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A Duke Energy Company

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U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
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Subject: Oconee Nuclear Station - Units 1, 2 and 3
Docket Nos. 50-269, 50-270, 50-287
Response to Notice of Violation

Duke Energy Corporation (Duke) is in receipt of the referenced NRC Notice of Violation[1] dated September 24, 2004. The subject letter describes an issue involving the staffing of the Standby Shutdown Facility (SSF) following a fire. The purpose of this letter is to provide further discussion and details associated with this issue.

On September 13, 2004, Duke met with your staff to discuss this issue in a regulatory conference. In this conference Duke presented results from a recent Electric Power Research Institute (EPRI) technical report which used an expert panel to determine the failure probability for pressurizer safety valves (PSV). This report utilized the expert elicitation process which was based on processes described in various NRC and EPRI publications. The results of this report showed that for PSVs of the type and configuration at Oconee, the failure probability for subsequent lifts with the fluid condition associated with this Appendix R issue, the probability of failure for the valve to reseat was significantly lower than the value used by the NRC in the Phase III risk determination.

In the NRC Notice of Violation referenced above (September 24, 2004), the NRC stated that the analytical techniques

[1] NRC letter to Duke Energy Corporation, (Attn: .R A. Jones), "Final Significance Determination For A White Finding And Notice of Violation (NRC Inspection Report No. 05000269/2004013, 05000270/2004013, 05000287/2004013, Oconee Nuclear Station" dated September 24, 2004.

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and risk analysis used in the EPRI report were "novel and unverified." The EPRI expert elicitation process has been accepted by the NRC in previous instances and is clearly not a novel approach. Use of expert judgment is an acceptable method according to the ASME Standard for Probabilistic Risk Assessment for Nuclear Power Plant Applications (ASME RA-Sa-2003), Section 4.3. This Standard has been endorsed without objection by NRC in Reg. Guide 1.200, An Approach for Determining the Technical Adequacy of Probabilistic Risk Assessment Results for Risk Informed Activities, December 2003. Rather, the expert elicitation process applied to this issue was intended to provide the best information available regarding PSV failure probability. The current PSV failure rate used by the NRC in significance determination is based on a draft, unpublished report (NUEREG-1715, Vol. W) with no supporting documentation for subsequent lifts. Duke believes the expert elicitation process uses a more structured, formal process to provide a more accurate prediction of PSV performance.

Therefore, while Duke has chosen not to appeal this violation, we do not agree with the safety significance determined by the NRC. Additionally, it is Duke's intent to use this more accurate number in future PRA analyses and decision-making. Duke believes that the underlying spirit of application of PRA insights is to produce the most accurate and realistic prediction possible.

If you have any questions or require additional information, please contact Noel Clarkson, Oconee Regulatory Compliance Group at 864-885-3077.

Very truly yours,

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