

January 11, 2002

EA-01-293

Mr. Oliver D. Kingsley
President and CNO
Exelon Nuclear
Exelon Generating Company, LLC
200 Exelon Way, KSA 3-E
Kennett Square, PA 19348

SUBJECT: FINAL SIGNIFICANCE DETERMINATION FOR A WHITE FINDING AND
NOTICE OF VIOLATION AT THE LIMERICK UNIT 2 GENERATING STATION
(NRC Inspection Report 50-352/01-011; 50-353/01-011)

Dear Mr. Kingsley:

The purpose of this letter is to provide Exelon Generation Company, LLC with the final results of our significance determination of the preliminary White finding identified during an NRC inspection conducted from September 30, 2001, through November 10, 2001, regarding the Limerick Unit 2 Generating Station. The results of this inspection were discussed during an exit meeting on November 16, 2001, with Mr. W. Levis and other members of your staff. The inspection finding was assessed using the significance determination process and was preliminarily characterized as White, an issue with low to moderate increased importance to safety that may require additional NRC inspections.

This preliminary White finding, which was described in NRC inspection report 50-352/01-011; 50-353/01-011 dated December 7, 2001, involved not having adequate measures in place to identify that the 2N Safety/Relief Valve (SRV) was in a degraded condition and was vulnerable to a failure to re-close after lifting. Specifically, to monitor SRV degradation, the licensee tracked pilot valve temperature as an indicator of valve leakage. The licensee determined that once the temperature dropped to 497°F, the 2N SRV would need to be repaired or replaced. In August 2000, the licensee reduced the pilot valve temperature limit from 497°F to 475°F. However, the limit should not have been reduced below 492°F, because at this temperature, licensee analysis showed that if the SRV opened, it may fail to re-close. On December 5, 2000, the pilot valve temperature dropped below 492°F. From that date until February 23, 2001, when the 2N SRV opened and did not immediately re-close, the 2N SRV was in a degraded condition.

The issue was preliminarily characterized as White because the significance determination process identified two sequences with risk significance. These sequences are: (1) a stuck open SRV, a failure of containment heat removal, and a failure to vent the containment; and (2) a stuck open SRV, a loss of high pressure injection capability, and a failure to depressurize the reactor vessel.

The letter that transmitted the inspection report provided you an opportunity to either request a regulatory conference to discuss this issue or explain your position in a written response. In a conversation on December 14, 2001, with Mr. Arthur Burritt, the NRC Senior Resident Inspector at Limerick, Mr. Robert Braun of your staff indicated that Exelon Generation Company, LLC declined the opportunity to discuss this issue in a regulatory conference or to provide additional

information in a written response. Mr. Braun also reiterated Exelon's declination of the conference in a follow-up phone conversation on December 20, 2001, with Dr. Mohamed Shanbaky of NRC Region I.

After considering the information developed during the inspection, the NRC has concluded that the inspection finding is appropriately characterized as White. The finding is a violation of the requirements of 10 CFR 50, Appendix B, Criterion XVI, "Corrective Actions." In accordance with the NRC Enforcement Policy, NUREG-1600, the attached Notice of Violation is considered escalated enforcement action because it is associated with a White finding.

You have 10 business days from the date of this letter to appeal the staff's determination of significance for the identified White finding. Such appeals will be considered to have merit only if they meet the criteria given in NRC Inspection Manual Chapter 0609, Attachment 2.

You are not required to respond to this letter because the NRC has sufficient information on the docket concerning this issue, including details in a combined NRC inspection report dated December 7, 2001 (50-352/01-011; 50-353/01-011), and Licensee Event Report (LER) 2-01-001 (05000353) dated April 24, 2001. Your corrective actions to prevent recurrence of the violation included, but were not limited to: (1) conduct of a thorough root cause investigation; (2) revision of the safety relief valve monitoring plan; (3) performance of additional testing and analysis of the 2N SRV and incorporation of the results into the monitoring plan; (4) initiation of actions to develop an administrative guideline for generating and implementing monitoring plans; and (5) communication of lessons learned throughout the company.

Per the Action Matrix associated with the NRC's Assessment Process (IMC 0305), any single White issue, such as this finding, places Limerick Unit 2 in the Regulatory Response Band. Therefore, we will use the NRC Action Matrix to determine the most appropriate NRC response. We will notify you by separate correspondence of that determination, including any adjustments to the NRC inspection plan.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Reading Room).

Should you have any questions regarding this letter, please contact Dr. Shanbaky at (610) 337-5209.

Sincerely,

/RA/

Hubert J. Miller
Regional Administrator

Docket Nos: 50-353
License Nos: NPF-85

Enclosure: Notice of Violation

Mr. Oliver D. Kingsley

3

cc: J. J. Hagan, Senior Vice President, Mid-Atlantic Regional Operating Group
W. Bohlke, Senior Vice President - Nuclear Services
J. Cotton, Senior Vice President - Operations Support
J. Skolds, Chief Operating Officer
M. Gallagher, Director - Licensing Mid-Atlantic Regional Operating Group
J. Benjamin, Vice President - Licensing and Regulatory Affairs
W. Levis, Vice President - Limerick Generating Station
R. C. Braun, Plant Manager, Limerick Generating Station
M. Kaminski, Manager, Regulatory Assurance
Chief - Division of Nuclear Safety
Secretary, Nuclear Committee of the Board
E. Cullen, Vice President, General Counsel
Correspondence Control Desk
Commonwealth of Pennsylvania

DISTRIBUTION w/encls:

ADAMS (PARS)

SECY

CA

OEMAIL

OEWEB

WTravers, EDO

WKane, DEDR

FCongel, OE

DDambly, OGC

LChandler, OGC

SCollins, NRR

JJohnson, NRR

MSykes, NRR

Enforcement Coordinators RII, RIII, RIV

BBeecher, OPA

HBell, OIG

PLohaus, OSTP

GCaputo, OI

LTremper, OC

TBergman, OEDO

EAdensam, NRR

DBarss, NRR

CGratton, PM, NRR

JBoska, PM, NRR (Backup)

HMiller, RA

JWiggins, DRA

WLanning, DRS

DScrenci, PAO, RI

NSheehan, PAO-RI

DFlorek, DRP

DHolody, RI

RUrban, RI

BFewell, RI

GMatakas, RI

MShanbaky, DRP

ABurritt, DRP - Senior Resident Inspector

Region I Docket Room (with concurrences)

RJunod, DRP

DOCUMENT NAME: C:\Program Files\Adobe\Acrobat 4.0\PDF Output\Limerick-SRV-Final.wpd

After declaring this document "An Official Agency Record" it **will** be released to the Public.

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	RI/ORA	RI/ORA	RI/DRP	RI/DRP	RI/DRS
NAME	Rurban (RJU)	Dholody (DJH)	Mshanbaky (MMS)	Rblough (ARB)	Wlanning (RVC for)
DATE	12/19/01	12/27/01 & 1/3/02	12/26/01	1/02/02	12/27/01
OFFICE	RI/RA	HQ/OE	RI/RC		
NAME	Hmiller (HJM)	Fcongell *	Jfewell (JBF)		
DATE	1/07/02	1/08/02	1/03/02		

OFFICIAL RECORD COPY

* Concurrence via phone from D. Nelson, OE, 1/8/02.

NOTICE OF VIOLATION

Exelon Generation Company, LLC
Limerick Unit 2

Docket No. 50-353
License No. NPF-85
EA-01-293

During an NRC inspection conducted from September 30, 2001, through November 10, 2001, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

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

Contrary to the above, from December 5, 2000 to February 23, 2001, adequate measures had not been established to assure that a condition adverse to quality was promptly identified. Specifically, the licensee was monitoring the 2N Safety/Relief Valve (SRV) for leakage by monitoring its pilot valve temperature as established by a valve monitoring plan (RT-6-041-490-2). This plan and its supporting documentation established, in part, 492°F as the temperature at which the 2N SRV could fail to re-close if it opened, a condition adverse to quality. However, in August 2000, this measure was not maintained in that the licensee changed its valve monitoring plan by lowering the pilot valve temperature limit to 475°F. Changing the pilot valve temperature limit to 475°F could result in the failure to promptly identify a condition adverse to quality given the SRV's vulnerability to not re-close if the temperature went below 492°F. In fact, beginning on December 5, 2000, the pilot valve temperature dropped below 492°F, resulting in an actual condition adverse to quality. This condition was not identified until February 23, 2001, when the 2N SRV opened and did not immediately re-close.

This violation is associated with a WHITE significance determination process finding.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance was achieved is already adequately addressed on the docket in a combined NRC inspection report dated December 7, 2001, (50-352/01-011; 50-353/01-011), and Licensee Event Report (LER) 2-01-001 (05000353) dated April 24, 2001. 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," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region I, and a copy to the NRC Resident Inspector at the facility that is the subject of this Notice, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

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 Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Reading Room). 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.

Dated this 11th day of January, 2002