

December 10, 2002

EA-01-286

Mr. J. Pollack  
Site Vice President  
Nuclear Generation Group  
American Electric Power Company  
500 Circle Drive  
Buchanan, MI 49107

SUBJECT: ACKNOWLEDGMENT THAT FINAL SIGNIFICANCE DETERMINATION WILL  
NOT BE APPEALED

Dear Mr. Pollack:

The NRC acknowledges the receipt of your letter dated November 4, 2002. In your letter, you stated that Indiana Michigan Power Company will not appeal the NRC's final significance determination regarding the White finding associated with the August 29, 2001, essential service water system fouling event and that you view the subject event as serious and that comprehensive corrective actions have been taken. While indicating that you would not be appealing the determination, your letter also documented your disagreement with the significance characterization and you provided some insights for more effective implementation of the significance determination process in the future.

We concur with your views that the August 29, 2001, event was serious and that comprehensive corrective actions to prevent recurrence were needed. The NRC plans to conduct a supplemental inspection in early 2003 to evaluate the adequacy of your corrective actions associated with this event. We also understand that you do not agree with the final significance characterization of this issue. The final significance determination was developed based on the information that you provided and the NRC staff's independent engineering evaluation of this event. We have expended extensive inspection effort to thoroughly evaluate your technical assertions and we have had extensive discussions between our staffs regarding any differing views. We have also made changes to our initial characterization of this issue based on the assessment of the information that you provided. As stated in our letter dated October 3, 2002, based on the reasonableness of your assumptions and the arguments that were presented at the Regulatory Conference, the NRC concluded that the inspection finding is appropriately characterized as White, a finding of low to moderate safety significance. Regarding the insights you provided for more effective implementation of the significance determination process, we continue to disagree with your positions but appreciate your feedback and will consider your comments in our continuing self assessment efforts of our reactor oversight process.

J. Pollack

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If you have any questions regarding the supplemental inspection, please contact Mr. Tony Vegel, Chief, Reactor Projects Branch 6 at (630) 829-9620.

Sincerely,

*/RA/*

Geoffrey E. Grant, Director  
Division of Reactor Projects

Docket Nos. 50-315; 50-316  
License Nos. DPR-58; DPR-74

- cc: A. Bakken, Senior Vice President
- M. Finissi, Plant Manager
- R. Whale, Michigan Public Service Commission
- Michigan Department of Environmental Quality
- Emergency Management Division
- MI Department of State Police
- D. Lochbaum, Union of Concerned Scientists

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