



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

March 20, 2006

Duke Energy Corporation
ATTN: Mr. Bruce H. Hamilton
Vice President
Oconee Site
7800 Rochester Highway
Seneca, SC 29672

SUBJECT: NUCLEAR REGULATORY COMMISSION OFFICE OF INVESTIGATIONS
REPORT NO. 2-2005-016

Dear Mr. Hamilton:

On April 12, 2005, the NRC's Office of Investigations (OI), Region II (RII) initiated an investigation to determine whether personnel at Oconee Nuclear Station (ONS) willfully submitted inaccurate information in a Duke Power (Duke) Licensee Event Report (LER) No.: 287/2001-001, dated April 18, 2001, describing cracks in the Control Rod Drive Mechanism (CRDM) Nozzles of the ONS Unit 3 Reactor Pressure Vessel Head (RPVH).

Based on the evidence developed during this investigation, OI:RII concluded that the information in the Duke LER No.: 287/2001-001, which reported the extent of boric acid corrosion of the ONS RPVH Unit 3, was inaccurate. The OI:RII did not substantiate that ONS/Duke personnel provided the inaccurate information willfully to the NRC. A copy of the synopsis to the OI report is included with this letter.

Based on our review of the information developed during the investigation, the NRC has determined that a violation of 10 CFR 50.9 occurred involving the submittal of incomplete and inaccurate information. In this case, the NRC concluded that information contained in ONS's LER was not complete and accurate in all material respects, in that the LER stated that the small amounts of boric acid crystal deposits observed around the CRDM Nozzles had caused no detectable corrosion to the vessel head. The NRC concluded that this information was material and inaccurate, in that minor corrosion due to boric acid was, in fact, found by ONS staff on the Unit 3 RPVH during the Unit 3 refueling outage of 2001. The NRC concluded that ONS's actions in this regard were not willful.

The violation is categorized at Severity Level IV because the inaccuracy was related to RPVH boric acid corrosion that was not structurally significant and would not have resulted in a regulatory action or substantial further inquiry. However, the NRC deemed the violation to be more than minor, because the inaccuracy precluded us from considering or pursuing additional inquiry into RPVH corrosion issues, the significance of which was not clearly understood at the time the LER was issued.

Because of the very low safety significance and because the issue was entered into your corrective action program, the NRC is treating the violation as a non-cited violation, in accordance with Section VI.A.1 of the NRC's Enforcement Policy. The NRC also notes that

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ONS revised LER 287/2001-001 on August 18, 2005 to correct the inaccuracy. For administrative purposes, the NCV will be referenced in an upcoming integrated inspection report.

If you contest this NCV, you should provide a response within 30 days of the date of this letter, with the basis for your denial, to the United States Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555-0001, with copies to the Regional Administrator, Region II; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, D.C. 20555-0001; and the NRC Resident Inspector at the Oconee facility.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure 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).

You should also note that final NRC documents, including the final OI report, may be made available to the public under the Freedom of Information Act (FOIA) subject to redaction of information pursuant to the FOIA. Requests under the FOIA should be made in accordance with 10 CFR 9.23, Requests for Records. Should you have any questions regarding this letter, please feel free to contact me at (404) 562-4667.

Sincerely,

/RA/

Mark S. Lesser, Chief
Engineering Branch 3
Division of Reactor Safety

Docket No. 50-287
License No. DPR-55

Enclosure: Synopsis

cc w/encl: See next page

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cc w/encl cont'd
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