



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011-4005**

February 13, 2004

EA-04-009

Mr. M. R. Blevins, Senior Vice President  
and Principal Nuclear Officer  
TXU Energy  
ATTN: Regulatory Affairs  
Comanche Peak Steam Electric Station  
P.O. Box 1002  
Glen Rose, Texas 76043

**SUBJECT: COMANCHE PEAK STEAM ELECTRIC STATION - SPECIAL TEAM INSPECTION  
REPORT 50-445/02-09 - FINAL SIGNIFICANCE DETERMINATION FOR A  
WHITE FINDING AND NOTICE OF VIOLATION**

Dear Mr. Blevins:

The purpose of this letter is to provide you the final results of our significance determination of the preliminary White finding identified in the subject inspection report. The inspection finding was assessed using the Significance Determination Process and was preliminarily characterized as White (i.e., a finding with low to moderate increased importance to safety, which may require additional NRC inspections). This White finding involved the failure to identify and correct an indicated flaw in a steam generator tube during Refueling Outage 1RF08. Failure to remove the tube from service resulted in a steam generator tube leak, which occurred in the 2002 time frame.

In a telephone conversation with Mr. Claude Johnson of the Nuclear Regulatory Commission (NRC), Region IV, on February 5, 2004, Mr. Fred W. Madden, Nuclear Licensing Manager, of your staff indicated that TXU Energy does not contest the characterization of the risk significance of this finding and that you have declined to discuss this issue in a Regulatory Conference or provide a written response.

After considering the information developed during the inspection, and the additional information you provided in your letters dated March 5 and April 9, 2003, the NRC has concluded that the inspection finding is appropriately characterized as White, because the tube failed in-situ testing. This failure indicated a higher probability of inservice failure for the tube during postulated initiating events and core damage sequences.

You have 30 calendar days from the date of this letter to appeal the staff's determination of significance for the identified White finding. Such appeals will be considered to have merit only if they meet the criteria given in NRC Inspection Manual Chapter 0609, Attachment 2.

The NRC has also determined that the failure to identify and correct a clearly detectable steam generator tube flaw indication, during eddy current examinations in the 2001 refueling outage (1RF08) resulting in the tube remaining in service until it leaked in September 2002, is a violation of 10 CFR Part 50, Appendix B, Criterion XVI, as cited in the attached Notice of Violation (Notice). The circumstances surrounding the violation are described in detail in the subject inspection report. In accordance with the NRC Enforcement Policy, NUREG-1600, the Notice of Violation is considered escalated enforcement action because it is associated with a White finding.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response.

Because plant performance for this issue has been determined to be in the regulatory response band, we will use the NRC Action Matrix to determine the most appropriate NRC response for this event. We will notify you, by separate correspondence, of that determination.

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

Bruce S. Mallett  
Regional Administrator

Docket: 50-445  
License: NPF-87

Enclosure: Notice of Violation

cc w/enclosure:  
Roger D. Walker  
Regulatory Affairs Manager  
TXU Generation Company LP  
P.O. Box 1002  
Glen Rose, TX 76043

George L. Edgar, Esq.  
Morgan Lewis  
1111 Pennsylvania Avenue, NW  
Washington, DC 20004

TXU Energy

-3-

Terry Parks, Chief Inspector  
Texas Department of Licensing  
and Regulation  
Boiler Program  
P.O. Box 12157  
Austin, TX 78711

The Honorable Walter Maynard  
Somervell County Judge  
P.O. Box 851  
Glen Rose, TX 76043

Chief, Bureau of Radiation Control  
Texas Department of Health  
1100 West 49th Street  
Austin, TX 78756-3189

Environmental and Natural  
Resources Policy Director  
Office of the Governor  
P.O. Box 12428  
Austin, TX 78711-3189

Brian Almon  
Public Utility Commission  
William B. Travis Building  
P.O. Box 13326  
1701 North Congress Avenue  
Austin, TX 78711-3326

Susan M. Jablonski  
Office of Permitting, Remediation and Registration  
Texas Commission on Environmental Quality  
MC-122  
P.O. Box 13087  
Austin, TX 78711-3087

Electronic distribution by RIV:  
 Regional Administrator **(BSM1)**  
 DRP Director **(ATH)**  
 DRS Director **(DDC)**  
 Senior Resident Inspector **(DBA)**  
 Branch Chief, DRP/A **(WDJ)**  
 Senior Project Engineer, DRP/A **(TRF)**  
 Staff Chief, DRP/TSS **(PHH)**  
 RITS Coordinator **(NBH)**  
 Debby Jackson, OEDO RIV Coordinator **(DAJ1)**  
 CP Site Secretary **(vacant)**  
 OEMAIL  
 Jennifer Dixon-Herrity, OE  
 Rani Franovich, NRR  
 Victor Dricks  
 Bill Maier

ADAMS:  Yes     No    Initials: CSM  
 Publicly Available     Non-Publicly Available     Sensitive     Non-Sensitive

DOCUMENT: R:\\_CPSES\CP209-Final White Letter

C:EB	C:PBA	D:ACES	OE	D:DRS	DRA	RA
CSMarschall/lmb	WDJohnson	GFSanborn	JDixon-Herrity	DDChamberlain	TPGwynn	BSMallett
/RA/ CEJ for	/RA/	/RA/ E	/RA/ E	/RA/	/RA/ BSM for	/RA/
2/5/04	2/5/04	02/04/04	2/10/04	2/5/04	2/13/04	2/13/04

OFFICIAL RECORD COPY

T=Telephone

E=E-mail

F=Fax

## NOTICE OF VIOLATION

TXU Energy

Comanche Peak Steam Electric Station

Docket No. 50-445

License No. NPF-87

EA-04-009

During an NRC inspection conducted from October 7 through November 1, 2002, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

10 CFR Part 50, Appendix B, Criterion XVI requires, in part, that licensees shall establish measures to assure that conditions adverse to quality are promptly identified and corrected.

Contrary to the above, in April 2001, despite the existence of eddy current data that indicated the existence of a flaw in a steam generator tube, the licensee failed to promptly identify a flaw in Comanche Peak, Unit 1, Steam Generator No. 2 Tube R41C71, a condition adverse to quality, and correct it by removing it from service. As a result, in September 2002, the flaw developed into a leak that caused operators to shut the plant down. The tube subsequently failed in situ testing.

This violation is associated with a White Significance Determination Process finding.

Pursuant to the provisions of 10 CFR 2.201, TXU Energy is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region IV, and a copy to the NRC Resident Inspector at the facility that is the subject of this Notice, within 30 days of the date of the letter transmitting this Notice of Violation. This reply should be clearly marked as a "Reply to a Notice of Violation; EA-04-009" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>, to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is

necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

Dated this 13th day of February 2004