



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

March 3, 2008

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

SUBJECT: ANNUAL ASSESSMENT LETTER – MCGUIRE NUCLEAR STATION
(NRC INSPECTION REPORT 05000369/2008001 AND 05000370/2008001)

Dear Mr. Hamilton:

On February 5, 2008, the NRC staff completed its performance review of the McGuire Nuclear Station. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2007. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only – Security-Related Information" will include the security cornerstone review and resultant inspection plan.

Overall, McGuire Units 1 and 2 operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first three quarters of the assessment cycle, was within the Licensee Response column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct reactor oversight process (ROP) baseline inspections at your facility. We also plan on conducting several non-ROP inspections, which include: containment sump blockage; implementation of B.5.b mitigating strategies; reactor coolant system dissimilar metal butt welds; hydrogen igniter backup power verification (not yet scheduled); and operator licensing examinations.

Additionally, the staff considered whether a substantive cross-cutting issue exists in the area of problem identification and resolution. Inspection reports issued during the period document four separate findings, each with a cross-cutting aspect of "appropriate and timely corrective actions." However, two of the findings represent the identical performance deficiency discovered on separate units. These two findings concerned foreign material that had been in the sump for over 10 years, found in both Unit 1 and Unit 2 Emergency Core Cooling System (ECCS) sumps during sump replacement. Refueling outage inspections of the inside of each sump were credited to prevent clogging of the ECCS throttle valves, as a compensatory

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measure for a design deficiency discovered in 1996. The cause of the inadequate previous inspections to find the debris was the same for both units. This one shared performance deficiency was documented on each unit, during the unit's refueling outage, but was separated in time by about 6 months. Consequently, the agency's plant issue numbering system indicates two separate report numbers for this shared performance deficiency. For the purpose of evaluating whether a substantive cross-cutting issue existed, we treated this common issue for each unit as one performance deficiency. Additionally, you have addressed this trend in problem identification and resolution by entering it into your corrective action program with plans to perform a full root cause analysis in order to prevent future recurrence. Accordingly, we do not believe a substantive cross-cutting issue exists at this time.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through June 30, 2009. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the mid-cycle review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made 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).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at (404) 562-4647 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Kathy D. Weaver, Acting Chief
Reactor Projects Branch 1
Division of Reactor Projects

Docket Nos.: 50-369, 50-370, 72-38
License Nos.: NPF-9, NPF-17

Enclosure: McGuire Inspection/Activity Plan

cc w/ encl: (See page 3)

DPC

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cc w/encls:

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McGuire
Inspection / Activity Plan
03/01/2008 - 06/30/2009

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	PSB1-RP - RADIATION PROTECTION OCCUPATIONAL WK1		2			
1,2	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		03/03/2008	03/07/2008	Other Routine
1,2	IP 7112101	Access Control to Radiologically Significant Areas		03/03/2008	03/07/2008	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		03/03/2008	03/07/2008	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		03/03/2008	03/07/2008	Baseline Inspections
1,2	IP 71151-OR01	Occupational Exposure Control Effectiveness		03/03/2008	03/07/2008	Baseline Inspections
1,2	IP 71151-PR01	RETS/ODCM Radiological Effluent		03/03/2008	03/07/2008	Baseline Inspections
	EB3ISI - U2 INSERVICE INSPECTION		3			
2	IP 7111108P	Inservice Inspection Activities - PWR		03/10/2008	03/14/2008	Baseline Inspections
	PSB1-RP - RADIATION PROTECTION OCCUPATIONAL WK2		3			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		03/17/2008	03/21/2008	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		03/17/2008	03/21/2008	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		03/17/2008	03/21/2008	Baseline Inspections
1,2	IP 71151-OR01	Occupational Exposure Control Effectiveness		03/17/2008	03/21/2008	Baseline Inspections
1,2	IP 71151-PR01	RETS/ODCM Radiological Effluent		03/17/2008	03/21/2008	Baseline Inspections
	EB1-SUMP - TI 2515/166 CONTAINMENT SUMP INSPECTION		1			
2	IP 2515/166	Pressurized Water Reactor Containment Sump Blockage [NRC GENERIC LETTER 2004-02]		03/31/2008	04/04/2008	Safety Issues
	EB3TI172 - TI-172		1			
1,2	IP 2515/172	Reactor Coolant System Dissimilar Metal Butt Welds		04/07/2008	04/11/2008	Generic Safety Inspecti
	OL EXAM - INITIAL EXAM PREP		4			
1	V23282	MCGUIRE/MAY 2008 EXAM AT POWER FACILITIES		04/21/2008	04/25/2008	Not Applicable
	OL EXAM - INITIAL EXAM		3			
1	V23282	MCGUIRE/MAY 2008 EXAM AT POWER FACILITIES		05/12/2008	05/23/2008	Not Applicable
	OL RQ - REQUAL INSPECTION		2			
1,2	IP 7111111B	Licensed Operator Requalification Program		06/09/2008	06/13/2008	Baseline Inspections
	PI&R - PREP TRIP-PROBLEM ID AND RESOL		1			
1,2	IP 71152B	Identification and Resolution of Problems		06/30/2008	07/03/2008	Baseline Inspections
	PI&R - PROBLEM IDENTIFICATION AND RESOLUTION		5			
1,2	IP 71152B	Identification and Resolution of Problems		08/11/2008	08/15/2008	Baseline Inspections
1,2	IP 71152B	Identification and Resolution of Problems		08/25/2008	08/29/2008	Baseline Inspections
	EB3ISI - U1 ISI		1			
1	IP 7111108P	Inservice Inspection Activities - PWR		09/29/2008	10/03/2008	Baseline Inspections
	EB3SGISI - U1 SG ISI		1			
1	IP 7111108P	Inservice Inspection Activities - PWR		10/02/2008	10/06/2008	Baseline Inspections

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.

McGuire
Inspection / Activity Plan
03/01/2008 - 06/30/2009

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	PSB1-EP - EP INSP		1			
1,2	IP 7111402	Alert and Notification System Testing		10/06/2008	10/10/2008	EP Baseline Inspection
1,2	IP 7111403	Emergency Response Organization Augmentation Testing		10/06/2008	10/10/2008	EP Baseline Inspection
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		10/06/2008	10/10/2008	EP Baseline Inspection
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		10/06/2008	10/10/2008	EP Baseline Inspection
1,2	IP 71151-EP01	Drill/Exercise Performance		10/06/2008	10/10/2008	Baseline Inspections
1,2	IP 71151-EP02	ERO Drill Participation		10/06/2008	10/10/2008	Baseline Inspections
1,2	IP 71151-EP03	Alert & Notification System		10/06/2008	10/10/2008	Baseline Inspections
	TI-171 - B.5.B PHASE 2&3		3			
1,2	IP 2515/171	Verification of Site Specific Implementation Of B.5.b Phase 2 & 3 Mitigating Strategies		11/03/2008	11/07/2008	Generic Safety Inspectio
	TFPI - TFPI INSP		5			
1,2	IP 7111105P	Fire Protection-NFPA 805 Transition Period [Triennial]		03/09/2009	03/13/2009	Baseline Inspections
1,2	IP 7111105P	Fire Protection-NFPA 805 Transition Period [Triennial]		03/23/2009	03/27/2009	Baseline Inspections
	OL EXAM - INITIAL EXAM PREP		3			
1	V23306	MCGUIRE/MAY 2009 EXAM AT POWER FACILITIES		04/20/2009	04/24/2009	Not Applicable
	EB1-CDBI - COMPONENT DESIGN BASES INSPECTION		9			
1,2	IP 7111121	Component Design Bases Inspection		05/04/2009	05/08/2009	Baseline Inspections
1,2	IP 7111121	Component Design Bases Inspection		05/18/2009	05/22/2009	Baseline Inspections
1,2	IP 7111121	Component Design Bases Inspection		06/01/2009	06/05/2009	Baseline Inspections
1,2	IP 7111121	Component Design Bases Inspection		06/15/2009	06/19/2009	Baseline Inspections
	OL EXAM - INITIAL EXAM - WEEK 1		3			
1	V23306	MCGUIRE/MAY 2009 EXAM AT POWER FACILITIES		05/11/2009	05/15/2009	Not Applicable
	OL EXAM - INITIAL EXAM - WEEK 2		3			
1	V23306	MCGUIRE/MAY 2009 EXAM AT POWER FACILITIES		05/18/2009	05/22/2009	Not Applicable