

OFFICE OF ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Exelon Nuclear (EA-02-264, 265)
Dresden Nuclear Station, Unit 3
Docket No. 050-00249

Subject: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY -
\$60,000, AND ISSUANCE OF FINAL WHITE SIGNIFICANCE
DETERMINATION

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$60,000 will be issued on or about June 23, 2002 to Exelon Nuclear, as a result of an investigation at Dresden Nuclear Station, Unit 3. The action is based on a Severity Level III violation involving the willful failure to provide the NRC with complete and accurate information during a telephone conference on September 27, 2001, regarding the status of high pressure coolant injection (HPCI) pipe support M1187D-83. Failure to provide information that the support was damaged was material to the NRC in that the NRC staff was evaluating the licensee's operability determination for the HPCI system following a potential water hammer that occurred during a reactor scram on July 5, 2001.

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$60,000 is considered for a Severity Level III violation. Because this was a willful violation of NRC requirements, the NRC considered whether credit was warranted for *Identification* and *Corrective Action* in accordance with the Enforcement Policy. Credit was not warranted for *Identification* because the NRC identified the violation. Credit was warranted for the *Corrective Action* civil penalty adjustment factor. Corrective actions included, but were not limited to the licensee: providing additional guidance and training on operability determinations and issue identification and management; providing written expectations to their technical staff on issue resolution; meeting with each involved individual on the need to provide complete and accurate information to the NRC; and informing the other Exelon Nuclear and AmerGen facilities of the lessons learned.

In addition, a WHITE Significance Determination Process (SDP) finding, an issue with low to moderate increased importance to safety which may require additional NRC inspections, will be issued. The finding involved the licensee's failure to take adequate corrective actions to repair the HPCI support that was initially identified as damaged (support M1187D-80) on July 19, 2001. The failure of the licensee to promptly correct this significant condition adverse to quality resulted in the HPCI system being inoperable from July 19 to September 30, 2001 and is a violation of Technical Specification 3.5.1, which requires the HPCI system be returned to operable within 14 days or the plant be shut down, and of 10 CFR 50, Appendix B, Criterion XVI, "Corrective Action".

It should be noted that the licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

Mailing of Notice	June 23, 2003
Telephone Notification of Licensee	June 23, 2003

The State of Illinois will be notified.

The licensee has thirty days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

Contacts: Jennifer Dixon-Herrity, OE, 415-1980; James Luehman, OE, 415-2741

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**PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL
VERIFICATION THAT LICENSEE HAS RECEIVED ACTION**