

August 25, 2005

RS-05-108

Mr. Kenneth G. O'Brien
Region III Enforcement/Investigations Officer
U. S. Nuclear Regulatory Commission, Region III
2443 Warrenville Road, Suite 210
Lisle, Illinois 60532-4352

Subject: Settlement Agreement for LaSalle County Station High Radiation Event

- References:
- Letter from G. P. Barnes (Exelon Generation Company, LLC) to U. S. NRC, "Response to Apparent Violation EA-04-170," dated December 17, 2004
 - 2. Letter from U. S. NRC to C. Crane (Exelon Generation Company, LLC), "Notice of Violation and Proposed Imposition of Civil Penalty - \$60,000 [NRC Office of Investigations Report No. 3-2004-009] and Non-Cited Violation [NRC Office of Investigations Report No. 3-2004-005 and NRC Inspection Report Nos. 05000373/2004002 and 05000374/2004002]," dated May 2, 2005

On January 25, 2004, at LaSalle County Station (LSCS) Unit 1, three employees of The Venture (Venture) and their foreman, contractors to Exelon Generation Company, LLC, (EGC), entered a High Radiation Area (HRA) in the Unit 1 Reactor Building raceway to conduct preparations for valve replacement and did not sign onto the required HRA radiation work permit (RWP) or receive the required briefing for work in an HRA. This resulted in a violation of LSCS Technical Specification (TS) 5.7.1, "High Radiation Areas with Dose Rates Not Exceeding 1.0 rem/hour at 30 Centimeters from the Radiation Source or from any Surface Penetration by the Radiation," which requires that an appropriate RWP be utilized by radiation workers, and that a pre-job brief be provided prior to entry into any HRA. The NRC's Office of Investigation (OI) determined that two of the three craft workers and the foreman willfully violated the station radiation protection procedures implementing the TSs.

In Reference 1, EGC responded to the apparent violation by acknowledging that a willful violation occurred, that the violation should be categorized at Severity Level IV, and that the violation met the NRC criteria to be categorized as a Non-Cited Violation (NCV). In Reference 2, the NRC issued a "Notice of Violation and Proposed Imposition of Civil Penalty - \$60,000," for LSCS. On May 12, 2005, in response to the NRC's enforcement action, EGC informed the NRC of the intent to appeal the notice of violation and proposed civil penalty using the Alternate Dispute Resolution (ADR) process.

On July 11, 2005, representatives of EGC, the NRC, and The Venture met with an independent mediator as part of the ADR process. As a result of this meeting, all parties reached a Settlement Agreement which contained the following stipulations.

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1. The Nuclear Regulatory Commission ("NRC") issued a May 2, 2005 Notice of Violation and Proposed Imposition of a \$60,000.00 civil penalty based upon three craft workers and their foreman willfully entering a posted high radiation area ("HRA") without signing the required radiation work permit or receiving a HRA briefing in violation of Tech. Spec. 5.7.1.b and e.
2. After having had an opportunity to examine these issues during mediated Alternative Dispute Resolution, Exelon Generation Company, LLC ("Exelon") and the NRC have concluded that they can resolve all issues on a mutually satisfactory basis. Accordingly, Exelon and the NRC have agreed to enter this Settlement Agreement (the "Agreement") to provide for full settlement of any enforcement matters between Exelon and the NRC related to or arising out of the events which were the subject of the NRC's proposed enforcement action on May 2, 2005. The parties herein agree that:
 - a. A willful violation occurred as documented in NRC's May 2, 2005 Notice of Violation; however, NRC agrees to categorize this as a Severity Level IV violation, and to not consider it as part of the civil penalty assessment process, Enforcement Policy, Section VI.C.2, should NRC consider future enforcement actions at LaSalle;
 - b. A Confirmatory Order is an appropriate enforcement sanction to confirm action in this case and, the NRC agrees to a reduced civil penalty of \$10,000.00;
 - c. Exelon will document in LaSalle Station Procedures or training material, the following corrective actions:
 - (i) Revise initial radiation worker training material to highlight HRA entry requirements and consequences for the radiation worker if requirements are not met;
 - (ii) Revise RWP instructions that allow HRA entry to state "high radiation entry brief required;"
 - (iii) Add warnings to worker acknowledgements on the computer screen during the access control electronic dosimetry log-in process;
 - (iv) Add the radiation protection aid for conducting HRA briefings; and,
 - (v) Require a signature from transient refueling outage workers prior to issuance of dosimetry that acknowledges their understanding of HRA entry requirements and the consequences for violating them.
 - d. During the first ten days, or longer as necessary, of the next two refueling outages, LaSalle will have greeters at primary access points to the RCA to enhance awareness of radiological controls.
 - e. For the next two refueling outages, all transient refueling outage workers, except as specifically authorized by the Radiation Protection Manager, will be required to attend and pass a dynamic learning activity on proper HRA entry.

- f. LaSalle will perform an industry benchmark evaluation of HRA controls, and evaluate changes to existing practices prior to the next refueling outage.
- g. In addition to the corrective actions already documented in Exelon's December 17, 2004 response, Exelon will require that Venture revise its Operating Procedures, which are applicable fleet-wide, to further assure compliance with high radiation area entry requirements and to specifically include the following requirements:
 - (i) For a discussion of pertinent radiological practices at each daily shift brief;
 - (ii) That Venture employees who will work in rad areas will read, understand and sign a pledge to attest to his/her commitment to follow all radiological requirements. Each pledge will be co-signed by the Venture site manager, project superintendent, or site ALARA coordinator and will be retained for a period of one year;
 - (iii) That Venture superintendents will be present at select pre-job briefs involving HRA entries;
 - (iv) Venture will participate in Exelon RPM peer group meetings at least semi-annually to evaluate and take action on RP issues.
- h. Exelon will conduct a review of the implementation and effectiveness of its and Venture's corrective actions covered in the Confirmatory Order. This review shall be conducted for at least the next two refueling outages at LaSalle. The results of each review will be made available for NRC review upon request. The review shall be conducted by knowledgeable individuals independent of the LaSalle facility.

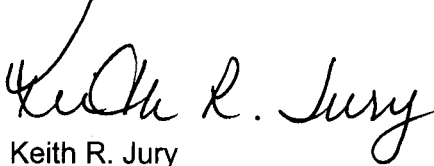
The LaSalle Plant Manager or Site Vice President will meet with contract leadership prior to each outage to establish personnel expectations in following radiological work requirements.
- j. The scope of this Agreement includes the events which were the subject of the NRC's proposed enforcement action on May 2, 2005.

EGC appreciates the opportunity to participate in the ADR process and acknowledges concurrence with the terms and conditions stipulated in the Settlement Agreement dated and signed by representatives of EGC and the NRC on July 11, 2005.

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Should you have any questions regarding this letter, please contact Alison Mackellar at (630) 657-2817.

Respectfully,

A handwritten signature in black ink, reading "Keith R. Jury". The signature is written in a cursive style with a large, stylized "K" and "J".

Keith R. Jury
Director – Licensing and Regulatory Affairs
Exelon Generation Company, LLC