oil incompatibility.

Before the NRC makes a final decision on this matter, we are providing you an opportunity to request a Regulatory Conference where you would be able to provide your perspectives on the significance of the finding, the bases for your position, and whether you agree with the apparent violation. If you choose to request a Regulatory Conference, we encourage you to submit your evaluation and any differences with the NRC evaluation at least one week prior to the conference in an effort to make the conference more efficient and effective. If a Regulatory Conference is held, it will be open for public observation. The NRC will also issue a press release to announce the Regulatory Conference.

Please contact Roger Lanksbury at (630) 829-9631 within 7 business days of the date of this letter to notify the NRC of your intentions. If we have not heard from you within 10 days, we will continue with our significance determination and enforcement decision and you will be advised by separate correspondence of the results of our deliberations on this matter.

Since the NRC has not made a final determination in this matter, no Notice of Violation is being issued for this inspection finding at this time. Please be advised that the number of violations and characterization of the apparent violation described in Inspection Report 50-306/01-13 may change as a result of further NRC review. In addition, the inspection report incorrectly identified the EDG issue as a Non-Cited Violation in Section 4.4OA3.2, page 7. However, the inspection report correctly identified the issue as an Unresolved Item on page 9 of the report. We regret an inconvenience this may have caused.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter 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/

Geoffrey E. Grant, Director
Division of Reactor Projects

Docket No. 50-306
License No. DPR-60

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and Chief Nuclear Officer
Site Licensing Manager
Nuclear Asset Manager
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