



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
REGION III  
2443 WARRENVILLE ROAD, SUITE 210  
LISLE, IL 60532-4352

September 2, 2008

Mr. Larry Meyer  
Site Vice President  
FPL Energy Point Beach, LLC  
6610 Nuclear Road  
Two Rivers, WI 54241

**SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN –  
POINT BEACH NUCLEAR PLANT**

Dear Mr. Meyer:

On August 13, 2008, the NRC staff completed its performance review of Point Beach Nuclear Plant for the first half of the calendar year 2008 assessment cycle. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results over the previous 12 months. 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 Information" will include the security cornerstone review and resultant inspection plan.

Plant performance for the most recent quarter at Point Beach Nuclear Plant, Units 1 and 2, 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.

In our 2007 annual assessment letter dated March 3, 2008, (ADAMS Accession Number ML080600317), we advised you of the continuation of a substantive cross-cutting issue in the area of human performance involving a cross-cutting theme in the aspect of inadequate procedures [H.2(c)]. The current 2008 mid-cycle assessment of the cross-cutting issue included a review of inspection results over the 12-month period of July 1, 2007, to June 30, 2008. During this period, we observed the number of findings with an associated cross-cutting aspect of inadequate procedures nominally decreased from nine to eight. Additionally, we identified a second theme related to human performance in the aspect of non-conservative decision-making [H.1(b)], identifying five findings with this aspect in the 12-month assessment period. Of these five, several were primarily associated with your operations organization. The development of causal evaluations and implementation of corrective actions continue to be ineffective in demonstrating sustainable performance in the H.2(c) and H.1(b) areas. Therefore, the NRC has a concern with your scope of efforts and progress in addressing the cross-cutting area performance deficiencies and has concluded that the substantive cross-cutting issue in human performance will remain open. It will remain open until the NRC gains confidence in the

performance of your corrective action program to evaluate and correct human performance problems.

Additionally, in our 2007 annual assessment letter, we advised you of a substantive cross-cutting issue in the area of problem identification and resolution involving a cross-cutting theme in the aspect of appropriate and timely corrective actions [P.1(d)]. The mid-cycle assessment of the cross-cutting issue included a review of inspection results over the 12-month period of July 1, 2007, to June 30, 2008. During this period, we observed that the number of findings with an associated cross-cutting aspect of appropriate and timely corrective actions remained constant at eight, with five of these findings occurring in the most recent two quarters. Because of the lack of progress, the NRC continues to have a concern with your scope of efforts and progress in addressing the cross-cutting area performance deficiencies and has concluded that the substantive cross-cutting issue in problem identification and resolution will remain open. It will remain open until the NRC gains confidence in the performance of your corrective action program to evaluate and correct problems.

Because this mid-cycle assessment is the third consecutive assessment letter identifying a substantive cross-cutting issue in the human performance area and the second consecutive assessment letter identifying a substantive cross-cutting issue in the problem identification and resolution area, we request that you provide a written response discussing your causal evaluations, action plans, and timetables to address these issues and demonstrate sustainable performance in these areas. This response should be sent to the NRC within 30 days of receipt of this letter.

In our 2007 annual assessment letter dated March 3, 2008, we had requested that you discuss at the 2007 end-of-cycle public meeting your actions to address the inadequate procedures [H.2(c)] substantive cross-cutting issue. At this meeting, held on July 16, 2008, the discussion was not of sufficient detail for us to understand the full scope of your actions. Consequently, we have scheduled a public meeting on September 24, 2008, to discuss this matter further.

The enclosed inspection plan details the inspections, including baseline and other infrequently conducted inspections, less those related to security, scheduled through December 31, 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 end-of-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 System (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).

L. Meyer

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If circumstances arise which cause us to change the inspection plan, we will contact you to discuss the change as soon as possible. Please contact Mike Kunowski at (630) 829-9618 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

*/RA/*

Cynthia D. Pederson, Director  
Division of Reactor Projects

Docket Nos. 50-266; 50-301; 72-005  
License Nos. DPR-24; DPR-27

Enclosure: Point Beach Inspection/ Activity Plan

DISTRIBUTION:  
See next page

Letter to L. Meyer from C. Pederson dated September 2, 2008

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN –  
POINT BEACH NUCLEAR PLANT

cc w/encl: M. Nazar, Senior Vice President and Nuclear  
Chief Operating Officer  
J. Stall, Executive Vice President, Nuclear and  
Chief Nuclear Officer  
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County Executive, Manitowoc  
Director, Manitowoc County Emergency  
Management Agency  
Chairman, Kewaunee County Board  
Mayor of Kewaunee  
City Manager, Two Rivers  
Director, Kewaunee County Emergency  
Management Agency  
President, Village of Mishicot  
Chairman, Village of Two Creeks  
G. Mortensen, INPO

L. Meyer

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Division of Reactor Projects

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OFFICE	RIII		RIII		RIII		RIII	
NAME	MKunowski:cms		CPederson					
DATE	8/28/08		8/29/08					

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RidsNrrDorLpl3-1

RidsNrrPMPointBeach

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**Point Beach**  
**Inspection / Activity Plan**  
**09/01/2008 - 12/31/2009**

Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	End	Inspection Type
<b>BI ENG</b>	<b>- UNIT 1 INSERVICE INSPECTION/TI 172</b>	<b>3</b>			
IP 2515/172	Reactor Coolant System Dissimilar Metal Butt Welds		10/06/2008	11/07/2008	Generic Safety Inspectio
IP 7111108P	Inservice Inspection Activities - PWR		10/08/2008	11/07/2008	Baseline Inspections
<b>BI RP</b>	<b>- RADIATION PROTECTION BASELINE INSPECTION</b>	<b>2</b>			
IP 7112101	Access Control to Radiologically Significant Areas		10/06/2008	10/10/2008	Baseline Inspections
IP 7112102	ALARA Planning and Controls		10/06/2008	10/10/2008	Baseline Inspections
IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		10/06/2008	10/10/2008	Baseline Inspections
IP 71151-PR01	RETS/ODCM Radiological Effluent		10/06/2008	10/10/2008	Baseline Inspections
<b>BI EP</b>	<b>- EP EXERCISE INSPECTION / PI VERIFICATION</b>	<b>3</b>			
IP 7111401	Exercise Evaluation		12/08/2008	12/12/2008	EP Baseline Inspection
IP 71151-EP01	Drill/Exercise Performance		12/08/2008	12/12/2008	Baseline Inspections
IP 71151-EP02	ERO Drill Participation		12/08/2008	12/12/2008	Baseline Inspections
IP 71151-EP03	Alert & Notification System		12/08/2008	12/12/2008	Baseline Inspections
<b>TI</b>	<b>- TEMPORARY INSTRUCTION 2515/171</b>	<b>2</b>			
IP 2515/171	Verification of Site Specific Implementation Of B.5.b Phase 2 & 3 Mitigating Strategies		12/15/2008	12/19/2008	Generic Safety Inspectio
<b>BI RP</b>	<b>- RADIATION PROTECTION BASELINE INSPECTION</b>	<b>1</b>			
IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		01/12/2009	01/16/2009	Baseline Inspections
<b>ISFSI</b>	<b>- ISFSI INSPECTION</b>	<b>2</b>			
IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		02/01/2009	05/31/2009	Other Routine
<b>BI ENG</b>	<b>- TRIENNIAL HEAT SINK INSPECTION</b>	<b>1</b>			
IP 7111107B	Heat Sink Performance		02/23/2009	02/27/2009	Baseline Inspections
<b>BI PI&amp;R</b>	<b>- BIENNIAL PI&amp;R INSPECTION</b>	<b>4</b>			
IP 71152B	Identification and Resolution of Problems		03/09/2009	03/27/2009	Baseline Inspections
<b>BI RP</b>	<b>- RADIATION PROTECTION BASELINE INSPECTION</b>	<b>1</b>			
IP 7112101	Access Control to Radiologically Significant Areas		04/06/2009	04/10/2009	Baseline Inspections
IP 7112102	ALARA Planning and Controls		04/06/2009	04/10/2009	Baseline Inspections
IP 71151-OR01	Occupational Exposure Control Effectiveness		04/06/2009	04/10/2009	Baseline Inspections
<b>OL EXAM</b>	<b>- OPERATOR LICENSING EXAM</b>	<b>2</b>			
W90209	OL - INITIAL EXAM - MAY 2009 - POIN		04/13/2009	04/17/2009	Not Applicable
W90209	OL - INITIAL EXAM - MAY 2009 - POIN		05/04/2009	05/15/2009	Not Applicable
<b>BI RP</b>	<b>- RADIATION PROTECTION BASELINE INSPECTION</b>	<b>1</b>			
IP 7112202	Radioactive Material Processing and Transportation		07/06/2009	07/10/2009	Baseline Inspections
IP 71151-PR01	RETS/ODCM Radiological Effluent		07/06/2009	07/10/2009	Baseline Inspections
<b>BI OL</b>	<b>- BIENNIAL REQUAL. PROGRAM INSPECTION</b>	<b>2</b>			
IP 7111111B	Licensed Operator Requalification Program		08/03/2009	08/07/2009	Baseline Inspections

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**Inspection / Activity Plan**  
**09/01/2008 - 12/31/2009**

Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
			Start	End	
<b>BI ENG</b>	<b>- ENGINEERING INSERVICE INSPECTION</b>	<b>2</b>			
IP 7111108P	Inservice Inspection Activities - PWR		10/05/2009	10/30/2009	Baseline Inspections
<b>BI RP</b>	<b>- RADIATION PROTECTION BASELINE INSPECTION</b>	<b>1</b>			
IP 7112101	Access Control to Radiologically Significant Areas		10/26/2009	10/30/2009	Baseline Inspections
IP 7112102	ALARA Planning and Controls		10/26/2009	10/30/2009	Baseline Inspections
IP 71151-BI01	Reactor Coolant System Activity		10/26/2009	10/30/2009	Baseline Inspections
<b>BI ENG</b>	<b>- ENGINEERING MODIFICATIONS / 50.59 INSP.</b>	<b>3</b>			
IP 7111117B	Evaluations of Changes, Tests, or Experiments & Permanent Plant Modifications		11/16/2009	12/04/2009	Baseline Inspections
<b>BI EP</b>	<b>- EP ROUTINE INSPECTION / PI VERIFICATION</b>	<b>1</b>			
IP 7111402	Alert and Notification System Testing		12/07/2009	12/11/2009	EP Baseline Inspection
IP 7111403	Emergency Response Organization Augmentation Testing		12/07/2009	12/11/2009	EP Baseline Inspection
IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		12/07/2009	12/11/2009	EP Baseline Inspection
IP 71151-EP01	Drill/Exercise Performance		12/07/2009	12/11/2009	Baseline Inspections
IP 71151-EP02	ERO Drill Participation		12/07/2009	12/11/2009	Baseline Inspections
IP 71151-EP03	Alert & Notification System		12/07/2009	12/11/2009	Baseline Inspections