



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION II

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

May 29, 2001  
Duke Energy Corporation  
ATTN: Mr. W. R. McCollum  
Vice President  
Oconee Nuclear Station  
7800 Rochester Highway  
Seneca, SC 29672

SUBJECT: ANNUAL ASSESSMENT LETTER - OCONEE NUCLEAR STATION  
(NRC INSPECTION REPORT 50-269,270,287/01-01)

Dear Mr. McCollum:

On April 30, 2001, the NRC staff completed its end-of-cycle plant performance assessment of the Oconee Nuclear Station. The end-of-cycle review for Oconee involved the participation of all technical divisions in evaluating performance indicators (PIs) and inspection results for the period of April 2, 2000, to March 31, 2001. 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 so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities.

Overall, Oconee operated in a manner that preserved public health and safety and fully met all cornerstone objectives. The performance of Units 2 and 3 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). Unit 1 performance for the most recent quarter, as well as for the first three quarters of the assessment cycle, was within the Regulatory Response Column of the NRC's Action Matrix, based on an inspection finding of low to moderate safety significance (White) in the mitigating system cornerstone. This White finding involved a design calculation performance deficiency associated with the spent fuel pool (SFP) being used as a source of water for high pressure injection (HPI). Because of the deficiency, Duke Energy Corporation failed to recognize that the SFP would be available for a time period significantly less than that assumed following certain postulated accidents involving tornados.

Subsequent to upgrading the Unit 1 reactor coolant pump (RCP) seals, which served to reduce the risk of a tornado induced loss of coolant accident due to RCP seal failure, the NRC conducted a supplemental inspection of the aforementioned White performance issue per Inspection Procedure 95001. The inspection determined that corrective actions taken to eliminate credit for the SFP as a HPI suction source constituted an unreviewed safety question which required NRC review and approval prior to implementation. As a result, the White performance issue was not closed and a followup inspection in accordance with Inspection Procedure 95001 will be conducted during the current assessment period.

In addition to the supplemental inspection addressed above, we plan to conduct baseline inspections at your facility through May 31, 2002. We also plan to perform other routine inspections of activities associated with your Independent Spent Fuel Storage Installation.

As you are aware, the following issues are still under review as part of the Significance Determination Process and supplemental inspections may also be warranted if these issues are determined to be of greater than very low safety significance (Green):

- Unresolved Item (URI) 50-269/00-05-11 (Unit 1 mid-loop operations with containment purge valves that subsequently failed to hold design pressure and use of a temporary cover on the inner emergency personnel hatch to meet the requirements for containment closure)
- URI 50-269,270,287/00-05-19 (potential vulnerability of a high energy line break causing a loss of the three 4KV safety related electrical busses)
- URI 50-269,270,287/00-08-01 (potential high temperatures in the low pressure injection and high pressure injection pump rooms following loss of coolant accident scenarios)
- URI 50-269,270,287/00-08-02 (potential flooding problem from non-safety related lines in the auxiliary building)
- URI 50-269,270,287/00-08-03 (potential flooding problem from fire suppression systems in the cable spreading rooms)
- URI 50-269,270,287/00-08-04 (uncontrolled design changes to penetration room blowout panels)
- Apparent Violation (AV) 50-269, 270,287/01-08-05 (potential control room flooding issue from non-seismic piping)
- AV 50-269,270,287/01-08-06 (inability to align station auxiliary service water within 40 minutes)

The enclosed inspection plan details the scheduled inspections that will occur through May 31, 2002. This inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature.

For your information, the NRC is in the process of aligning the inspection and assessment cycle with the calendar year. In order to transition to a calendar year (CY) cycle (January 1 - December 31), the current inspection and assessment cycle will consist of only three quarters (i.e., the second, third, and fourth calendar quarters of CY 2001). As a result, for this transition period, the number of inspection activities have been modified accordingly and a mid-cycle review letter and accompanying inspection plan will not be issued.

In accordance with 10 CFR 2.790 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/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change our inspection plan, we will contact you to discuss the change as soon as possible. Please contact Robert Haag at (404) 562-4550 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Loren R. Plisco, Director  
Division of Reactor Projects

Docket Nos.: 50-269, 50-270, 50-287, 72-04  
License Nos.: DPR-38, DPR-47, DPR-55, SNM-2503

Enclosure: Oconee Nuclear Station Inspection/Activity Plan

cc w/encl:

Compliance Manager (ONS)  
Duke Energy Corporation  
Electronic Mail Distribution

Lisa Vaughn  
Legal Department (PB05E)  
Duke Energy Corporation  
422 South Church Street  
Charlotte, NC 28242

Anne Cottingham  
Winston and Strawn  
Electronic Mail Distribution

Mel Fry, Director  
Division of Radiation Protection  
N. C. Department of Environmental  
Health & Natural Resources  
Electronic Mail Distribution

Henry J. Porter, Assistant Director  
Div. of Waste Mgmt.  
S. C. Department of Health and  
Environmental Control  
Electronic Mail Distribution

R. Mike Gandy  
Division of Radioactive Waste Mgmt.  
S. C. Department of Health and  
Environmental Control  
Electronic Mail Distribution

County Supervisor of  
Oconee County  
415 S. Pine Street  
Walhalla, SC 29691-2145

Lyle Graber, LIS  
NUS Corporation  
Electronic Mail Distribution

Manager  
Nuclear Regulatory Licensing  
Duke Energy Corporation  
526 S. Church Street  
Charlotte, NC 28201-0006

Peggy Force  
Assistant Attorney General  
N. C. Department of Justice  
Electronic Mail Distribution

**Oconee**  
**Inspection / Activity Plan**  
**06/01/2001 - 05/31/2002**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>OL RQ</b>	<b>- REQUAL INSPECTION</b>	<b>2</b>			
1, 2, 3	IP 7111111B	Licensed Operator Requalification		06/18/2001	06/22/2001	Baseline Inspections
	<b>MB MR</b>	<b>- MAINT RULE</b>	<b>1</b>			
1, 2, 3	IP 7111112B	Maintenance Rule Implementation		07/16/2001	07/20/2001	Baseline Inspections
	<b>OL EP</b>	<b>- EMERGENCY PREPAREDNESS</b>	<b>1</b>			
1, 2, 3	IP 7111402	Alert and Notification System Testing		08/06/2001	08/10/2001	Baseline Inspections
1, 2, 3	IP 7111403	Emergency Response Organization Augmentation Testing		08/06/2001	08/10/2001	Baseline Inspections
1, 2, 3	IP 7111404	Emergency Action Level and Emergency Plan Changes		08/06/2001	08/10/2001	Baseline Inspections
1, 2, 3	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		08/06/2001	08/10/2001	Baseline Inspections
1, 2, 3	IP 71151	Performance Indicator Verification		08/06/2001	08/10/2001	Baseline Inspections
	<b>PS-SEC</b>	<b>- SECURITY</b>	<b>1</b>			
1, 2, 3	IP 7113001	Access Authorization Program (Behavior Observation Only)		08/06/2001	08/10/2001	Baseline Inspections
1, 2, 3	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizator		08/06/2001	08/10/2001	Baseline Inspections
1, 2, 3	IP 71151	Performance Indicator Verification		08/06/2001	08/10/2001	Baseline Inspections
	<b>MB ISFSI</b>	<b>- ISFSI</b>	<b>1</b>			
1, 2, 3	IP 60855	Operation Of An ISFSI		08/20/2001	08/24/2001	Other Routine
	<b>MB MODS</b>	<b>- MODS &amp; 50.59</b>	<b>3</b>			
1, 2, 3	IP 7111102	Evaluation of Changes, Tests, or Experiments		09/23/2001	09/27/2001	Baseline Inspections
1, 2, 3	IP 7111117B	Permanent Plant Modifications		09/23/2001	09/27/2001	Baseline Inspections
	<b>95001</b>	<b>- HPI PUMP SUCTION FROM SFP AFTER TORNADO</b>	<b>1</b>			
1, 2, 3	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		10/01/2001	10/05/2001	Supplemental Program
	<b>MB SGISI</b>	<b>- MB OUTAGE SG ISI</b>	<b>1</b>			
3	IP 7111108	Inservice Inspection Activities		11/19/2001	11/21/2001	Baseline Inspections
	<b>MB MODS</b>	<b>- MB MODS OUTAGE</b>	<b>1</b>			
3	IP 7111117B	Permanent Plant Modifications		11/26/2001	11/27/2001	Baseline Inspections
	<b>PS-RP</b>	<b>- RADIATION PROTECTION</b>	<b>2</b>			
1, 2, 3	IP 60855	Operation Of An ISFSI		11/26/2001	11/30/2001	Other Routine
1, 2, 3	IP 7112101	Access Control to Radiologically Significant Areas		11/26/2001	11/30/2001	Baseline Inspections
1, 2, 3	IP 71151	Performance Indicator Verification		11/26/2001	11/30/2001	Baseline Inspections
	<b>EB-FP</b>	<b>- FIRE PROTECTION PRE-INSPECTION VISIT</b>	<b>5</b>			
1, 2, 3	IP 7111105T	Fire Protection		01/14/2002	01/18/2002	Baseline Inspections
	<b>OL PREP</b>	<b>- INITIAL EXAM PREP</b>	<b>2</b>			
1	V23187	EXAMS AT POWER FACILITIES		01/21/2002	01/25/2002	Not Applicable
	<b>EB-FP</b>	<b>- FIRE PPOTECTION INSPECTION</b>	<b>4</b>			
1, 2, 3	IP 7111105T	Fire Protection		02/04/2002	02/08/2002	Baseline Inspections

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

**Oconee**  
**Inspection / Activity Plan**  
**06/01/2001 - 05/31/2002**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>OL EXAM - INITIAL EXAM</b>		<b>3</b>			
1	V23187	EXAMS AT POWER FACILITIES		02/04/2002	02/08/2002	Not Applicable
	<b>OL EXAM - INITIAL EXAM</b>		<b>3</b>			
1	V23187	EXAMS AT POWER FACILITIES		02/11/2002	02/15/2002	Not Applicable
	<b>PS-RP - RADIATION PROTECTION</b>		<b>1</b>			
1, 2, 3	IP 7112103	Radiation Monitoring Instrumentation		02/11/2002	02/15/2002	Baseline Inspections
1, 2, 3	IP 71151	Performance Indicator Verification		02/11/2002	02/15/2002	Baseline Inspections
	<b>PB1-PI&amp;R - PROBLEM IDENTIFICATION AND RESOLUTION</b>		<b>3</b>			
1, 2, 3	IP 71152	Identification and Resolution of Problems		02/25/2002	03/15/2002	Baseline Inspections
	<b>PS-RP - RADIATION PROTECTION</b>		<b>1</b>			
1, 2, 3	IP 7112101	Access Control to Radiologically Significant Areas		03/25/2002	03/29/2002	Baseline Inspections
1, 2, 3	IP 7112102	ALARA Planning and Controls		03/25/2002	03/29/2002	Baseline Inspections
	<b>PS-SEC - SECURITY</b>		<b>1</b>			
1, 2, 3	IP 7113001	Access Authorization Program (Behavior Observation Only)		04/08/2002	04/12/2002	Baseline Inspections
1, 2, 3	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizatio		04/08/2002	04/12/2002	Baseline Inspections
1, 2, 3	IP 71151	Performance Indicator Verification		04/08/2002	04/12/2002	Baseline Inspections