

1998

Mr. J.P. O'Hanlon
Senior Vice President - Nuclear
Virginia Electric and Power Company
5000 Dominion Blvd.
Glen Allen, Virginia 23060

June 15, 1998

SUBJECT: CONFIRMATORY ORDER MODIFYING LICENSE

Dear Mr. O'Hanlon:

The Commission has issued the enclosed Confirmatory Order Modifying License (Order) for the Virginia Electric and Power Company (VEPCO, the licensee), North Anna Power Station, Unit 1. This Order confirms VEPCO's commitment, as stated in your letter dated December 18, 1997, to complete implementation of Thermo-Lag 330-1 fire barriers corrective actions by the completion of the next refueling outage scheduled to begin in September 1998. This commitment was set out in your letter of consent dated May 22, 1998.

You should proceed with implementation of these corrective actions in accordance with your proposed schedule.

A copy of this Order is being filed with the Office of the Federal Register for publication.

Sincerely,
(Original Signed By)
N. Kalyanam, Project Manager
Project Directorate II-1
Division of Reactor Projects I/II
Office of Nuclear Reactor Regulation

Docket No. 50-338

Enclosure: Order

cc w/encl: See next page

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DATE	6/4/98	6/4/98	6/9/98	6/12/98	6/11/98

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Mr. J. P. O'Hanlon
Virginia Electric & Power Company

North Anna Power Station
Units 1 and 2

cc:

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Senior Resident Inspector
North Anna Power Station
U.S. Nuclear Regulatory Commission
1024 Haley Drive
Mineral, Virginia 23117

UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
Virginia Electric and Power Company)	Docket No. 50-338
)	
North Anna Power Station, Unit 1)	

CONFIRMATORY ORDER MODIFYING LICENSE

EFFECTIVE IMMEDIATELY

I.

Virginia Electric and Power Company (VEPCO, the licensee) is the holder of Facility Operating License No. NPF-4, which authorizes operation of North Anna Power Station (NAPS), Unit 1, located in Louisa County, Virginia.

II.

The staff of the U.S. Nuclear Regulatory Commission (NRC) has been concerned that Thermo-Lag 330-1 fire barrier systems installed by licensees may not provide the level of fire endurance intended and that licensees that use Thermo-Lag 330-1 fire barriers may not be meeting regulatory requirements. During the 1992 to 1994 timeframe, the NRC staff issued Generic Letter (GL) 92-08, "Thermo-Lag 330-1 Fire Barriers" and subsequent requests for additional information that requested licensees to submit plans and schedules for resolving the Thermo-Lag issue. The NRC staff has obtained and reviewed all licensees' corrective plans and schedules. The staff is concerned that some licensees may not be making adequate progress toward resolving the plant-specific issues, and that some implementation schedules may be either too tenuous or too protracted. For example, several licensees informed the NRC staff that their completion dates had slipped by 6 months to as much as 3 years. For NAPS,

Unit 1, that had corrective action scheduled beyond 1997, the NRC reviewed with VEPCO the schedule of Thermo-Lag corrective actions described in the VEPCO submittal to the NRC dated December 18, 1997. Based on the information submitted by VEPCO, the NRC staff has concluded that the schedules presented are reasonable. This conclusion is based on the need to perform certain plant modifications during outages as opposed to those that can be performed while the plant is at power. In order to remove compensatory measures such as fire watches, it has been determined that resolution of the Thermo-Lag corrective actions by VEPCO must be completed in accordance with current VEPCO schedules. By letter dated May 14, 1998, the NRC staff notified VEPCO of its plan to incorporate VEPCO's schedule commitment into a requirement by issuance of an order and requested consent from the Licensee. By letter dated May 22, 1998, VEPCO provided its consent to issuance of a Confirmatory Order.

III.

The Licensee's commitment as set forth in its letter of December 19, 1997, is acceptable and is necessary for the NRC to conclude that public health and safety are reasonably assured. To preclude any schedule slippage and to assure public health and safety, the NRC staff has determined that the Licensee's commitment in its December 18, 1997, letter be confirmed by this Order. The Licensee has agreed to this action. Based on the above, and the Licensee's consent, this Order is immediately effective upon issuance.

IV.

Accordingly, pursuant to sections 103, 161b, 161i, 161o, 182, and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR Part 50, IT IS HEREBY ORDERED, effective immediately, that:

Virginia Electric and Power Company shall complete final implementation of Thermo-Lag 330-1 fire barrier corrective actions at North Anna Power Station, Unit 1, described in the VEPCO submittal to the NRC dated December 18, 1997. Overall work package closeout will be completed by the completion of the next refueling outage scheduled to begin in September 1998.

The Director, Office of Nuclear Reactor Regulation, may relax or rescind, in writing, any provisions of this Confirmatory Order upon a showing by the Licensee of good cause.

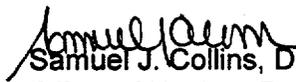
V.

Any person adversely affected by this Confirmatory Order, other than the Licensee, may request a hearing within 20 days of its issuance. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be made in writing to the Director, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and include a statement of good cause for the extension. Any request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, Attention: Chief, Rulemakings and Adjudications Staff, Washington, DC 20555. Copies of the hearing request shall also be sent to the Director, Office of Nuclear Reactor Regulation, U. S. Nuclear Regulatory Commission, Washington, DC 20555, to the Deputy Assistant General Counsel for Enforcement at the same address, to the Regional Administrator, NRC Region II, Atlanta Federal Center, 61 Forsyth Street, SW., Suite 23T85, Atlanta, Georgia 30303, and to the Licensee. If such a person requests a hearing, that person shall set forth with particularity the manner in which his/her interest is adversely affected by this Order and shall address criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any such hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Confirmatory Order should be sustained.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a hearing request has not been received. An answer or a request for hearing shall not stay the immediate effectiveness of this Order.

FOR THE NUCLEAR REGULATORY COMMISSION


Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Dated at Rockville, Maryland
this 15th day of June 1998