



UNITED STATES  
**NUCLEAR REGULATORY COMMISSION**  
REGION IV  
1600 EAST LAMAR BLVD  
ARLINGTON, TEXAS 76011-4511

August 23, 2012

Mr. Adam C. Heflin, Senior Vice  
President and Chief Nuclear Officer  
Union Electric Company  
P.O. Box 620  
Fulton, MO 65251

SUBJECT: NOTICE OF ENFORCEMENT DISCRETION FOR UNION ELECTRIC COMPANY  
REGARDING CALLAWAY PLANT UNIT 1 [TAC NO. ME9277, NOED NO.  
12-4-002]

Dear Mr. Heflin:

By letter dated August 22, 2012, (ML122235A531) Union Electric Company (UE), the licensee requested that the NRC exercise discretion to not enforce compliance with the actions required in Callaway Plant Technical Specification 3.8.7, "Inverters - Operating," Required Actions A.1. Your letter documented information previously discussed with the NRC in a telephone conference on August 20, 2012 at 1:30 p.m (CDT) (all times discussed in this letter refer to Central Daylight Time). The principal NRC staff members who participated in that telephone conference included Kriss Kennedy, Director, Division of Reactor Projects (DRP), Region IV (RIV); Louise Lund, Deputy Director, Division of Operating Reactor Licensing (DORL), Office of Nuclear Reactor Regulation (NRR); Neil O'Keefe, Chief, Project Branch B, DRP, RIV; Sheldon Stuchell, NOED Process Coordinator, NRR; Mike Markley, Chief, Plant Licensing Branch 4, NRR/DORL; Jim Andersen, Chief, Electrical Engineering Branch, NRR; Tom Farnholtz, Chief, Engineering Branch 1, Division of Reactor Safety (DRS), RIV; Geoff Miller, Chief, Engineering Branch 2, DRS, RIV; Mike Runyan, Senior Reactor Analyst, DRS, RIV; Brian Benney, Project Manager, NRR/DORL; Leonard Willoughby, Acting Senior Resident Inspector, DRP, RIV; and Jeff Circle, PRA Operational Support Branch, NRR.

You stated that on August 20, 2012, at 3:21 p.m., the plant would not be in compliance with Technical Specification 3.8.7 Action A.1, which would require restoring inverter NN14 to operable status within 24 hours, or else place the plant in Mode 3 within 6 hours and Mode 5 within 36 hours. This action statement was entered at 3:21 p.m. on August 19, 2012. You requested that a Notice of Enforcement Discretion (NOED) be granted pursuant to the NRC's policy regarding exercise of discretion for an operating facility, set out in Section 3.8, of the NRC's Enforcement Policy, and be effective for an additional period of 36 hours. This letter documents the telephone conversation on August 20, 2012, at 2:55 p.m. between the UE and NRC staffs, when the NRC staff orally issued this NOED. The NRC staff understands that the condition causing the need for this NOED was corrected by UE, causing UE to exit from Technical Specification 3.8.7 Action A.1 and from this NOED on August 21, 2012, at 12:05 p.m.

At 3:21 p.m. on August 19, 2012, a failure of inverter NN14 occurred. The cause was determined to be the failure of the output constant-voltage transformer within the inverter. The phase B secondary windings were found to be shorted to ground. The most probable cause of the short was determined to be degradation of the transformer windings/insulation. In consultation with the vendor, UE determined that following replacement of the transformer, post-maintenance testing and temperature/voltage stabilization would exceed the time allowed by technical specifications. UE requested an additional 36 hours to ensure that the necessary testing could be completed. Your letter stated that this NOED was needed to avoid the unnecessary transient on the plant associated with a technical specification required shutdown, consistent with Part 9900: Technical Guidance, "Operations-Notices of Enforcement Discretion," Section B.2.1.1.a. UE's risk assessment, with consideration of compensatory measures, showed that there would be no undue increase in risk due to the proposed extension of the technical specification required action time.

On the basis of the NRC staff's evaluation of UE's request, the staff has concluded that granting this NOED is consistent with the NRC's Enforcement Policy and staff guidance and has no adverse impact on public health and safety. Therefore, as communicated to your staff at 2:55 p.m. on August 20, 2012, the NRC exercised discretion to not enforce compliance with Technical Specification 3.8.7, Required Action A.1, for a period of 36 hours from 3:21 p.m. August 20, 2012, to 3:21 a.m. August 22, 2012.

In addition, as discussed on August 20, 2012, the NRC staff agrees with your determination that a follow-up Technical Specification amendment was not needed. The staff concluded that an amendment (either a temporary or permanent amendment) for circumstances similar to those addressed by the NOED is not necessary because this NOED involves a nonrecurring noncompliance and only involves a single request for extending the period of time that an inoperable plant component must be restored to operable status as specified per the plant's Technical Specifications.

As stated in the Enforcement Policy, action will be taken, to the extent that violations were involved, for the root cause that led to the noncompliance for which this NOED was necessary.

Sincerely,

/RA/

Kriss M. Kennedy, Director  
Division of Reactor Projects

Docket No.: 50-483  
License No.: NPF-30

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R:\\_ REACTORS\ WC\NOED 11-4-001.DOCX ML12237A010

ADAMS: <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes		<input checked="" type="checkbox"/> SUNSI Review Complete	Reviewer Initials: NFO
		<input checked="" type="checkbox"/> Publicly Available	<input checked="" type="checkbox"/> Non-Sensitive
		<input type="checkbox"/> Non-publicly Available	<input type="checkbox"/> Sensitive
<b>C:RIV/DRP/B</b>	<b>DD:NRR/DORL</b>	<b>D:RIV/DRP</b>	
NO'Keefe	LLund	KKennedy	
<b>/RA/</b>	<b>/RA via Email/</b>	<b>/RA/</b>	
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