



~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~

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

April 18, 2014

EA-14-048

Mr. George T. Hamrick, Vice President
Brunswick Steam Electric Plant
P.O. Box 10429
Southport, NC 28461

SUBJECT: BRUNSWICK STEAM ELECTRIC PLANT - NRC INSPECTION REPORT NOS.
05000325/2014010 AND 05000324/2014010; PRELIMINARY WHITE FINDING

Dear Mr. Hamrick:

This letter discusses a Unit 2 finding that has preliminarily been determined to be White, a finding with low to moderate safety significance, that may require additional NRC inspections. As described in this letter and Section 1R01.1 of Inspection Report Nos. 05000325/2013010 and 05000324/2013010, the NRC identified a finding and related apparent violation (AV) of 10 CFR Part 50, Appendix B, Criterion XVI, Corrective Action, with two examples. The first example involved the failure to promptly identify and correct conditions adverse to quality associated with flood protection of multiple safety-related buildings. Specifically, safety-related buildings contained openings that were not identified and corrected, which would have adversely impacted their ability to mitigate external flooding of these buildings in the event of a design basis probable maximum hurricane (PMH). This could have resulted in the potential loss of nine of the ten safety-related service water pumps (SWPs) during the specific PMH flooding event. The second example involved the failure to correct a significant condition adverse to quality. Specifically, a corrective action to preclude repetition (CAPR), related to an NRC-identified White finding from 2011, was not adequately completed or implemented. This CAPR involved developing an engineering program to mitigate the consequences of external events (flooding, high winds, and seismic). The engineering program was not adequately completed or implemented. This finding and related AV does not present an immediate safety concern because the licensee corrected the flooding deficiencies, which included sealing penetrations susceptible to flooding, in the safety-related buildings. Flood protection features were also scoped into the maintenance rule (MR) program.

~~Enclosures transmitted herewith contain SUNSI. When separated from Enclosures 1 and 2, this document is decontrolled.~~

~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~

This finding was assessed based on the best available information, using the applicable Significance Determination Process (SDP) in accordance with Inspection Manual Chapter (IMC) 0609, Appendix M. Following the initial review of this matter using preliminary quantitative analysis, Appendix M was used considering the potential impact of uncertainties on the timeliness of the decision-making, which allows for the use of a bounding analysis and qualitative insights. Currently, there is no NRC consensus on the appropriate tools for the quantification on the estimated likelihood of a severe coastal surge event due to a PMH to accurately assess the risk significance of the performance deficiency in a timely manner. Based on the qualitative and quantitative analyses readily available, this NRC-identified finding has preliminarily been determined to have low to moderate safety significance. The information, assumptions used in the evaluation, bounding analysis, and basis for the staff's preliminary significance determination is provided as enclosures. The final resolution of this finding will be conveyed in separate correspondence.

The finding is also an AV of NRC requirements and is being considered for escalated enforcement action in accordance with the Enforcement Policy, which can be found on the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>.

In accordance with NRC IMC 0609, we intend to complete our evaluation using the best available information and issue our final determination of safety significance within 90 days of the date NRC Inspection Report Nos. 05000325/2013010 and 05000324/2013010. The significance determination process encourages an open dialogue between the NRC staff and the licensee; however, the dialogue should not impact the timeliness of the staff's final determination.

Before we make a final decision on this matter, we are providing you with an opportunity to:

- 1) attend a Regulatory Conference where you can present to the NRC your perspective on the facts and assumptions the NRC used to arrive at the finding and assess its significance; or
- 2) submit your position on the finding to the NRC in writing. If you request a Regulatory Conference, it should be held within 30 days of the receipt of this letter and we encourage you to submit supporting documentation at least one week prior to the conference in an effort to make the conference more efficient and effective. The focus of the Regulatory Conference is to discuss the significance of the finding and not necessarily the root cause(s) or corrective action(s) associated with the finding. If a Regulatory Conference is held, it will be open for public observation. If you decide to submit only a written response, such submittal should be sent to the NRC within 30 days of your receipt of this letter. If you decline to request a Regulatory Conference or to submit a written response, you relinquish your right to appeal the final SDP determination, in that by not doing either, you fail to meet the appeal requirements stated in the Prerequisite and Limitation sections of Attachment 2 of NRC IMC 0609.

Please contact George Hopper at 404-997-4645 and in writing within 10 days from the issue date of this letter to notify the NRC of your intentions. If we have not heard from you within 10 days, we will continue with our significance determination and enforcement decision. The final resolution of this matter will be conveyed in separate correspondence.

One additional AV associated with the preliminarily White finding is also being considered for escalated enforcement action in accordance with the NRC Enforcement Policy. Specifically, this issue involved the failure to report to the NRC a condition prohibited by plant Technical Specification (TS) 3.7.2, Service Water (SW) System and Ultimate Heat Sink, and an event that could have prevented the fulfillment of a safety function of the residual heat removal system as required by 10 CFR 50.73. This AV is being evaluated using the NRC's enforcement process because it potentially impacted NRC's ability to perform its regulatory function by precluding review of the issue. Additional details regarding this AV are provided in Inspection Report Nos. 05000325/2013010 and 05000324/2013010.

Before the NRC makes its enforcement decision, we are providing you an opportunity to:

- 1) respond to the AVs addressed in this inspection report within 30 days of the date of this letter;
- 2) request a Pre-decisional Enforcement Conference (PEC); or
- 3) request Alternative Dispute Resolution (ADR) as discussed below.

If a PEC is held, it will be open for public observation and the NRC will issue a press release to announce the time and date of the conference. A PEC should be held within 30 days and an ADR session within 45 days of the date of this letter.

If you choose to provide a written response, it should be clearly marked as "Response to Apparent Violation in Inspection Report Nos. 05000325/2013010 and 5000324/2013010"; EA-14-048, and should include for the AV, the reason for the AV, or, if contested, the basis for disputing the AV, the corrective steps that have been taken and the results achieved, the corrective steps that will be taken to avoid further violations, and 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 response is not received within the time specified or an extension of time has not been granted by the NRC, the NRC will proceed with its enforcement decision.

If you choose to request a PEC, the conference will afford you the opportunity to provide your perspective on the apparent violation and any other information you believe the NRC should take into consideration before making an enforcement decision. The topics discussed during the conference may include the following: information to determine whether the violation occurred, information to determine the significance of the violation, information related to the identification of the violation, and information related to any corrective actions taken or planned to be taken. In presenting your corrective actions, you should be aware that the promptness and comprehensiveness of your actions will be considered in assessing any civil penalty for the AV.

In lieu of a PEC, you may also request ADR with the NRC in an attempt to resolve this issue. ADR is a general term encompassing various techniques for resolving conflicts using a neutral third party. The technique that the NRC has decided to employ is mediation. Mediation is a voluntary, informal process in which a trained neutral (the "mediator") works with parties to help them reach resolution. If the parties agree to use ADR, they select a mutually agreeable neutral mediator who has no stake in the outcome and no power to make decisions. Mediation gives parties an opportunity to discuss issues, clear up misunderstandings, be creative, find areas of agreement, and reach a final resolution of the issues.

~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~

G. Hamrick

4

Additional information concerning the NRC's program can be obtained at <http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html>. The Institute on Conflict Resolution (ICR) at Cornell University has agreed to facilitate the NRC's program as a neutral third party. Please contact ICR at 877-733-9415 within 10 days of the date of this letter if you are interested in pursuing resolution of this issue through ADR.

Should you choose to request a Regulatory Conference/PEC, a joint conference may be appropriate based on the commonality of the identified issues. Please contact George Hopper at (404) 997-4645 and in writing within 10 days of the date of this letter to notify the NRC of your intended response. If we have not heard from you within 10 days, we will continue with our significance determination and enforcement decision. The final resolution of this matter will be conveyed in separate correspondence.

Because the NRC has not made a final determination in this matter, no Notice of Violation is being issued for these inspection findings at this time. In addition, please be advised that the number and characterization of the apparent violations described in this letter and the referenced inspection report (Inspection Report Nos. 05000325/2013010 and 05000324/2013010) may change as a result of further NRC review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter without its enclosure will be made available electronically for public inspection in the NRC Public Document Room and in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Richard P. Croteau, Director
Division of Reactor Projects

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

Enclosures:

1. Significance Determination Process Using Qualitative Criteria
2. Significance Determination, SRA Analysis Number BRU1401
w/Attachments

cc w/encl: (See page 6)

cc w/o encl distribution via ListServ

~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~

OFFICIAL USE ONLY – SECURITY RELATED INFORMATION

G. Hamrick

Additional information concerning the NRC's program can be obtained at <http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html>. The Institute on Conflict Resolution (ICR) at Cornell University has agreed to facilitate the NRC's program as a neutral third party. Please contact ICR at 877-733-9415 within 10 days of the date of this letter if you are interested in pursuing resolution of this issue through ADR.

Should you choose to request a Regulatory Conference/PEC, a joint conference may be appropriate based on the commonality of the identified issues. Please contact George Hopper at (404) 997-4645 and in writing within 10 days of the date of this letter to notify the NRC of your intended response. If we have not heard from you within 10 days, we will continue with our significance determination and enforcement decision. The final resolution of this matter will be conveyed in separate correspondence.

Because the NRC has not made a final determination in this matter, no Notice of Violation is being issued for these inspection findings at this time. In addition, please be advised that the number and characterization of the apparent violations described in this letter and the referenced inspection report (Inspection Report Nos. 05000325/2013010 and 05000324/2013010) may change as a result of further NRC review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter without its enclosure will be made available electronically for public inspection in the NRC Public Document Room and in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Richard P. Croteau, Director
Division of Reactor Projects

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

Enclosures:

1. Significance Determination Process Using Qualitative Criteria
2. Significance Determination, SRA Analysis Number BRU1401 w/Attachments

cc w/encl: (See page 6)

cc w/o encl distribution via ListServ

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

OFFICE	RII:DRP	RII:EICS	RII:DRP	RII:DRP	RII:DRP	RII:DRP
SIGNATURE	DXW /RA/	Via email	JSD /RA/	RHB /RA/	GTH /RA/	RPC /RA/
NAME	DJackson	CEvans	JDodson	RBernhard	GHopper	RCroteau
DATE	04/18/2014	04/18/2014	04/18/2014	04/18/2014	04/18/2014	04/18/2014
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY DOCUMENT NAME: G:\DRP\RPB4\BRUNSWICK\REPORTS\2014 REPORTS\BRUNSWICK PRELIMINARY DETERMINATION LETTER 2014 0048 PUBLIC.DOC

G. Hamrick

5

Letter to George Hamrick from Richard P. Croteau dated April 18, 2014

SUBJECT: BRUNSWICK STEAM ELECTRIC PLANT - NRC INSPECTION REPORT NOS.
05000325/2014010 AND 05000324/2014010; PRELIMINARY WHITE FINDING

Distribution:

RidsNrrPMBrunswick Resource

R. Pascarelli, NRR

C. Evans, RII

L. Douglas, RII

B. Westreich, NSIR

E. McNiel, NSIR

RIDSNRRDIRS

OE Mail

PUBLIC

G. Hamrick

6

cc w/Encl:
Lee Grzeck,
Manager - Regulatory Affairs
Brunswick Steam Electric Plant
P.O. Box 10429
Southport, NC 28461-0429

Allen Brittain
Manager - Security
Brunswick Steam Electric Plant
P.O. Box 10429
Southport, NC 28461

Mr. Edward T. O'Neil
Director Nuclear Protective Services
Duke Energy Corporation
526 South Church Street
Charlotte, NC 28202