

POOR ORIGINAL

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August 21, 1979

WILLIAM S. LEE  
PRESIDENT &  
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Mr. Harold D. Thornburg, Director  
Division of Reactor Construction  
Office of Inspection and Enforcement  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

Re: McGuire Nuclear Station  
Units 1 and 2  
Docket Nos. 50-369, 50-370

Dear Mr. Thornburg:

Your letter of August 1, 1979, requested a response which addressed the following:

- 1) Revisions to the FSAR to clearly indicate the considerations made in the plant design to preclude entry of the spent fuel shipping cask into the spent fuel pool and the status of the final design.
- 2) Measures taken to assure the accuracy and completeness of all information provided to the NRC.

With regard to item (1), it is our intention to revise the McGuire FSAR to reflect the results of cask drop evaluations for the NFS-4, NLI-1/2 and TN-8 truck casks. The analysis currently in the FSAR for a rail cask will be deleted.

These changes will more accurately reflect the situation as far as near term spent fuel handling at McGuire is concerned in that the only spent fuel expected to be shipped to or from McGuire is that generated at our Oconee Station and the above are the only casks which we currently regard as potential candidates for this shipment. (Note that the storage of Oconee fuel at McGuire is the subject of a 10CFR Part 70 licensing proceeding and is subject of ongoing hearings before an Atomic Safety and Licensing Board.) These casks may also be used for intra-station transfers of spent fuel at McGuire. Duke does not currently own or have a lease for rail cask. At such time as a particular rail cask is identified for use at McGuire, appropriate analyses will be performed and handling provisions will be made, as necessary, to assure that no potential adverse cask drop consequences exist. If these analyses identify a need to modify any part of the design, appropriate design changes would be made at that time.

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With regard to item (2), it is considered that an adequate program has existed and continues to exist to assure that accurate information is provided to NRC. This program includes the following:

- Safety Analysis Reports and Environmental Reports chapters are assigned to responsible individuals to be prepared and reviewed and approved internally by designated individuals.
- Correspondence is made to the NRC through the appropriate Vice-Presidents in Design Engineering and Steam Production.
- Licensing groups coordinate and handle questions, bulletins, event reports with responsible individuals.
- Commitment and design deviation lists are used.
- Procedures exist for reporting under 10CFR50.55(e).

However, to reiterate the importance of providing both accurate and complete information, I issued a policy letter on January 23, 1979, in reference to the December 6, 1978 transmittal from Mr. Harold R. Denton and Mr. John G. Davis. My letter distributed the NRC letter to senior personnel and directed that employees working in the nuclear area be reminded of the requirement for providing accurate and complete information to the NRC. New employees are to be well indoctrinated in this policy.

I believe that Duke has done a good job in providing complete and accurate information to the NRC and we will continue to do so in the future.

Very truly yours,



W. S. Lee

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Duke Power Company  
Attn: W. S. Lee, President  
P. O. Box 33189  
Charlotte, North Carolina 28242

Docket Nos. 50-319  
50-370

Gentlemen:

This refers to an investigation beginning on April 11 and completed on December 6, 1978, by the NRC Region II Office of activities authorized by NRC Construction Permit Nos. CPPR-83 and CPPR-84 for the McGuire facility. The investigation results were discussed by James P. O'Reilly, Region II Director, in a meeting with Mr. L. C. Dail and others of your staff on January 5, 1979. This also refers to Duke letter dated January 26, 1979, which discusses matters involved in this investigation.

This investigation was conducted to determine the facts involved in the analysis of the hypothetical cask drop accident and the response to NRC questions submitted by Duke Power Company in the McGuire Final Safety Analysis Report (FSAR). The investigation consisted of selective examination of procedures and representative records and interviews with present and former employees. This investigation and the circumstances associated with this case have been reviewed by the NRC Office of Nuclear Reactor Regulation which included reevaluation of your FSAR submittal.

The investigation confirmed that the Duke response to the NRC in 1975 did not include one postulated cask drop case that had been analyzed. The calculations for that case (Case No. 3) indicated that the cask could fall into the fuel pool given certain conservative assumptions regarding energy absorption.

We recognize that the supervisor involved was acting within the limits of his authority and that his rejection of the results of using the conservative assumptions of Case No. 3 was an exercise of his engineering judgment. Nevertheless, we believe that completeness and candor would have been better served by including a discussion of the rejected case in the Duke response to NRC even though the conclusions may have been unchanged.

The NRC regulatory program is based on the premise that information provided by licensees is factual, complete, and supported by data, records, calculations and judgment of technically qualified individuals. The review, evaluation and inspection processes in the NRC's regulatory program are based on sampling and auditing techniques designed to rely on the validity of that premise. Inaccurate, incomplete, or omitted information could result in decisions which adversely affect the health and safety of the public. It is therefore imperative that licensees exercise the utmost care in supplying

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information to the NRC. The necessity for accuracy and completeness must be stressed throughout licensee organizations. This was emphasized to all utility executives in a letter from the Acting Director of IE dated December 6, 1978.

In this case, there is no indication that the omission was a willful or deliberate attempt to deceive the NRC. However, we believe it was not good judgment to omit all information concerning Case No. 3 in your response to the NRC.

During the course of our investigation documents were found that had been altered. We did not establish that the documents had been altered to mislead NRC. Also, it appeared that the individual who made the alteration acted alone.

In addition, we are disturbed with the implication contained in Duke's letter of January 26, 1979, to the Region II Director that the NRC staff should have been aware of Duke's third analysis on the basis of FSAR Figure 9.1.2-1. Quite apart from our disagreement with such an implication is our concern with the statement that Figure 9.1.2-1 is the "precise drawing" for the third analysis. FSAR Figure 9.1.2-1 (Rev. 6) shows a 6" overlap between the edge of the cask pit and the cask whereas the sketch for the third analysis dated June 11, 1975, on page 8 (Duke File No. AB 1000.08) shows no overlap between the cask pit and the cask.

It is requested that you provide a written response to this letter within 20 days. Your response should provide revisions to the FSAR to clearly indicate the considerations made in the plant design to preclude entry of the spent fuel shipping cask into the spent fuel pool and the status of the final design. It should also discuss measures you have taken to assure the accuracy and completeness of all information provided to the NRC. Future inspections will determine the effectiveness of your corrective actions and what enforcement actions, if any, are necessary to ensure future compliance in this area.

Sincerely,

Harold D. Thornburg, Director  
Division of Reactor Construction  
Inspection  
Office of Inspection and Enforcement

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