October 3, 1997

Duke Energy Corporation
ATTN: Mr. H. B. Barron
Vice President
McGuire Site
12700 Hagers Ferry Road
Huntersville, NC 28078-8985

SUBJECT: NRC INSPECTION REPORTS 50-369/97-14 AND 50-370/97-14

Dear Mr. Barron:

An NRC inspection was conducted August 18 - 22, 1997, at your McGuire 1 and 2 reactor facilities. This was an inspection of your implementation of the requirements of 10 CFR 50.65, "Requirements for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants" [the Maintenance Rule]. The enclosed report presents the results of that inspection.

Your program for implementing the requirements of the Maintenance Rule followed the guidance provided in NUMARC 93-01, "Industry Guideline for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants," Revision 2, dated April 1996, which was endorsed in Regulatory Guide 1.160, "Monitoring the Effectiveness of Maintenance at Nuclear Power Plants," Revision 2, dated March 1997. The inspection concluded that your program was comprehensive and was being effectively implemented.

Strengths were noted in audits and self-assessments of your Maintenance Rule Program, in the implementation of your structures program, and in the use of systems engineers during expert panel meetings to provide additional technical detail on issues addressed by the panel. In addition, two examples of scoping enhancements were observed during the inspection, which demonstrated a proactive approach toward implementation of the Rule based on site specific experience. Minor weaknesses were noted concerning lack of a systematic method of trending system data, and in the Probabilistic Risk Assessment (PRA) truncation limits used for implementation of the Rule.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room (PDR).

Sincerely,

Johns E. Jaudon, Director
Division of Reactor Safety

Docket Nos.: 50-369, 50-370
License Nos.: NPF-9, NPF-17

Enclosures: (See page 2)

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PDR ADOCK 05000369
Q PDR

Enclosures: 1. Inspection Reports
50-369/97-14,
50-370/97-14
2. Handout on "NRC Maintenance Rule
Baseline Inspection McGuire Nuclear
Site August 18-22, 1997"

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with comments.