



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

December 27, 2011

EA-11-251

Mr. Michael Annacone
Vice President
Carolina Power and Light Company
Brunswick Steam Electric Plant
P. O. Box 10429
Southport, NC 28461

SUBJECT: FINAL SIGNIFICANCE DETERMINATION OF WHITE FINDING AND NOTICE OF VIOLATION - NRC INSPECTION REPORT NOS.: 05000325/2011014 AND 05000324/2011014; AND ASSESSMENT FOLLOW-UP LETTER - BRUNSWICK STEAM ELECTRIC PLANT

Dear Mr. Annacone:

This letter provides the final significance determination of the preliminary White finding discussed in Brunswick Steam Electric Plant - NRC Inspection Report Nos.: 05000325/2011012 and 05000324/2011012; Preliminary White Finding, dated November 29, 2011. The finding involved an NRC inspector identified violation of 10 CFR Part 50 Appendix B Criterion XVI, Corrective Action, for the failure to identify and correct a condition adverse to quality associated with the entrance enclosures for the Emergency Diesel Generator (EDG) fuel oil tank rooms. Specifically, the enclosures contained openings which would adversely impact their ability to mitigate external flooding of the EDG fuel oil tank rooms in the event of an external event (hurricane). In response to this condition, new sealant material was installed to close the openings of the entrance enclosures for the EDG fuel oil tank rooms, and jersey barriers were installed to limit wave run-up on the enclosures.

During a telephone conversation with Mr. Randall Musser of NRC, Region II, on December 6, 2011, Licensing Supervisor, Ms. Annette Pope of your staff indicated that Carolina Power and Light Company, Brunswick Steam Electric Plant, did not contest the characterization of the risk significance of this finding and that you declined the opportunity to discuss this issue during 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 with low to moderate safety significance that may require additional NRC inspections.

Note: According to NRC Inspection Manual Chapter (IMC) 0609, appeal rights only apply to those licensees that have either attended a regulatory conference or submitted a written response to the preliminary determination letter.

The NRC has also determined that the failure to identify and correct a condition adverse to quality associated with the entrance enclosures for the Emergency Diesel Generator (EDG) fuel oil tank rooms is a violation of 10 CFR Part 50 Appendix B Criterion XVI, Corrective Action, as cited in the attached Notice of Violation (Notice). The circumstances surrounding the violation were described in detail in NRC Inspection Report Nos. 05000325/2011012 and 05000324/2011012. In accordance with the NRC Enforcement Policy, the Notice is considered escalated enforcement action because it is associated with a White finding.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC's review of your response to the Notice will also determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

Because plant performance for this issue has been determined to be beyond the licensee response band, the NRC's Action Matrix was used to determine the most appropriate NRC response for this issue. As a result of its continuous review of plant performance, which was completed on December 16, 2011, the NRC updated its assessment of Brunswick Steam Electric Plant, Units 1 and 2. The NRC's evaluation consisted of a review of performance indicators and inspection results.

The NRC determined the performance at Brunswick Steam Electric Plant, Units 1 and 2 to be in the Regulatory Response Column of the Reactor Oversight Process Action Matrix beginning the fourth quarter of 2011. Therefore, in addition to baseline inspections, the NRC plans to conduct a supplemental inspection in accordance with Inspection Procedure 95001, "Inspection for One or Two White Inputs in a Strategic Performance Area," for the review of the White inspection finding. Have your staff notify the NRC of your readiness for us to conduct this supplemental inspection to review the actions taken to address the White inspection finding in the Mitigating Systems Cornerstone.

For administrative purposes, this letter is issued as NRC Inspection Report No. 05000325, 324/2011014. Accordingly, AV 05000325, 324/2011012-01, Failure to Identify and Correct Degradation of the Emergency Diesel Generator Fuel Oil Tank Room Entrance Enclosures is updated as VIO 05000325, 324/2011012-01, Failure to Identify and Correct Degradation of the Emergency Diesel Generator Fuel Oil Tank Room Entrance Enclosures. This violation is associated with a finding with a cross-cutting aspect in the Corrective Action Program component of the Problem Identification and Resolution area because the licensee did not identify the issue completely, accurately, and in a timely manner commensurate with its safety significance (P.1(a)).

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and 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>. To the extent possible, your

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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 Leonard Wert Acting For/

Victor M. McCree
Regional Administrator

Docket Nos.: 50-325, 50-324
License Nos.: DPR-71, DPR-62

Enclosure: Notice of Violation

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 Leonard Wert Acting For/

Victor M. McCree
Regional Administrator

Docket Nos.: 50-325, 50-324
License Nos.: DPR-71, DPR-62

Enclosure: Notice of Violation

XPUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE X NON-SENSITIVE
ADAMS: X Yes ACCESSION NUMBER: ML113610594 X SUNSI REVIEW COMPLETE X FORM 665 ATTACHED

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|--------------|------------|------------|--------------|------------|-----------|------------|------------|
| OFFICE | RII:DRP | RII:DRP | RII:DRP | RII:EICS | RII:RA | HQ: OE | HQ:NRR |
| SIGNATURE | JSD | RAM | B. Jones for | CFE | /RA/ | Via email | Via email |
| NAME | JDodson | RMusser | RCroteau | CEvans | LWert | | |
| DATE | 12/14/2011 | 12/20/2011 | 12/20/2011 | 12/15/2011 | 12/ /2011 | 12/19/2011 | 12/20/2011 |
| E-MAIL COPY? | YES NO | YES NO | YES NO | YES NO | YES NO | YES NO | YES NO |

cc w/encl:
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Letter to Michael J. Annacone from Victor M. McCree dated December 27, 2011

SUBJECT: FINAL SIGNIFICANCE DETERMINATION OF WHITE FINDING AND NOTICE OF VIOLATION - NRC INSPECTION REPORT NOS.: 05000325/2011014 AND 05000324/2011014; AND ASSESSMENT FOLLOW-UP LETTER - BRUNSWICK STEAM ELECTRIC PLANT

Distribution w/encl:

C. Evans, RII EICS

L. Douglas, RII EICS

OE Mail

RIDSNRRDIRS

PUBLIC

RidsNrrPMBrunswick Resource

ROPassessment Resource

NOTICE OF VIOLATION

Carolina Power and Light Company
Brunswick Steam Electric Plant

Docket Nos. 50-325, 50-324
License Nos. DPR-71, DPR-62
EA-11-251

During an NRC inspection conducted on April 20, 2011 a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR Part 50 Appendix B Criterion XVI, Corrective Action states, in part, that measures shall be established to assure that conditions adverse to quality are promptly identified and corrected.

Contrary to the above, as of April 20, 2011, the licensee failed to identify and promptly correct a condition adverse to quality involving the external flood barrier for the EDG fuel oil tank rooms. Specifically, the entrance enclosures which house the EDG fuel oil tanks had several openings, unsealed pin holes, and a narrow gap along the perimeter of the base walls, which would allow water intrusion into the EDG fuel oil tank rooms during a design basis external event (hurricane).

This violation is associated with a White SDP finding.

Pursuant to the provisions of 10 CFR 2.201, Carolina Power and Light Company is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region II, and a copy to the NRC Resident Inspector at the Brunswick Steam Electric Plant, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation; EA-11-251" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken, and (4) the date when full compliance will be achieved. Your response may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

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

Because 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>, to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

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

Dated this 27th day of December 2011

Enclosure