

September 26, 2006

Mr. G. R. Peterson
Vice President
McGuire Nuclear Station
Duke Power Company LLC
12700 Hagers Ferry Road
Huntersville, NC 28078

SUBJECT: NRC RESPONSE TO LETTER OF INTENT TO ADOPT TITLE 10 OF THE
CODE OF FEDERAL REGULATIONS, PART 50, SECTION 50.48(c) FOR
MCGUIRE NUCLEAR STATION, UNITS 1 AND 2

Dear Mr. Peterson:

I am writing in response to your letter dated April 18, 2006 (Agencywide Documents Access and Management System Accession No. ML061150375), in which you informed the Nuclear Regulatory Commission (NRC) that Duke Power Company LLC intends to adopt National Fire Protection Association (NFPA) Standard 805, "NFPA 805, Performance-Based Standard for Fire Protection for Light-Water Reactor Electric Generation Plants," 2001 edition, pursuant to Section 50.48(c) of Part 50 of Title 10 of the *Code of Federal Regulations* (10 CFR 50.48(c)), at the McGuire Nuclear Station (MNS), Units 1 and 2.

In your April 18, 2006 letter, you informed us that the transition to the performance-based standard for fire protection at MNS, Units 1 and 2 has commenced. In addition, you have identified a need for extending the previously estimated transition time of 2 years as stated in the June 8, 2005, letter to the NRC (ML050670305) to 3 years. You expect to be completed with the submission of the McGuire License Amendment prior to December 31, 2008.

On April 18, 2006, the NRC published in the *Federal Register* (71 FR 19905) a revision to its enforcement policy extending the NFPA 805 transition discretion period from 24 to 36 months. Therefore, your request for the extended discretion period for MNS, Units 1 and 2 is granted. The NRC considers the discretion period for MNS, Units 1 and 2 to begin on April 18, 2006 and will expire on April 18, 2009. The enforcement discretion period will continue beyond April 18, 2009, while the NRC staff is reviewing your request for the license amendment.

Please note that in order to receive enforcement discretion, you must: (a) evaluate the risk significance of all noncompliances to assure that they do not constitute "Red" (or a Severity Level I) findings under the NRC's Reactor Oversight Process, (b) enter them into your corrective action program, and (c) implement and maintain appropriate compensatory measures until the NRC staff approves your license amendment request and issues its safety evaluation. You should refer to NRC Regulatory Issue Summary 2005-07, "Compensatory Measures to Satisfy the Fire Protection Program Requirements," for additional NRC staff guidance on appropriate compensatory measures.

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In response to requests made by a number of licensees, which are not pilots for NFPA 805, for meetings with the NRC staff to discuss their transition issues, the NRC staff plans to hold periodic workshops on NFPA 805 implementation issues at the regional offices or onsite at units transitioning to the new standard. The staff will inform the nuclear plant licensees of the schedules of these workshops.

If you have any questions regarding this matter, please contact John F. Stang, Project Manager, at (301) 415-1345 or JFS2@nrc.gov.

Sincerely,

/RA/

Catherine Haney, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-369 and 50-370

cc: See next page

G. R. Peterson

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