

January 18, 2005  
EN-05-001

OFFICE OF ENFORCEMENT  
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Duke Energy Corporation EA-04-189 and EA-04-236  
Catawba Units 1 and 2  
Docket Nos. 50-413 and 50-414

Subject: ISSUANCE OF A NOTICE OF VIOLATION WITH NO CIVIL PENALTY

This is to inform the Commission that a Notice of Violation will be issued on or around January 24, 2005, to Duke Energy Corporation (DEC) as a result of inspections concerning DEC's proposed license amendment request (LAR) of February 27, 2003, as supplemented by additional letters through December 10, 2004, and which proposed to revise its technical specifications to allow the use of four mixed oxide (MOX) fuel lead test assemblies (LTA) at Catawba Nuclear Station Units 1 and 2. This action was based on a cited Severity Level III violation (EA-04-189) involving two examples of DEC's failure to submit complete and accurate information in violation of 10 CFR 50.9. The first example involves DEC's failure to indicate that the reactor core would also include eight next generation fuel (NGF) LTAs as part of the complete core loading of 193 fuel assemblies. The second example involved DEC's initial reliance on radiation dose evaluations that were not based on the current plant design basis accident radiation dose estimates. In addition to the cited Severity Level III violation, this action includes a non-cited Severity Level IV violation (EA-04-236) involving DEC's failure to update the FSAR as required by 10 CFR 50.71(e).

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$60,000 is considered for a Severity Level III violation. Because the facility has not been the subject of escalated enforcement actions within the last 2 years, the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process in Section VI.C.2 of the Enforcement Policy. Credit for corrective action is warranted because the actions taken at DEC to correct the errors were prompt and comprehensive. Therefore, to encourage prompt and comprehensive correction of violations and in recognition of the absence of previous escalated enforcement action, a civil penalty has not been assessed in this case.

It should be noted that the licensee has not been specifically informed of this action. The schedule of issuance and notification are:

Mailing of Notice of Violation	January 24, 2005
Telephone Notification of licensee	January 24, 2005

The State of South Carolina will be informed.

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<b>NAME</b>	LTrocine		CNolan	
<b>DATE</b>	01/18/05		01/18/05	

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**PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL  
 VERIFICATION THAT LICENSEE HAS RECEIVED ACTION**