

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

Carolina Power and Light Company ATTN: Mr. Benjamin Waldrep Vice President Brunswick Steam Electric Plant P. O. Box 10429 Southport, NC 28461

SUBJECT: ANNUAL ASSESSMENT LETTER – BRUNSWICK STEAM ELECTRIC PLANT

(NRC INSPECTION REPORT 05000325/2008001 AND 05000324/2008001)

Dear Mr. Waldrep:

On February 6, 2008, the NRC staff completed its performance review of Brunswick Steam Electric Plant. 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 Brunswick. 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, Brunswick Units 1 and 2 operated in a manner that preserved public health and safety and met all cornerstone objectives with moderate degradation in safety performance. Unit 1 plant performance for the most recent quarter was within the Regulatory Response Column of the NRC's Action matrix based on a White inspection finding in the Mitigating Systems Cornerstone. Unit 2 plant performance for the most recent quarter was within the Licensee Response Column of the NRC's Action matrix.

While plant performance for Unit 1 for the most recent quarter is within the Regulatory Response Column, Unit 1 was within the Degraded Cornerstone Column of the NRC's Action matrix for the first, second, and third quarters of the assessment cycle. A White inspection finding for a circumstance where the Emergency Diesel Generator #1 was out of service for a period of time in excess of that allowed by Technical Specifications was identified in the first quarter 2007. In addition, the performance indicator related to the Mitigating Systems Performance Indicator (MSPI) Emergency AC Power System, crossed the Green to White threshold in the second quarter of 2006 and remained White. Subsequently, the MSPI for Cooling Water Systems crossed the threshold from Green to White in the third quarter of 2007 due to issues associated with the service water and residual heat removal service water systems. Some of these issues included the identification of foreign material within these safety-related systems which were the subject of an NRC Special Inspection Team inspection, the results of which are documented in NRC inspection report 05000325, 324/20070011. A

Supplemental Inspection was completed on February 1, 2008, for the White MSPI - Cooling Water Systems, the results of which are documented in NRC inspection report 05000325/2008007. During the third quarter of calendar year (CY) 2007, Brunswick installed two Severe Accident Management Guideline (SAMG) diesel generators that reduced the site's core damage frequency by approximately 60 percent. These portable 176kw, 60hz SAMG diesel generators were installed to mitigate a loss of 125VDC during a Station Blackout (SBO). The SAMG diesel generators are classified as non-safety related and are not credited during a SBO, but will restore power to battery chargers and prevent depleting the units' batteries. As a result of this modification, the two White performance indicators transitioned to Green in the 4th quarter, 2007, thereby placing Unit 1 into the Regulatory Response Column for the 4th quarter.

Unit 2 was within the Regulatory Response column of the NRC's Action matrix for the first three quarters of the assessment cycle. The MSPI, Emergency AC Power System PI crossed the threshold from Green to White in the second quarter of 2006 and remained White. As a result of your modification that installed the two SAMG diesel generators (discussed above), the White performance indicator transitioned to Green in the 4th quarter 2007, thereby placing Unit 2 into the Licensee Response Column for the 4th quarter.

The enclosed inspection plan details the inspections, less those related to security, scheduled through June 30, 2009. In addition, we will be conducting NRC Temporary Instruction 171(B.5.b) and initial reactor operator licensing examinations. 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.

The NRC notes that Brunswick's current assessment in the Regulatory Response Column (RRC) and Licensee Response Column (LRC) for Units 1 and 2 respectively, reflects heavily the reduction in risk that was achieved by installation of the SAMG EDGs. The installation of risk-informed modifications such as this reflects a strong safety focus on the part of Progress Energy at Brunswick. However, the NRC also notes that absent the installation of the SAMG EDGs, Brunswick 1 and 2 would have been assessed at a level of performance warranting substantially increased NRC oversight and licensee actions. As a result, we believe that additional licensee management attention to address the underlying performance issues is still warranted. The staff had concluded that it was appropriate to conduct an additional Problem Identification and Resolution (PI&R) inspection during the current biennial period. The onsite portion was completed on February 29, 2008. This additional inspection was performed based on weaknesses in the Corrective Action Program identified during the 95002 supplemental inspection completed in August 2007. Based on the results of this additional PI&R inspection, we will determine the need for any further inspection in this area.

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).

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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 Randall Musser at 404-562-4603 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Victor M. McCree Acting Regional Administrator

Docket Nos.: 50-325 and 50-324 License Nos.: DPR-71 and DPR- 62

Enclosure: Brunswick Inspection/Activity Plan

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cc w/encl:

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Brunswick Inspection / Activity Plan 03/03/2008 - 06/30/2009

Unit No. of Staff **Planned Dates** Inspection on Site Start End Number Inspection Activity Title **Type** PSB1-RP - RAD PROTECTION - ACCESS CONTROLS 1 Access Control to Radiologically Significant Areas IP 7112101 1,2 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** EB3-ISI - UNIT 1 - ISI 2 IP 7111108G Inservice Inspection Activities - BWR 03/24/2008 03/28/2008 Baseline Inspections 1 - INITIAL EXAM - JPM & WRITTEN RETAKE **OL EXAM** 1 V23302 BRUNSWICK/APRIL 2008 RETAKE EXAM AT POWER FACILITIES 04/14/2008 04/18/2008 Not Applicable TI-171 - B.5.B PHASE 2&3 3 IP 2515/171 Verification of Site Specific Implementation Of B.5.b Phase 2 & 3 Mitigating Strategies 05/12/2008 05/16/2008 Generic Safety Inspection 1, 2 PSB1-RP - RADIATION PROTECTION PUBLIC CORNERSTONE Radiation Monitoring Instrumentation and Protective Equipment 1.2 IP 7112103 06/16/2008 06/20/2008 **Baseline Inspections** Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems 1,2 IP 7112201 06/16/2008 06/20/2008 Baseline Inspections Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control Program 1.2 IP 7112203 06/16/2008 06/20/2008 **Baseline Inspections** 1,2 IP 71151-PR01 **RETS/ODCM Radiological Effluent** 06/16/2008 06/20/2008 Baseline Inspections 1,2 IP 71152-Reviews In-depth Reviews 06/16/2008 06/20/2008 **Baseline Inspections** EB1-MODS - MODIFICATIONS-10CFR50.59 5 IP 7111117B Evaluations of Changes, Tests, or Experiments & Permanent Plant Modifications 1, 2 07/14/2008 07/18/2008 **Baseline Inspections** IP 7111117B Evaluations of Changes, Tests, or Experiments & Permanent Plant Modifications 1,2 07/28/2008 08/01/2008 **Baseline Inspections** OL EXAM - INITIAL EXAM PREP 3 V23291 BRUNSWICK/DECEMBER 2008 EXAM AT POWER FACILITIES 10/03/2008 Not Applicable 09/29/2008 1 **EB2-TFP** - TRIENNIAL FIRE PROTECTION 7 IP 7111105P Fire Protection-NFPA 805 Transition Period [Triennial] 1, 2 11/03/2008 11/07/2008 **Baseline Inspections** Fire Protection-NFPA 805 Transition Period [Triennial] IP 7111105P 1.2 11/17/2008 11/21/2008 Baseline Inspections **OL EXAM** - INITIAL EXAM 3 V23291 BRUNSWICK/DECEMBER 2008 EXAM AT POWER FACILITIES 10/27/2008 11/07/2008 Not Applicable 1 OL RQ - REQUAL INSPECTION 3 IP 7111111B Licensed Operator Regualification Program 1.2 11/17/2008 11/21/2008 **Baseline Inspections** PSB1-EP - EP EXERCISE 3 IP 7111401 **Exercise Evaluation** 1,2 11/17/2008 11/21/2008 **EP Baseline Inspection** Emergency Action Level and Emergency Plan Changes IP 7111404 1.2 11/17/2008 11/21/2008 EP Baseline Inspection 1.2 IP 71151-EP01 Drill/Exercise Performance 11/17/2008 11/21/2008 **Baseline Inspections** 1.2 IP 71151-EP02 **ERO Drill Participation** 11/17/2008 11/21/2008 Baseline Inspections 1.2 IP 71151-FP03 Alert & Notification System 11/21/2008 **Baseline Inspections** 11/17/2008 PSB1-RP - RADIATION PROTECTION PREINSPECTION VISIT 1 1.2 IP 7112101 Access Control to Radiologically Significant Areas 02/02/2009 02/04/2009 Baseline Inspections

This report does not include INPO and OUTAGE activities.

This report shows only on-site and announced inspection procedures.

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Brunswick Inspection / Activity Plan 03/03/2008 - 06/30/2009

Unit			No. of Staff	Planned Dates		Inspection
Number	Inspection Activity	Title	on Site	Start	End	Туре
	EB3ISI - U2 ISI		1			
2	IP 7111108G	Inservice Inspection Activities - BWR		03/09/2009	03/13/2009	Baseline Inspections
	PSB1-RP - RAD F	PROTECTION OCCUPATIONAL WK1	2			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/09/2009	03/13/2009	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		03/09/2009	03/13/2009	Baseline Inspections
1, 2	IP 7112202	Radioactive Material Processing and Transportation		03/09/2009	03/13/2009	Baseline Inspections
1, 2	IP 71151-OR01	Occupational Exposure Control Effectiveness		03/09/2009	03/13/2009	Baseline Inspections
1, 2	IP 71151-PR01	RETS/ODCM Radiological Effluent		03/09/2009	03/13/2009	Baseline Inspections
	PSB1-RP - RADIA	ATION PROTECTION OCCUPATIONAL WK2	2			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/23/2009	03/27/2009	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		03/23/2009	03/27/2009	Baseline Inspections
1, 2	IP 7112202	Radioactive Material Processing and Transportation		03/23/2009	03/27/2009	Baseline Inspections
	PI&R - PROBLEM IDENTIFICATION & RESOLUTION		5			
1, 2	IP 71152B	Identification and Resolution of Problems		04/20/2009	04/24/2009	Baseline Inspections
1, 2	IP 71152B	Identification and Resolution of Problems		05/04/2009	05/08/2009	Baseline Inspections
	EB3-HS - HEAT SINK		2			
1, 2	IP 7111107B	Heat Sink Performance		05/18/2009	05/22/2009	Baseline Inspections