

June 9, 2009

EA-09-083

Mr. Richard L. Anderson
Vice President
Duane Arnold Energy Center
3277 DAEC Road
Palo, IA 52324-9785

SUBJECT: FINAL SIGNIFICANCE DETERMINATION OF WHITE FINDING AND NOTICE OF VIOLATION; NRC INSPECTION REPORT NO. 05000331/2009011 – DUANE ARNOLD ENERGY CENTER

Dear Mr. Anderson:

This letter provides you the final significance determination of the preliminary White finding discussed in our previous communication dated May 1, 2009, which provided Inspection Report Number 05000331/2009009 (ML091210530). The finding involved the failure to promptly identify and correct a condition adverse to quality which resulted in the Train B emergency diesel generator output breaker tripping under full load conditions while conducting a monthly surveillance test.

In a telephone conversation with Mr. Kenneth Riemer, Chief, Division of Reactor Projects, Branch 2, U.S. Nuclear Regulatory Commission (NRC) Region III, on May 11, 2009, you indicated that the Duane Arnold Energy Center did not contest the characterization of the risk significance of this finding and that you declined your opportunity to discuss this issue in a Regulatory Conference or to provide a written response.

After considering the information developed during the inspection, the NRC has concluded that the finding is appropriately characterized as White, a finding having low to moderate safety significance.

The NRC has determined that the failure to promptly identify and correct a condition adverse to quality is a violation of Title 10 of the Code of Federal Regulations, Appendix B, Criterion XVI, "Corrective Action," as cited in the enclosed Notice of Violation (Notice). The circumstances surrounding the violation were described in detail in our letter, and its enclosure, of May 1, 2009. In accordance with the NRC Enforcement Policy, the Notice is considered escalated enforcement action because it is associated with a White finding.

The NRC has concluded that the information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was achieved were adequately addressed in the inspection report. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position.

As a result of our review of Duane Arnold Energy Center's performance, including this White finding, we have assessed you to be in the Regulatory Response column of the NRC's Action Matrix. Therefore, we plan to conduct a supplemental inspection using Inspection Procedure 95001, "Inspection for One or Two White Inputs in a Strategic Performance Area," when your staff has notified us of your readiness for this inspection. This inspection procedure is conducted to provide assurance that the root cause and contributing causes of risk significant performance issues are understood, the extent of condition is identified, and the corrective actions are sufficient to prevent recurrence.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, any response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

Sincerely,

/RA by Patrick L. Hiland Acting for/

Mark A. Satorius
Regional Administrator

Docket No. 50-331
License No. DPR-49

Enclosure:
Notice of Violation

cc w/encl: M. Nazar, Senior Vice President and Chief Nuclear Officer
M. Ross, Managing Attorney
A. Khanpour, Vice President, Nuclear Engineering
D. Curtland, Plant Manager
S. Catron, Manager, Regulatory Affairs
M. Mashhadi, Senior Attorney
T. Jones, Vice President, Nuclear Operations,
Midwest Region
P. Wells, Vice President, Nuclear Safety Assessment
R. Hughes, Director, Licensing and Performance Improvement
D. McGhee, Iowa Dept. of Public Health
Chairman, Linn County, Board of Supervisors
R. McCabe, Chairman, Regional Assistance Committee,
DHS/FEMA Region VII
M. Rasmusson, State Liaison Officer

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 Regional Administrator

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 - D. McGhee, Iowa Dept. of Public Health Chairman, Linn County, Board of Supervisors
 - R. McCabe, Chairman, Regional Assistance Committee, DHS/FEMA Region VII
 - M. Rasmusson, State Liaison Officer

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DATE	06/04/09	06/05/09	06/05/09	06/02/09	06/08/09	06/09/09

OFFICIAL RECORD COPY

¹ OE concurrence received via e-mail from G. Gulla on June 2, 2009.

Letter to Mr. Richard L. Anderson from Mr. Mark A. Satorius dated June 9, 2009

SUBJECT: FINAL SIGNIFICANCE DETERMINATION OF WHITE FINDING AND NOTICE
OF VIOLATION; NRC INSPECTION REPORT NO. 05000331/2009011 –
DUANE ARNOLD ENERGY CENTER

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NOTICE OF VIOLATION

Florida Power and Light Energy Duane Arnold, LLC
Duane Arnold Energy Center

Docket No. 50-331
License No. DPR-49
EA-09-083

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted from November 2 through December 31, 2008, and from March 9 through April 17, 2009, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Title 10 of the Code of Federal Regulations (10 CFR), Part 50, Appendix B, Criterion XVI, "Corrective Action," requires, in part, that measures be established to assure that conditions adverse to quality, such as failures and malfunctions, are promptly identified and corrected.

Contrary to this requirement, from June to November 2008, the licensee failed to identify and correct a condition adverse to quality. Specifically, the licensee initially identified and corrected a condition adverse to quality regarding overspeed trip alarms on the Train B emergency diesel generator (B EDG), a safety-related component covered under 10 CFR Part 50, Appendix B, in February and March 2008. However, when spurious overspeed trip alarms began recurring in June 2008, the licensee did not perform any additional evaluation to identify the cause for the new condition adverse to quality and did not correct the recurring spurious overspeed trip alarms. This allowed the overspeed switch degradation to continue, resulting in the failure of the B EDG during the monthly surveillance test conducted in November 2008.

This violation is associated with a White Significance Determination Process finding.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance was achieved was adequately addressed on the docket in Inspection Report No. 05000331/2009009. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation, EA-09-083", and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region III, and a copy to the Duane Arnold Energy Center Resident Inspectors, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

ENCLOSURE

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 9th day of June 2009

ENCLOSURE