

June 28, 2004

MEMORANDUM TO: Stephanie M. Coffin, Acting Chief, Section 1  
Project Directorate II  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

FROM: Sean E. Peters, Project Manager, Section 1  
Project Directorate II  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

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SUBJECT: SUMMARY OF JUNE 1, 2004, CONFERENCE CALL REGARDING  
DUKE POWER COMPANY'S REQUEST TO MODIFY THE QUALITY  
ASSURANCE PROGRAM FOR THE CATAWBA, MCGUIRE, AND  
OCONEE NUCLEAR STATIONS (TAC NOS. MB7166, MB7167,  
MB7168, MB7169, MB7170, MB7171, AND MB7172)

On June 1, 2004, the U.S. Nuclear Regulatory Commission (NRC) staff held a conference call with Duke Power Company (the licensee) to discuss the status of the licensee's request to implement Amendment 32 to the Duke Energy Corporation Topical Report, Duke-1A, on the Quality Assurance (QA) Program for the Catawba, McGuire, and Oconee Nuclear Stations. The NRC staff requested this call in order to voice concerns with items that were not discussed during the April 8, 2004, meeting (See Meeting Summary ADAMS # ML041110007).

The NRC staff's primary concern was that substitution of hold point inspections with a monitoring process based upon routine versus nonroutine maintenance does not allow for the safety-significance of the structures, systems, or components, as outlined in Appendix B, to be tied to the maintenance being performed.

Additionally, the NRC staff expressed its concern that the licensee's original application did not meet the guidance in the consensus standards N18.7-1976/ANS-3.2, "Administrative Controls and Quality Assurance for the Operational Phase of Nuclear Power Plants," and N45.2-1977, "QA Program Requirements for Nuclear Facilities." N45.2-1977 provides guidance for grading QA controls deterministically. Also, N18.7-1976 states that for modifications and nonroutine maintenance, inspections shall be conducted in a manner similar to that associated with construction phase activities. Although the N18.7-1976 uses the terms routine maintenance and nonroutine maintenance, the NRC staff understood that the distinction was only intended to allow flexibility in determining which personnel may perform the inspections, not which inspections will be performed.

Because of these issues, the NRC staff suggested that the licensee consider withdrawing its request for Amendment 32.

Subsequently, the licensee expressed its desire to continue with the QA amendment request review. Additionally, because of updated requirements, the licensee informed the NRC staff that it planned to submit a new Amendment 32 that is administrative in nature, and revise and resubmit the original Amendment 32 request as Amendment 33 to the Duke Energy Corporation Topical Report, Duke 1-A.

As expressed in following telephone discussions with the licensee, the NRC staff will continue its review of this application if the licensee can adequately address the above issues by July 30, 2004. However, prior to receiving the revision to this request, the NRC staff would like to hold further discussions with the licensee on its proposed solution to the above issues.

Docket Nos. 50-413, 50-414, 50-369, 50-370, 50-269, 50-270, and 50-287

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