



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
1600 EAST LAMAR BLVD
ARLINGTON, TEXAS 76011-4511

September 21, 2012

EA-12-152

Matthew W. Sunseri, President and
Chief Executive Officer
Wolf Creek Nuclear Operating Corporation
P.O. Box 411
Burlington, KS 66839

SUBJECT: WOLF CREEK GENERATING STATION - FINAL SIGNIFICANCE
DETERMINATION OF YELLOW FINDING AND NOTICE OF VIOLATION,
NRC INSPECTION REPORT 05000482/2012010

Dear Mr. Sunseri:

This letter provides you the final significance determination of the preliminary Yellow finding discussed in our previous communication dated August 6, 2012, which included NRC Inspection Report 05000482/2012009. The finding involved your staff's failure to provide adequate oversight of contractors while they performed work that could affect safety-related equipment in April 2011. As a result, your staff failed to identify that electrical maintenance contractors had not installed insulating sleeves on wires that affected the differential current protection circuit, contrary to work order instructions. This allowed an electrical short to prevent transfer of power to the startup transformer during a plant trip.

In a telephone conversation with Mr. Neil O'Keefe of NRC, Region IV, on August 15, 2012, Mr. Russell Smith of your staff indicated that Wolf Creek Nuclear Operating Corporation accepted the characterization of the risk significance of this finding, and that you declined your opportunity to discuss this issue in a Regulatory Conference or to provide a written response.

After considering the information developed during the inspection, the NRC has concluded that the finding is appropriately characterized as Yellow, a finding with substantial safety significance.

According to NRC Inspection Manual Chapter 0609, appeal rights apply only to those licensees that have either attended a regulatory conference or submitted a written response to the preliminary determination letter.

The NRC has also determined that failure to provide adequate oversight of contractors while they performed work that could affect safety-related equipment in April 2011 is a violation of Wolf Creek Generating Station's Technical Specification 5.4.1(a), as cited in the enclosed

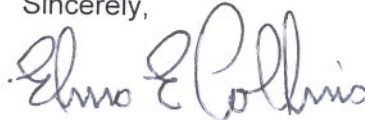
Notice of Violation (Notice). The circumstances surrounding the violation were described in detail in the subject inspection report. In accordance with the NRC Enforcement Policy, the Notice is considered escalated enforcement action because it is associated with a Yellow finding.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC review of your response to the Notice will also determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

Because plant performance for this issue has been determined to be beyond the licensee response band, we will use the NRC's Action Matrix to determine the most appropriate NRC response for this event. We will notify you, by separate correspondence, of that determination.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

Sincerely,



Elmo E. Collins
Regional Administrator

Docket: 50-482
License: NPF-42

Enclosure: Notice of Violation

cc w/encl: Electronic Distribution

NOTICE OF VIOLATION

Wolf Creek Nuclear Operating Corporation
Wolf Creek Generating Station

Docket: 50-482
License: NPF-42
EA-12-152

During an NRC inspection conducted from May 21 to August 6, 2012, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Technical Specification 5.4.1(a), "Procedures," requires that written procedures be established, implemented, and maintained covering the applicable procedures recommended in Regulatory Guide 1.33, Revision 2, Appendix A, February 1978.

Regulatory Guide 1.33, "Quality Assurance Program Requirements," Appendix A, Section 9.a, specifies maintenance that can affect the performance of safety-related equipment should be properly pre-planned and performed in accordance with written procedures, documented instructions, or drawings appropriate to the circumstances.

Work Order 11-240360-006, Revision 3, required installation of insulation sleeves over each wire splice on current transformer wires in the startup transformer B phase protective relay circuit, as part of the implementation of the external wiring connection procedure.

Contrary to the above, between April 16 and 27, 2011, maintenance that affected safety-related equipment was not implemented in accordance with written procedures. Specifically, the electrical penetration seal and wiring assembly associated with the H1/CT4 and H2/CT5 current transformers installed in the startup transformer B phase protective relay circuit (XMR01) were replaced without insulating two of the splices, as required by Work Order 11-240360-006, Revision 3. On January 13, 2012, the startup transformer experienced a trip and lockout during a plant trip because the two uninsulated wires touched and provided a false high phase differential signal to the protective relaying circuit. The protective lockout caused a prolonged loss of offsite power to all Train B equipment and all non-safety related buses.

This violation is associated with a Yellow significance determination process finding.

Pursuant to the provisions of 10 CFR 2.201, Wolf Creek Nuclear Operating Corporation is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region IV, and a copy to the NRC Resident Inspector at the Wolf Creek Generating Station, within 30 days of the date of the letter transmitting this Notice of Violation. This reply should be clearly marked as a "Reply to a Notice of Violation; EA-12-152" and should include: (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, 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 a 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.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Website at www.nrc.gov/reading-rm/adams.html, to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within 2 working days of receipt.

Dated this 21st day of August 2012