

October 16, 2003

Mr. George Vanderheyden
Vice President - Calvert Cliffs Nuclear Power Plant
Constellation Generation Group, LLC
1650 Calvert Cliffs Parkway
Lusby, Maryland 20657-4702

SUBJECT: NOTICE OF ENFORCEMENT DISCRETION FOR CONSTELLATION
NUCLEAR REGARDING CALVERT CLIFFS UNIT 2 [TAC No. MC 0994, NOED
No. 2003-01-03]

Dear Mr. Vanderheyden:

By letter dated October 14, 2003, you requested that the NRC exercise discretion not to enforce compliance with the actions required by Technical Specification (TS) 3.8.1, "A.C. Sources - Operating," for Calvert Cliffs Unit 2. Your letter documented information previously discussed with the NRC in a telephone conference at 2.00 p.m. on October 10, 2003. The principal NRC staff members who participated in that telephone conference included:

NRC Region I Staff

- Brian E. Holian, Deputy Director, Division of Reactor Projects (DRP)
- Richard V. Crlenjak, Deputy Director, Division of Reactor Safety (DRS)
- James Trapp, Branch Chief, DRP Branch 1
- Eugene W. Cobey, DRS Senior Reactor Analyst
- Mark Giles, Senior Resident Inspector, Calvert Cliffs
- Joseph O'Hara, Resident Inspector, Calvert Cliffs

NRC Headquarters Staff

- Rich Laufer, Acting Director, Project Directorate I, NRR
- Dave Terao, Section Chief, Mechanical and Civil Engineering Branch, NRR
- Peter Wilson, Probabilistic Safety Assessment Branch, NRR
- Guy Vissing, Project Manager, Calvert Cliffs, NRR
- Jai Rajan, Mechanical and Civil Engineering Branch, NRR
- Duc Nguyen, Electrical and Instrumentation and Controls Branch, NRR

You stated that on October 11, 2003, at 2:00 a.m., the plant would not be in compliance with Technical Specification 3.8.1, due to degraded conditions of an upper main bearing on the Number (No.) 2A emergency diesel generator (EDG) and thus you would be required to place the unit in a hot shutdown condition by October 11, 2003, at 8:00 a.m. (within 6 hours) and in cold shutdown by October 12, 2003, at 2:00 p.m. (within 36 hours). 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 72 hours, ending no later than 2:00 a.m. on

October 14, 2003. This letter documents our telephone conversations at 2:00 p.m. and 5:40 p.m., on October 10, 2003, at which time we verbally approved this NOED. We understand that the condition causing the need for this NOED was corrected by you, allowing you to exit from TS Limiting Condition for Operation (LCO) 3.8.1 and from this NOED on October 14, 2003, at 1:30 a.m.

Your staff requested this NOED following a biennial inspection of the No. 2A EDG, during which a degraded No. 10 upper main bearing was identified. Aluminum particles found in the suction strainer to the standby lube oil pump indicated unexpected bearing wear. Your apparent root cause investigation determined that the No. 10 upper main bearing degradation was caused by a distorted bearing cap that was attributed to a 1994 installation error. Other potential causes such as bearings clearances, foreign material in the oil, and interruption of lubricating oil to the bearing were considered and not found to be contributing causes. Your staff performed an extent-of-condition review, which included surveillance and work order reviews and a lube oil strainer inspection on the 1A EDG, to assess whether the other EDGs could be adversely affected similar to the bearing degradation identified on the 2A EDG.

Your staff requested this NOED after consideration of the safety significance and potential consequences of such an action. Your staff concluded that remaining at power for an additional 3-day period while completing the repairs to the 2A EDG would not result in an undue risk to the health and safety of the public. That conclusion was based on risk insights that qualitatively indicated no net increase in radiological risk as a result of having the EDG out-of-service for up to three additional days, as well as your confidence that the ongoing repairs to the EDG would be completed within the discretionary period. Your staff's conclusion that this NOED was safety and risk neutral was, in part, based on a number of compensatory risk management measures implemented while the 2A EDG was out-of-service.

As compensatory measures during the period of the NOED, your staff committed to: (1) not performing elective maintenance on the No. 2B EDG, (2) maintaining the station blackout 0C EDG aligned to the affected bus, (3) not performing any discretionary maintenance or testing on any power block equipment that would contribute an increase to Calvert Cliffs probabilistic risk assessment (PRA) risk, (4) reviewing with control room operators the actions to be taken should a loss of offsite power occur, (5) shutting down Unit 2 if the plant is threatened by tornado or hurricane warning, and (6) not conducting maintenance or testing on the offsite power system (which had all four offsite power lines available). Further, discussions between the licensee and the System Load Dispatcher indicated that no grid instabilities were expected during the extension period.

Based on these considerations, the NRC 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, which included a review of compensatory measures instituted for this 3 day extension of the TS Allowed Outage Time (AOT) and review of your qualitative assessment of the risks involved in a shutdown transient, we concluded that issuance of this 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 3.8.1 for three day period starting at 2:00 a.m. on October 11, 2003, and ending on 2:00 a.m. on October 14, 2003. It should also be noted that on May 12, 2003, the licensee submitted a License Amendment Request that would extend the Required Action Completion Time for one EDG inoperable to 14 days. The NRC staff is still reviewing that request.

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/ by
Acting For/

A. Randolph Blough, Director
Division of Reactor Projects

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

Docket No.: 50-318
License No.: DPR-69
NOED No.: 2003-01-03

cc w/encl: President, Calvert County Board of Commissioners
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