

*official*

OCT 17 1983

Duke Power Company  
ATTN: Mr. H. B. Tucker, Vice President  
Nuclear Production Department  
422 South Church Street  
Charlotte, NC 28242

Gentlemen:

SUBJECT: SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE

The Nuclear Regulatory Commission has completed its periodic evaluation of the performance of your reactor facility. As you are aware, this evaluation program, the Systematic Assessment of Licensee Performance (SALP), involved an assessment of facility performance by the NRC staff; the issuance of the staff's findings in the form of a final report, the SALP Board Assessment (Enclosure 1); a meeting with senior staff of your utility on August 9, 1983, in your offices in Charlotte, North Carolina to present and discuss the Board Assessment (Enclosure 2); your response to the SALP Board Assessment (Enclosure 3); and the approval and public distribution of the SALP report by the Regional Administrator.

In accordance with NRC policy, I have reviewed the SALP Board Assessment and as Regional Administrator, approve the issuance of the NRC SALP report.

The following discussions are considered to be an integral part of the NRC SALP Assessment. They relate to my view of your overall performance and performance of your facilities, and to the resolution of the comments in your letter of August 29, 1983.

1. The Duke Power Company's management has demonstrated the proper concern for nuclear safety with management attention and involvement evident.
2. The Oconee facility was effectively managed and achieved a satisfactory level of operational safety. Major strengths were identified in the areas of maintenance, security and safeguards, and refueling. A major weakness was identified in the area of surveillance.

The comments in your August 29, 1983 letter, regarding our handling of the Severity Level III violation at Oconee, were correct and appropriate. Although the findings were disclosed during the SALP period and the enforcement conference was held before April 30, 1983, the Notice of Violation and Proposed Imposition of Civil Penalties was not issued until June 2, 1983. Until such time as we evaluate your response to the Notice, the violations designated as Severity Level III in Sections IV.A.1.a(1), IV.A.1.a(2), IV.A.4.a(1) and IV.B.3. will be classified as unconfirmed violations pending completion of the NRC evaluation of Duke Power Company's response. As you stated during the enforcement conference and in your written submittals, your response to our inspection findings were both prompt and substantial. Notwithstanding these facts, I consider performance in the functional area of Operations to have been properly classified by the Board as Category 2,

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and performance in the functional area of Surveillance to have been properly classified by the Board as Category 3. A Category 3 rating does not mean that your performance was unsatisfactory; rather, that we evaluate, for the surveillance area, that you need to place additional management attention to the area to upgrade the performance.

3. The McGuire facility was effectively managed and an acceptable degree of operational safety has been achieved. It is apparent that the proper amount of licensee resources and management attention has been applied at this facility. Major strengths were identified in the areas of plant operations, radiological controls, maintenance, emergency preparedness, security and safeguards, refueling, and licensing activities.
4. Management attention and involvement at your Catawba facility was evident as evidenced by satisfactory performance of construction activities. Major strengths were identified in the areas of piping systems and supports, and the quality assurance program. I am particularly pleased with the improvements you have made in the quality assurance area.

No reply to this letter is required; however, should you have any questions concerning these matters, I will be pleased to discuss them with you.

Sincerely,

James P. O'Reilly  
Regional Administrator

Enclosures:

1. Letter from R. C. Lewis, NRC  
to H. B. Tucker, Duke Power  
Company, dated August 2, 1983
2. Meeting Attendees
3. Letter from H. B. Tucker, Duke Power  
Power Company to James P. O'Reilly,  
NRC dated August 29, 1983

cc w/encls:

J. E. Smith, Station Manager  
M. S. McIntosh, Plant Manager  
J. W. Hampton, Station Manager  
J. T. Moore, Project Manager  
J. C. Rogers, Project Manager

bcc: (See page 3)

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Duke Power Company

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bcc w/encls:  
NRC Resident Inspectors - Oconee,  
McGuire, and Catawba  
Document Control Desk  
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D. S. Price, RII

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