



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

October 16, 2017

EA 17-122

Mr. Tom Simril
Site Vice President
Duke Energy Corporation
Catawba Nuclear Station
4800 Concord Road
York, SC 29745-9635

**SUBJECT: CATAWBA NUCLEAR STATION – NRC INSPECTION REPORT
05000414/2017013; “FINAL SIGNIFICANCE DETERMINATION FOR A WHITE
FINDING, NOTICE OF VIOLATION, AND ASSESSMENT FOLLOW-UP LETTER”**

Dear Mr. Simril:

This letter provides you the final significance determination of the preliminary White finding discussed in our previous communication dated August 22, 2017, which included Inspection Report 05000414/2017012 (ML17234A678). The finding involved a failure to adequately develop and adjust preventive maintenance activities in accordance with procedure AD-EG-ALL-1202, "Preventive Maintenance and Surveillance Testing Administration," thus allowing a condition adverse to quality to remain uncorrected.

On September 29, 2017, the NRC received your written response providing additional information for us to consider in reaching our final significance determination and enforcement decision (ML17276A345). Your response indicated that you concurred with the NRC's preliminary characterization and basis for the finding. After considering the information developed during the inspection, and the information provided in your written response, the NRC has concluded that the finding is appropriately characterized as White, a finding of low to moderate safety significance.

The violation associated with this White finding is being cited in accordance with the NRC Enforcement Policy, which can be found at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>.

The NRC has determined that the reason, corrective actions taken and planned to address recurrence, and the date when full compliance was achieved for this violation is adequately addressed and captured on the docket in your written response dated September 29, 2017. Therefore, you are not required to respond to this letter unless the record does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

For administrative purposes, this letter is issued as NRC Inspection Report 05000414/2017013. Accordingly, the apparent violation (AV) documented in NRC Inspection Report 05000414/2017011 (ML17199B961) is designated as violation (VIO) 05000414/2017011.

The NRC has determined that the finding cited in the Enclosure places Catawba Unit 2 in the Regulatory Response Column of the Reactor Oversight Process Action Matrix beginning the third quarter of 2017. Therefore, the NRC plans to conduct a supplemental inspection in accordance with Inspection Procedure 95001, "Supplemental Inspection Response to Action Matrix Column 2 Inputs," when you have notified us of your readiness. The supplemental inspection will verify whether the root causes and contributing causes of the significant performance issues are understood, to independently assess and assure that the extent of condition and extent of cause are identified, to assure that corrective actions taken to address and preclude repetition are prompt and effective, and to assure that corrective plans direct prompt actions to effectively address and preclude repetition of significant performance issues. This letter supplements, but does not supersede, the annual assessment letter issued on March 1, 2017.

You have 30 days from the date of this letter to appeal the finding, its final significance determination, and the enforcement decision. Appeals related to the finding must meet the criteria given in the NRC Inspection Manual Chapter 0609, Attachment 2, "Process for Appealing NRC Characterization of Inspection Findings (SDP Appeal Process)" in order to be considered. An appeal must be sent in writing to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001; with copies to the Regional Administrator, Region II; the Director, Office of Enforcement; and the NRC resident inspector at Catawba.

This letter, its Enclosure, and your response (if any) will be made available for public inspection and copying at <http://www.nrc.gov/reading-rm/adams.html> and at the NRC Public Document Room in accordance with 10 CFR 2.390, "Public Inspections, Exemptions, Requests for Withholding."

Sincerely,

/RA/

Catherine Haney
Regional Administrator

Docket No.: 50-414
License No.: NPF-52

Enclosure: As stated

cc Distribution via ListServ

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 FINDING, NOTICE OF VIOLATION, AND ASSESSMENT FOLLOW-UP LETTER
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NOTICE OF VIOLATION

Duke Energy Corporation
Catawba Nuclear Station

Docket No. 50-414
License No. NPF-52
EA-17-122

During an NRC inspection conducted on April 11, 2017, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Technical Specification 5.4.1.a, "Procedures," requires, in part, that procedures shall be established, implemented, and maintained covering the applicable procedures recommended in Appendix A of Regulatory Guide 1.33, Revision 2.

Section 9.b of Appendix A to Regulatory Guide 1.33, Revision 2, requires, in part, that "preventive maintenance schedules be developed to specify inspection or replacement of parts that have a specific lifetime." The licensee established Procedure AD-EG-ALL-1202 to provide direction for implementing the preventive maintenance program. Section 5.3 of Procedure AD-EG-ALL-1202, requires that maintenance strategies for equipment within the scope of the preventive maintenance program be developed by considering operating experience, corrective maintenance history, and structure, system, or component (SSC) performance.

10 CFR 50, Appendix B, Criterion XVI, "Corrective Actions," requires, in part, that conditions adverse to quality be promptly identified and corrected.

Contrary to the above, as of April 11, 2017, the licensee failed to develop preventive maintenance strategies which considered operating experience for the emergency diesel generator (EDG) excitation system. Specifically, the licensee did not effectively incorporate operating experience documented in Condition Report 1566561 into the preventive maintenance activities for EDG excitation system diodes. As a result, a condition adverse to quality associated with the elevated diode temperatures was uncorrected. This caused the 2A EDG output breaker to trip open during monthly surveillance testing. The 2A EDG was returned to service on April 13, 2017, following replacement of the excitation system diodes.

This violation is associated with a White SDP finding.

The NRC has determined that the reason, corrective actions taken and planned to address recurrence, and the date when full compliance was achieved for this violation is adequately addressed and captured on the docket in your written response dated September 29, 2017 (ML17276A345). However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation, EA-17-122". Send your response to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region II, and a copy to the NRC resident inspector at the facility that is

Enclosure

the subject of this Notice, within 30 days of the date of the letter transmitting this Notice of Violation. In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements of your response.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 16th day of October, 2017