

September 16, 1997

EA 97-398

ATTN: Mr. H. B. Barron
Vice President
McGuire Site
Duke Energy
12700 Hagers Ferry Road
Huntersville, N.C. 28078-8985

SUBJECT: NRC INSPECTION REPORT NOS. 50-369/97-16 and 50-370/97-16

Dear Mr. Barron:

This refers to the special inspection conducted on July 12 - August 27, 1997 at the McGuire facility. The purpose of the inspection was to evaluate the circumstances and conditions that resulted in the Unit 2 ice condenser lower inlet doors being declared inoperable and to evaluate your corrective actions for this problem. The enclosed report presents the results of the inspection.

Based on the inspection results, two apparent violations were identified and are being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600. The first apparent violation is related to a failure to comply with Technical Specification requirements for the operability of the ice condenser inlet doors on Unit 2 for an unknown period of time during operation in Modes 1, 2, 3, and 4. This condition was reported to the NRC on July 18, 1997. The second apparent violation is related to a failure to perform adequate corrective actions in accordance with 10 CFR Part 50 Appendix B Criterion XVI, in light of relevant industry operating experience at another ice condenser facility and operational events at the McGuire facility. A preliminary review of industry experience and site-specific operational events indicated that prior opportunities may have existed to implement corrective actions to prevent the occurrence of the event at the McGuire facility. Accordingly, no Notice of Violation is presently being issued for these inspection findings. In addition, please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review.

An open predecisional enforcement conference to discuss these apparent violations has been scheduled for October 1, 1997, at 10:00 a.m., in the Region II office. The decision to hold a predecisional enforcement conference does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. This conference is being held to obtain information to enable the NRC to make an enforcement decision, such as a common understanding of the facts, root causes, missed opportunities to identify the apparent violation sooner, corrective actions, significance of the issues and the need for lasting and effective corrective action. In particular, we expect you to address the circumstances and conditions that

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allowed the Unit 2 ice condenser to become degraded and the associated lower inlet doors to become inoperable. We would also like to understand what long-term actions you intend to take to prevent similar occurrences. In addition, this is an opportunity for you to point out any errors in our inspection report and for you to provide any information concerning your perspectives on: (1) the severity of the violations; (2) the application of the factors that the NRC considers when it determines the amount of a civil penalty that may be assessed in accordance with Section VI.B.2 of the Enforcement Policy; and (3) any other application of the Enforcement Policy to this case, including the exercise of discretion in accordance with Section VII.

You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding these apparent violations is required at this time.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

Sincerely,
Original signed by
Loren R. Plisco (for)

Jon R. Johnson, Director
Division of Reactor Projects

Docket Nos. 50-369, 50-370
License Nos. NPF-9, NPF-17

Enclosure: Inspection Report
50-369/97-16, 50-370/97-16

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