

NOTICE OF VIOLATION

Duke Power Company
McGuire Nuclear Plant

Docket Nos. 50-369 and 50-370
License Nos. NPF-9 and NPF-17

During an NRC inspection conducted on January 12 through February 22, 1997, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

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Furthermore, the licensee shall maintain emergency procedures for each applicable area to ensure that all personnel are withdrawn to an area of safety when the alarm sounds.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).

Pursuant to the provisions of 10 CFR 2.201, Duke Power Company is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, Region II, and a copy to the NRC Resident Inspector at the McGuire Nuclear Plant, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

Enclosure 1

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

Dated at Atlanta, Georgia
this *24th* day of March, 1997