

January 30, 2003

EA-02-264

Mr. John L. Skolds, President  
Exelon Nuclear  
Exelon Generation Company, LLC  
4300 Winfield Road  
Warrenville, IL 60555

SUBJECT: DRESDEN NUCLEAR POWER STATION  
NRC INSPECTION REPORT 50-237/01-21(DRS); 50-249/01-21(DRS);  
PRELIMINARY WHITE FINDING

Dear Mr. Skolds:

On October 16, 2001, the NRC completed an inspection at your Dresden Nuclear Power Station. While the inspection findings were discussed on October 16, 2001, with Mr. P. Swafford of your Dresden staff and documented in Inspection Report 50-237/01-21(DRS); 50-249/01-21(DRS), dated November 16, 2001, it was not until December 3, 2002, when Licensee Event Report (LER) No. 2002-005-00, "Unit 3 High Pressure Coolant Injection System Inoperable Due to Water Hammer Event," was issued, that the significance of the issue could be fully evaluated. Further discussion occurred on January 27, 2003, following our review of your operability determination.

The report discusses a finding that appears to have a low to moderate safety significance. As described in Section 1R15 of the report, the issue pertains to operability of the Unit 3 High Pressure Coolant Injection (HPCI) system with a degraded pipe support between July 5, 2001, and September 30, 2001. The HPCI pipe support was likely damaged when HPCI automatically activated during a July 5, 2001 scram. A hydrodynamic transient/water hammer event occurred as a result of a combination of air pockets and steam voids in the piping due to inadequate venting of the system. The ability of the HPCI system to perform its designed safety functions was an unresolved item pending further review and determination of operability while in the damaged state. After your staff determined in the above LER that the Unit 3 HPCI system was inoperable during the July 5 to September 30, 2001 time period, the finding was assessed using the applicable significance determination process and was preliminarily determined to be White, i.e., a finding with some increased importance to safety, which may require additional NRC inspection. The finding has a low-to-moderate safety significance based on the Significance Determination Process (SDP) Phase 2 analysis results using the benchmarked SDP notebook and the Standardized Plant Analysis Risk (SPAR) model.

On September 30, 2001, the damaged Unit 3 HPCI pipe support was repaired, and an adjacent hanger was adjusted to support pipe dead weight loads. By October 3, 2001, venting of the Unit 2 and Unit 3 HPCI pump discharge piping was completed. Dresden procedures were revised to vent HPCI intermediate high points and to require the venting of HPCI pump discharge piping while aligned to the contaminated condensate storage tank.

As discussed with Dresden staff on January 27, 2003, the NRC has concluded that the finding is an apparent violation of Criterion XVI, "Corrective Action," of 10 CFR Part 50, Appendix B, for failure to promptly correct conditions adverse to quality and for failure to take corrective action to preclude repetition in the case of a significant condition adverse to quality. Your staff did not promptly correct damaged pipe support M-1187D-80 on the Unit 3 HPCI system after it was identified on July 19, 2001, a significant condition adverse to quality, and your staff did not take corrective action to preclude repetition until prompted by NRC staff on September 30, 2001. The finding is also an apparent violation of NRC requirements 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](http://www.nrc.gov/OE).

We believe that sufficient information was considered to make a preliminary significance determination. However, before we make a final decision on this matter, we are providing you an opportunity to present to the NRC your perspectives on the facts and assumptions, used by the NRC to arrive at the finding and its significance, at a Regulatory Conference or through the submittal to the NRC of your position on the finding in writing. If you choose to request a Regulatory Conference, it should be held within 30 days of the receipt of this letter and we encourage you to submit supporting documentation 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. If you decide to submit only a written response, such submittal should be sent to the NRC within 30 days of the receipt of this letter.

Please contact Mr. David Hills at (630) 829-9733 within 10 business days of the receipt 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. In addition, please be advised that the number and characterization of apparent violations described above may change as a result of further NRC review.

Today, we are also issuing correspondence concerning a Predecisional Enforcement Conference concerning possible incomplete or inaccurate information provided to the NRC staff on September 27, 2001 about the water hammer event on July 5, 2001 (NRC Office of Investigations Case No. 3-2001-054).

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/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

***/RA by Roy Caniano Acting For/***

Cynthia D. Pederson, Director  
Division of Reactor Safety

Docket No. 50-249  
License No. DPR-25

cc: Site Vice President - Dresden Nuclear Power Station  
Dresden Nuclear Power Station Plant Manager  
Regulatory Assurance Manager - Dresden  
Chief Operating Officer  
Senior Vice President - Nuclear Services  
Senior Vice President - Mid-West Regional  
Operating Group  
Vice President - Mid-West Operations Support  
Vice President - Licensing and Regulatory Affairs  
Director Licensing - Mid-West Regional  
Operating Group  
Manager Licensing - Dresden and Quad Cities  
Senior Counsel, Nuclear, Mid-West Regional  
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Document Control Desk - Licensing  
M. Aguilar, Assistant Attorney General  
Illinois Department of Nuclear Safety  
State Liaison Officer  
Chairman, Illinois Commerce Commission

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Division of Reactor Safety

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- cc: Site Vice President - Dresden Nuclear Power Station
- Dresden Nuclear Power Station Plant Manager
- Regulatory Assurance Manager - Dresden
- Chief Operating Officer
- Senior Vice President - Nuclear Services
- Senior Vice President - Mid-West Regional  
Operating Group
- Vice President - Mid-West Operations Support
- Vice President - Licensing and Regulatory Affairs
- Director Licensing - Mid-West Regional  
Operating Group
- Manager Licensing - Dresden and Quad Cities
- Senior Counsel, Nuclear, Mid-West Regional  
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- Document Control Desk - Licensing
- M. Aguilar, Assistant Attorney General
- Illinois Department of Nuclear Safety
- State Liaison Officer
- Chairman, Illinois Commerce Commission

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