



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

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August 30, 2007

Duke Power Company LLC
d/b/a Duke Energy Carolinas, LLC
ATTN: Mr. G. R. Peterson
Vice President
McGuire Nuclear Station
12700 Hagers Ferry Road
Huntersville, NC 28078-8985

SUBJECT: MCGUIRE NUCLEAR STATION - MATERIAL CONTROL AND ACCOUNTING
PROGRAM INSPECTION REPORT 05000369/2007402 AND
05000370/2007402 AND EXERCISE OF ENFORCEMENT DISCRETION

Dear Mr. Peterson:

The U. S. Nuclear Regulatory Commission (NRC) completed a material control and accounting program inspection at your McGuire Nuclear Station. The enclosed report documents the inspection results, which were discussed with Mr. Regis Repko, and other members of your staff on April 19, 2007. A re-exit with members of your staff was done on June 6 and August 6, 2007.

The inspection examined activities conducted under your license, as they relate to safety and compliance with the Commission's rules and regulations, and with the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

Based on the results of this inspection, one NRC-identified finding of very low safety significance which involved violations of NRC requirements was identified. Also, one licensee identified violation which was determined to be of very low safety significance is listed in Section 4OA7 of this report. However, because these violations were of very low safety significance, and because the findings were entered into your corrective action program, the NRC is treating these findings as Non-Cited Violations (NCV) in accordance with Section VI.A.1 of the NRC's Enforcement Policy. If you contest these NCVs, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN.: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator Region II; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at McGuire Nuclear Station.

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This report also documents one licensee-identified violation involving a failure to conduct an inventory of special nuclear material as required by 10 CFR 74.19(c) and licensee procedure. Because the violation met the criteria established by EGM 07-002, Enforcement Guidance Memorandum-Interim Guidance for Dispositioning Violations of 10 CFR 74.19(c); it was self-identified; it was corrected; and, all physical inventories of special nuclear material after November 26, 2005, were adequate, I have been authorized, after consultation with the Regional Administrator, Region II, to exercise enforcement discretion in accordance with Section VII.B.6 of the Enforcement Policy and refrain from issuing enforcement action for the violation.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be 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 Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390 a copy of this letter's enclosure will not be available for public inspection.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. This practice will ensure that your response will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system, ADAMS.

Sincerely,

/RA/

Joseph W. Shea, Director
Division of Reactor Safety

Docket No.: 50-369, 50-370
License No: NPF-9 , NPF-17

Enclosure: NRC Inspection Report No. 05000369/2007402 and 05000370/2007402
w/Attachment: Supplemental Information

cc w/encl:

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