



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

50-269

June 4, 1998

Mr. William R. McCollum
Vice President, Oconee Site
Duke Energy Corporation
P. O. Box 1439
Seneca, SC 29679

SUBJECT: NOTICE OF ENFORCEMENT DISCRETION FOR DUKE ENERGY CORPORATION REGARDING THE OCONEE NUCLEAR STATION, UNITS 1 AND 3 (TAC NOS. MA1975 AND MA1976) (NOED NO. 98-6-008)

Dear Mr. McCollum:

By letter dated June 3, 1998, you requested that the NRC exercise discretion not to enforce compliance with the actions required in Technical Specification (TS) 4.17.2. That letter documented information previously discussed with the NRC in a telephone conversation on June 3, 1998, at 9:00 a.m. You stated that on June 3, 1998, at 5:15 p.m., the units would not be in compliance with TS 4.17.2, which would require that Units 1 and 3 be placed in the hot shutdown condition by 5:15 a.m. on June 4, 1998. You requested that a Notice of Enforcement Discretion (NOED) be issued pursuant to the NRC's policy regarding Exercise of Discretion for an operating facility, set out in Appendix C to 10 CFR Part 2, and be effective for the period until the license amendment request to be submitted on June 4, 1998, is approved by the staff.

During the recent Unit 2 refueling outage, operating experience data based on events at Arkansas Nuclear One (ANO) were received by the Duke Steam Generator Engineering staff. This information indicated that previous eddy current indications classified as tube end anomalies (TEAs) had exhibited primary-to-secondary leakage at ANO, thus indicating they were in the pressure boundary. You stated that your guidelines for analyzing these anomalies that were in effect at the time were not specific enough to determine that the indications were outside the pressure boundary. A review of the eddy current data during the latter stages of the Unit 2 outage using updated criteria identified some indications that were reclassified from TEAs to repairable indications. These tubes were included in the reroll repairs performed during the Unit 2 outage.

Based on this new information, your staff initiated an investigation on May 6, 1998, to assess the operability implications of this information with respect to Units 1 and 3. An evaluation of the steam generator inspection results from the most recent refueling outages on Units 1 and 3 indicated a number of tubes with TEA indications that were not repaired during the respective unit outages. You performed an operability evaluation, completed on May 9, 1998, assuming that all of the identified TEAs would leak at rates determined by previous mockup measurements, and concluded that the predicted leakage was well below the leakage assumed in design basis steamline break accident analysis.

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You then initiated a reanalysis of the Units 1 and 3 data obtained during the previous outages to establish the extent of the TEA indications using the operating experience based on the ANO indications and results of steam generator inspections during the recent Unit 2 refueling outage.

While several activities were performed in parallel, you stated that the controlling activity for completing the data review was the use of a mockup of the Oconee steam generator tubes to verify that the eddy current analysis guidelines were appropriate and comprehensive. The results of this reanalysis indicate that 372 indications out of 2,951 TEAs not previously repaired for Unit 1 and 61 out of 66 TEAs not previously repaired on Unit 3 extended beyond the upper surface of the tubesheet clad. These indications would have met your criteria for repair during the outage by reroll. Ultimately, confirmation of the indications in the rolled area that met the repair criteria prompted your NOED request. Based on preliminary results from the review, the Operations Shift Manager was briefed on June 2, 1998, regarding the revised inspection results for Units 1 and 3. You logged this as a missed surveillance at 5:15 p.m. on June 2, 1998, and Engineering completed its evaluation later that evening.

The staff has evaluated your safety rationale and conclusions that tube burst is not expected to occur under normal or accident conditions, since the indications are within the tubesheet. The staff has also evaluated your analysis that concluded the total predicted main steam line break accident tube leakage is 0.023 gpm for Unit 1 (and would be less for Unit 3), which is less than the 0.7 gpm assumed in the offsite dose analysis. Therefore, both units meet the main steamline break leakage requirements for steam generator integrity and are capable of performing their intended safety function during normal operation and postulated accident conditions. The staff has concluded that granting the NOED satisfies Criterion 1(a) of the staff's NOED guidance in that it avoids an undesirable transient on Units 1 and 3 and, therefore, minimizes potential safety consequences and operational risks that would result from forcing compliance with the TS.

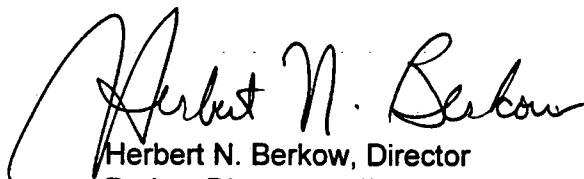
On the basis of the staff's evaluation of your request, and compensatory measures described in your request, the staff has concluded that an NOED is warranted because the staff is clearly satisfied that this action involves minimal or no safety impact and has no adverse radiological impact on public health and safety. Therefore, it is the staff's intention to exercise discretion not to enforce compliance with TS 4.17.2 for the Oconee Nuclear Station, Units 1 and 3, steam generator tubes that exceed the repair limit as a result of tube end anomalies for the period from 12:25 p.m. on June 3, 1998, until issuance of an exigent license amendment. This letter documents our telephone conversation on June 3, 1998, at 12:25 p.m. when we orally issued this NOED.

W. R. McCollum

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As noted during both telephone conversations on June 3, 1998, the staff disagrees with your determination that the need for this NOED was generated by a missed surveillance. The staff believes that this NOED should have been requested in response to your potential noncompliance with the requirements of TS 4.17.2. As stated in Appendix C to 10 CFR Part 2, enforcement action will normally 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,

A handwritten signature in cursive script, appearing to read "Herbert N. Berkow".

Herbert N. Berkow, Director
Project Directorate II-2
Division of Reactor Projects - I/II
Office of Nuclear Reactor Regulation

Docket Nos. 50-269 and 50-287

cc: See next page

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Sincerely,

ORIGINAL SIGNED BY:

Herbert N. Berkow, Director
Project Directorate II-2
Division of Reactor Projects - I/II
Office of Nuclear Reactor Regulation

Docket Nos. 50-269 and 50-287

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Oconee Nuclear Station

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Distribution for NOED dated June 4, 1998

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