

August 18, 2003

Mr. Peter E. Katz  
Site Vice President Nine Mile Point  
Nine Mile Point Nuclear Station, LLC.  
P.O. Box 63  
Lycoming, NY 13093

SUBJECT: NOTICE OF ENFORCEMENT DISCRETION REGARDING NINE MILE POINT  
UNIT 2 [TAC No. MC0294, NOED No. 2003-03-01-002]

Dear Mr. Katz:

By letter dated August 14, 2003, you requested that the NRC exercise discretion not to enforce compliance with the actions required by Technical Specification (TS) Limiting Condition for Operation (LCO) 3.8.7, "Inverters - Operating," for Nine Mile Point Unit 2. Your letter documented information previously discussed with the NRC in a telephone conference at 5:30 p.m. on August 12, 2003. The principal NRC staff members who participated in that telephone conference included:

NRC Region I Staff

- A. Randolph Blough, Director, Division of Reactor Projects (DRP)
- Keith McConnell, Deputy Director, DRP
- Richard Crlenjak, Deputy Director, Division of Reactor Safety (DRS)
- James Trapp, Branch Chief, DRP Branch 1
- Veronica Rodriguez, Reactor Engineer, DRP Branch 1
- John F. Rogge, Chief, DRS Electrical Branch
- Wayne Schmidt, DRS Senior Reactor Analyst
- Harold Eichenholz, Senior Reactor Inspector, DRS Electrical Branch
- Gordon Hunegs, Senior Resident Inspector
- Brian Fuller, Resident Inspector
- Edward Knutson, Resident Inspector

NRC Headquarters Staff

- Jim Clifford, Acting Director, Project Directorate I
- Peter Tam, Senior Project Manager, Project Directorate I
- Narinder Trehan, Electrical and Instrumentation & Controls Branch, NRR
- Richard Rasmussen, Probabilistic Safety Assessment Branch

You stated that on August 12, 2003, at 7:01 p.m., the plant would not be in compliance with Technical Specification LCO 3.8.7 due to a failure in the UPS inverter 2B for Division 2 and thus would be required to place the unit in a hot shutdown condition by August 13, 2003, at 7:01 a.m. (within 12 hours) and in cold shutdown by August 14, 2003, at 7:01 a.m. (within 36 hours), respectively. You requested that a Notice of Enforcement Discretion (NOED) be issued pursuant to the NRC's policy regarding exercise of discretion for an operating facility, set out in Section VII.C, of the "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600, and be effective for the period of 18 hours, ending at 1:01 p.m. on August 13, 2003. This letter documents our telephone conversations from approximately 5:30 p.m. to 8:00 p.m., on August 12, 2003, during which we orally issued this NOED. We understand that the condition causing the need for this NOED was corrected by you causing you to exit from TS LCO 3.8.7 and from this NOED on August 13, 2003, at 5:08 a.m.

Your staff requested this NOED following a signal from an annunciator in the Nine Mile Point Unit 2 Control Room indicating that the Division 2 UPS inverter 2VBA\*UPS2B had failed. Investigations identified a blown fuse in the inverter and verified the critical loads had auto-transferred to the maintenance power source. A root cause investigation determined that the cause of the blown fuse was a loose gate lead on a silicon controlled rectifier (SCR) bridge. Two weak SCRs were also identified and replaced. You indicated that previous routine maintenance and surveillance testing, and inspection performed for the emergency UPS system had not indicated degradation of the inverters.

You stated that although the Division 2 UPS inverter 2B would be inoperable during the requested period of extended operation, the critical plant loads would be powered from the maintenance source, which would supply the required safety-related instrumentation assuming no additional failures. In addition, there would be no impact on the UPS for Division 1 or on the High Pressure Core Spray System (ECCS) in Division 3. If a loss of electrical power should occur for the entire Division 2, you assured that the remaining two electrical divisions were capable of supplying the emergency loads required for a safe shutdown of the Unit. Your staff concluded that this NOED would allow time to replace the two weak SCRs, complete repairs on the UPS inverter 2B, re-test it, and restore it to operable status.

In order to provide additional assurance that other critical systems would not be impacted and to enhance the availability of power supplies, you proposed compensatory measures. Your staff committed to: (1) defer any planned maintenance or testing on the electrical power distribution system, (2) allow no planned maintenance or testing on the emergency diesel generators, (3) schedule no maintenance or test activities in the 115kV switchyard or in the supply lines and transformers which could challenge offsite power availability, and (4) place adequate protective postings. Your evaluation concluded that the benefits of the compensatory measures balanced the additional risk contribution incurred by granting this NOED. Therefore, you had concluded that this NOED would involve no net increase in radiological risk.

Based on these considerations, your staff analysis determined that Section B.2.1 Criterion 1.a and all applicable criteria in Section C.4 to the NRC Manual Chapter 9900, "Technical Guidance, Operation - Notices of Enforcement Discretion," had been met. For an operating plant, this NOED is intended to avoid unnecessary transients as a result of compliance with the license condition and thus, minimize potential safety consequences and operational risks. On the basis of the staff's evaluation of your request, we concluded that issuance of this

Mr. Peter Katz

3

NOED is consistent with the Enforcement Policy and staff guidance, does not involve any net increase in radiological risk, and would have no adverse impact on public health and safety. Therefore, we informed you of our intention to exercise discretion not to enforce compliance with Technical Specification LCO 3.8.7 for an 18 hour period starting at 7:01 p.m. on August 12, 2003, and ending on 1:01 p.m. on August 13, 2003.

As stated in the Enforcement Policy, action will be taken, to the extent that violations were involved, for the root cause that led to the noncompliance for which this NOED was necessary.

Sincerely,

/RA/

A. Randolph Blough, Director  
Division of Reactor Projects

Enclosure: Request for Regional Enforcement Discretion dated August 14, 2003

Docket No.: 50-410  
License No.: NPF-69

cc w/encl: M. J. Wallace, President, Nine Mile Point Nuclear Station, LLC  
J. M. Petro, Jr., Esquire, Counsel, Constellation Energy Group, Inc.  
M. Wetterhahn, Esquire, Winston and Strawn  
P. Smith, President, New York State Energy, Research,  
and Development Authority  
C. Adrienne Rhodes, Chairman and Executive Director, State Consumer  
Protection Board  
P. D. Eddy, Electric Division, NYS Department of Public Service  
Supervisor, Town of Scriba  
C. Donaldson, Esquire, Assistant Attorney General, New York  
Department of Law  
J. R. Evans, LIPA  
P. Smith, Acting President, New York State Energy Research  
and Development Authority  
T. Judson, Central NY Citizens Awareness Network

Mr. Peter Katz

4

Distribution w/encl: H. Miller, RA/J. Wiggins, DRA (1)  
J. Trapp, DRP  
J. Jolicoeur, RI EDO Coordinator  
R. Laufer, NRR  
P. Tam, PM, NRR  
D. Skay, NRR (Backup)  
G. Hunegs, SRI - Nine Mile Point  
B. Fuller, RI - Nine Mile Point  
F. Congel, OE (ridsoemailcenter)  
B. Sheron, DPT, NRR  
OEWEB (E-mail address of OE webmaster)  
NOED (Electronic copy to this E-mail address)  
NOED File in DRP  
Region I Docket Room (with concurrences)

DOCUMENT NAME: G:\BRANCH1\NOEDs\NMP NOED Rev1.wpd

After declaring this document "An Official Agency Record" it **will/will not** 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/DRP		NRR		RI/DRP				
NAME	Jtrapp/NSP for		Cholden/NSP*		ABlough/AB				
DATE	08/18/03		08/18/03		08/18/03				

\*J. Clifford via phone OFFICIAL RECORD COPY