

Duke Power Company
McGuire Nuclear Generation Department
12700 Hagers Ferry Road (MG01VP)
Huntersville, NC 28078-9340

H. B. BARRON
Vice President
(704)875-4800
(704)875-4809 Fax



DUKE POWER

April 17, 1997

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555

Subject: McGuire Nuclear Station, Units 1 and 2
Docket Nos. 50-369 and 50-370
NRC Inspection Report No. 50-369, 370/97-01
Violation 50-369, 370/97-01-03
Reply to a Notice of Violation

Pursuant to the provisions of 10 CFR 2.201, attached is a response to a Notice of Violation dated March 24, 1997 for failure to implement the requirements of 10 CFR 70.24 regarding criticality accident response preparedness. Duke Power acknowledges the violation as stated in the Notice of Violation.

Very Truly Yours,

H. B. Barron

Attachment

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PDR ADOCK 05000369
G PDR



U. S. Nuclear Regulatory Commission
April 17, 1997

xc: (w/attachment)

Mr. Luis A. Reyes
Regional Administrator, Region II
U. S. Nuclear Regulatory Commission
Atlanta Federal Center
61 Forsyth St., SW, Suite 23T85
Atlanta, Georgia 30323

Mr. Victor Nerses
U. S. Nuclear Regulatory Commission
Office of Nuclear Reactor Regulation
One White Flint North, Mail Stop 9H3
Washington, D. C. 20555

Mr. Scott Shaeffer
Senior Resident Inspector
McGuire Nuclear Station

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Restatement of Violation 50-369,370/97-01-03

Part 70.24(a) of Title 10 of the Code of Federal Regulations, requires, in part, that each licensee authorized to possess special nuclear material (SNM) of sufficient quantity, to maintain a radiation monitoring system in each area where SNM is handled or stored that will alarm if accidental criticality occurs. Furthermore, the licensee shall maintain emergency procedures for each applicable area to ensure that all personnel are withdrawn to an area of safety when the alarm sounds. The procedures must also include the conduct of drills to familiarize personnel with the evacuation plan and other key response activities.

Contrary to the above, the licensee's initial exemptions from the requirements of 10 CFR 70.24(a) (contained as part of its original NRC Materials Licenses of possessing SNM) expired when the Unit 1 and 2 construction permits were converted to operating licenses in 1981 and 1983 respectively. At that time, the licensee failed to implement appropriate emergency procedures, conduct required drills, or renew its exemptions to be excluded from the stated requirements. Since that time, new fuel storage areas have been used to handle and store new fuel assemblies prior to each unit refueling outage.

This is a Severity Level IV violation (Supplement IV).

Reply to Violation 50-369,370/97-01-03

1. Reason for the violation:

The reason for the violation is a failure to recognize the need for an exemption to 10 CFR 70.24(a)(3) for unit operation under 10 CFR Part 50. McGuire Nuclear Station was granted an exemption for the receipt of fuel during facility construction under 10 CFR Part 70; however, this exemption did not extend to a Part 50 operating license.

2. Corrective steps that have been taken and the results achieved:

- a) An exemption request for McGuire Nuclear Station was submitted to the NRC on February 4, 1997.
- b) The Station Radiation Protection Manual, section 18.1 "Accident and Emergency Response", section 4.6 "New Fuel Storage - Inadvertent Criticality Event", was revised to

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Reply to a Notice of Violation

include instructions for surveys and the evacuation of personnel from areas affected by an inadvertent criticality event. This corrective action was completed on February 18, 1997.

- c) Operations procedures OP/1/A/6100/10S "Annunciator Response For Panel 1RAD3" and OP/2/A/6100/10S "Annunciator Response For Panel 2RAD3" were revised to require operators to evacuate the Spent Fuel Building and the New Fuel Storage Area and contact Radiation Protection upon a fuel building alarm annunciation. This corrective action was completed on February 3, 1997.
- d) On February 18, 1997, periodic test procedure PT/0/A/4150/35 "Inspection and Storage of New Fuel" was placed on administrative hold until performance of a 70.24 (a) drill.
- e) On March 6, 1997, a drill was successfully conducted to evaluate the effectiveness of response to a possible inadvertent criticality event in the Unit 1 New Fuel Storage Vault.

3. Corrective steps that will be taken to avoid further violations:

- a) Drills will be conducted periodically to evaluate the effectiveness of response to inadvertent criticality events in the new fuel storage vault. The annual drills will be discontinued upon receipt of an NRC exemption for 10 CFR 70.24.
- b) A review of previous exemptions will be performed to identify if similar circumstances may exist for other exemptions. This review will be completed by October 1, 1997.

4. Date when full compliance will be achieved:

McGuire is in full compliance with 10 CFR 70.24 (a)(3). All corrective actions will be completed by October 1, 1997.