



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
REGION II  
245 PEACHTREE CENTER AVENUE NE, SUITE 1200  
ATLANTA, GEORGIA 30303-1257

September 1, 2011

Mr. T. Preston Gillespie, Jr.  
Site Vice President  
Duke Energy Carolinas, LLC  
Oconee Nuclear Station  
7800 Rochester Highway  
Seneca, SC 29672

**SUBJECT: MID-CYCLE ASSESSMENT LETTER FOR OCONEE NUCLEAR STATION  
UNITS 1, 2, AND 3 (REPORT 05000269/2011006, 05000270/2011006, AND  
05000287/2011006)**

Dear Mr. Gillespie:

On August 9, 2011, the NRC completed its mid-cycle performance review of Oconee Nuclear Station (ONS) Units 1, 2, and 3. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from July 1, 2010, through June 30, 2011. This letter informs you of the NRC's assessment of your facility during this period and its plans for future inspections at your facility. This performance review and enclosed inspection plan do not include security information. A separate letter will include the NRC's assessment of your performance in the Security Cornerstone and its security-related inspection plan.

The NRC determined the performance at ONS Units 1, 2, and 3 during the most recent quarter was within the Licensee Response Column of the NRC's Reactor Oversight Process (ROP) Action Matrix because all inspection findings had very low (i.e., green) safety significance, and all PIs indicated that your performance was within the nominal, expected range (i.e., green). Therefore, the NRC plans to conduct ROP baseline inspections at your facility.

In our annual assessment letter dated March 4, 2011, (ML110630322), the NRC opened a substantive cross-cutting issue (SCCI) with the aspect of procedure use [H.4(b)]. To address the SCCI, your staff performed a common cause assessment in February 2011 to identify performance weaknesses and develop corrective actions to address these weaknesses. While the assessment was thorough and identified approximately 30 corrective actions, more than half remained open with the associated identified actions not yet implemented. The NRC determined that an SCCI still exists because the NRC has a concern with your staff's scope of effort and progress in addressing this SCCI. Because this letter is the second consecutive assessment letter documenting an SCCI with the same cross-cutting aspect, the NRC will continue to monitor your staff's effort and progress in addressing the SCCI by a focused problem identification annual sample to evaluate the planned corrective actions and a review during the next biennial Problem Identification and Resolution inspection to verify the effectiveness of the corrective actions.

The enclosed inspection plan lists the inspections scheduled through December 31, 2012. Routine inspections performed by resident inspectors are not included in the inspection plan. We also plan on conducting several infrequently performed inspections which include: Inspection Procedure (IP) 60855.1, "Operation of an Independent Spent Fuel Storage Installation at Operating Plants;" and initial reactor operator licensing examinations. Additionally, the staff will continue its review of issues associated with fire, tornado, and high energy line break mitigation. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the end-of-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes.

In the days following the Fukushima Daiichi nuclear accident in Japan, the Commission directed the staff to establish a senior-level agency task force to conduct a methodical and systematic review of the NRC's processes and regulations to determine whether the agency should make additional improvements to its regulatory system. The NRC has since completed Temporary Instruction (TI) 183, "Follow-up to Fukushima Daiichi Nuclear Station Fuel Damage Event," and TI-184, "Availability and Readiness Inspection of Severe Accident Management Guidelines (SAMGs)" at your facility. Results of these inspections can be found here: <http://www.nrc.gov/japan/japan-activities.html>. Additionally, on May 11, 2011, the agency issued NRC Bulletin 2011-01, "Mitigating Strategies," to confirm compliance with Order EA-02-026, subsequently imposed license conditions, and 10 CFR 50.54(hh)(2), and to determine the status of licensee mitigating strategies programs. On July 12, 2011, the NRC's Task Force made its recommendations to the Commission in its report, "Recommendations for Enhancing Reactor Safety in the 21<sup>st</sup> Century: The Near-Term Task Force Review of Insights from the Fukushima Daiichi Accident." The NRC is currently reviewing the Task Force's recommendations to determine what additional actions may be warranted.

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

Please contact Jonathan Bartley at (404) 997-4607 with any questions you have regarding this letter.

Sincerely,

*/RA/*

Richard P. Croteau, Director  
Division of Reactor Projects

Docket Nos.: 50-269, 50-270, 50-287  
License Nos.: DPR-38, DPR-47, DPR-55

cc w/Encl: (See page 3)

Enclosure: Oconee Inspection/Activity Plan (09/01/2011 – 12/31/2012)

The enclosed inspection plan lists the inspections scheduled through December 31, 2012. Routine inspections performed by resident inspectors are not included in the inspection plan. We also plan on conducting several infrequently performed inspections which include: Inspection Procedure (IP) 60855.1, "Operation of an Independent Spent Fuel Storage Installation at Operating Plants;" and initial reactor operator licensing examinations. Additionally, the staff will continue its review of issues associated with fire, tornado, and high energy line break mitigation. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the end-of-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes.

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Richard P. Croteau, Director  
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X PUBLICLY AVAILABLE       NON-PUBLICLY AVAILABLE       SENSITIVE      X NON-SENSITIVE

ADAMS:  Yes      ACCESSION NUMBER: ML112440364      X SUNSI REVIEW COMPLETE

OFFICE	RII:DRP	RII:DRP					
SIGNATURE	CWR /RA/	GAH /RA/					
NAME	CRapp	AHutto					
DATE	08/25/2011	08/25/2011					
E-MAIL COPY?	YES    NO	YES    NO					

DEC

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cc w/encl:

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DEC

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Letter to T. Preston Gillespie, Jr., from Richard P. Croteau dated September 1, 2011

SUBJECT: MID-CYCLE ASSESSMENT LETTER FOR OCONEE NUCLEAR STATION  
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