

October 14, 2003

Duke Energy Corporation
ATTN: Mr. D. M. Jamil
Vice President
Catawba Nuclear Station
4800 Concord Road
York, SC 29745

SUBJECT: NOTICE OF ENFORCEMENT DISCRETION (NOED) FOR DUKE ENERGY CORPORATION REGARDING CATAWBA NUCLEAR STATION, UNIT 1 (TAC NO. MC0981, NOED NO. 03-6-003)

Dear Mr. Jamil:

By letter dated October 9, 2003, you formally documented a verbal request made on October 8, 2003, for discretionary enforcement concerning Catawba Nuclear Station, Unit 1 Technical Specification (TS) 3.6.6, Containment Spray System (CSS). Your letter addressed the information previously discussed with the NRC during telephone conferences on October 8, 2003, at 4:00 p.m. and 9:00 p.m. The principal NRC staff members who participated in the telephone conferences included: L. Marsh, Director, Division of Licensing Project Management, Office of Nuclear Reactor Regulation (NRR); E. Hackett, Director, Project Directorate II (PD2), NRR; H. Berkow, Director, Project Directorate IV (PD4), NRR; L. Wert, Deputy Director, Division of Reactor Projects (DRP), Region II (RII); H. Christensen, Deputy Director, Division of Reactor Safety, RII; R. Haag, Chief, Branch 1, DRP, RII; J. Nakoski, Section Chief, PD2-1, NRR; R. Martin and S. Peters, Project Managers, PD2-1, NRR; K. Manoly, Section Chief, Mechanical & Civil Engineering Branch, NRR; J. Chung, Senior Reliability and Risk Analyst, and R. Lobel, Senior Reactor Systems Engineer, Probabilistic Safety Assessment Branch, NRR; C. Wu, Mechanical Engineer, Mechanical & Civil Engineering Branch, NRR; E. Guthrie, Senior Resident Inspector - Catawba, DRP, RII; and R. Bernhard, Senior Reactor Analyst, Division of Reactor Safety, RII.

On October 6, 2003, you removed the 1B train of CSS from service to install inspection ports in preparation for future maintenance activities. While these inspection ports were being installed, you discovered degradation of the baffle plates in the 1B CSS heat exchanger. You stated that the allowed outage time (AOT) Limiting Condition for Operation Action A.1, which requires restoration of an inoperable CSS train to operable status within 72 hours, would expire on October 9, 2003, at 4:00 a.m. As such, per TS 3.6.6, Actions B.1 and B.2, Unit 1 would be required to be in Mode 3 (Hot Standby) in 6 hours (10:00 a.m., on October 9, 2003) and in Mode 5 (Cold Shutdown) within 84 hours (4:00 p.m., on October 12, 2003). Since restoration activities would exceed the AOT, you requested that a 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. The requested NOED would be effective for an additional 336 hours (from the date and time of NRC's approval of the NOED) to support inspection, debris removal,

repair activities, and subsequent testing activities necessary to restore the 1B CSS heat exchanger to service.

This letter documents our verbal issuance of the NOED during the telephone conference on October 8, 2003. As of the date of this letter, we understand that the condition causing the need for this NOED has not yet been corrected.

The safety basis in your NOED request letter included a discussion of interim compensatory measures and an evaluation of the potential impact on the public health and safety and the environment. Your evaluation concluded that the request for an additional 336 hours to restore the 1B CSS heat exchanger to service was overall safety and risk neutral and represented no net increase in radiological risk. In addition you concluded that no significant hazard consideration was involved. The interim compensatory measures you have put in place until the 1B CCS heat exchanger can be returned to service are integral to your no net increase in risk determination. These interim compensatory measures include: (1) mitigating the risk of turbine building flood by controlling work on associated systems and increasing turbine building rounds by plant operators; (2) assigning a dedicated operator to control the Unit 1 auxiliary feedwater flow control valves to facilitate the continued use of the steam generators in the event that flow control is lost following a loss of offsite power; (3) enhancing awareness and training operators regarding swapping to high pressure recirculation and cross connection of off-site power sources following a loss of all alternating current power; (4) precluding discretionary maintenance or testing on the offsite power system and maintaining operability of required offsite circuits; (5) precluding maintenance on CSS Train 1A; (6) precluding discretionary maintenance on the Unit 1 emergency core cooling systems; and (7) precluding discretionary maintenance on the Unit 1 instrument air systems. Additionally, your letter stated that you would continue activities around the clock to return the 1B heat exchanger to service.

We have reviewed your request and agree that maintaining the plant stable in Mode 1 for an additional 336 hours is acceptable and would avoid the potential for a plant transient that could occur during a plant shutdown to Mode 3 in this instance. Also, we agree that your interim compensatory measures, risk analysis, and safety basis considerations were adequate to demonstrate that the additional 336 hours would not involve a net increase in radiological risk and would not adversely affect public health and safety. Our decision was based primarily on the request being overall safety and risk neutral.

On the basis of the NRC staff's evaluation of your request and the information provided in your letter dated October 9, 2003, we conclude that issuance of this NOED is consistent with the Enforcement Policy and staff guidance, and has no adverse impact on public health and safety. Therefore, it is our intention to exercise discretion not to enforce compliance with TS 3.6.6 for inoperable CSS heat exchanger 1B for the period from October 8, 2003, at 9:25 p.m. (the date and time of NRC's verbal granting of the requested NOED) until October 22, 2003, at 9:25 p.m.

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However, as stated in the Enforcement Policy, action will be taken, to the extent that violations are involved, for the root cause or causes that led to the request for this NOED.

Sincerely,

/RA/

Edwin M. Hackett, Director
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No.: 50-413

License No.: NPF-35

cc: See next page

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Sincerely,

/RA/

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Project Directorate II
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