February 15, 2001

Mr. M. Reddemann
Site Vice President
Kewaunee and Point Beach Nuclear Plants
Wisconsin Electric Power Company
6610 Nuclear Road
Two Rivers, WI 54241

SUBJECT: POINT BEACH NUCLEAR PLANT - NRC INSPECTION REPORTS 50-266/01-05 (DRS); 50-301/01-05 (DRS)

Dear Mr. Reddemann:

On February 9, 2001, the NRC completed the baseline annual inspection of evaluations of changes, tests, or experiments (10 CFR Part 50.59) at your Point Beach Nuclear Power Plant. The results of this inspection were discussed with you and other members of your staff on February 9, 2001. The enclosed report documents the results of this inspection.

During this inspection, activities conducted in accordance with the requirements of 10 CFR Part 50.59, were reviewed as they relate to changes to facility structures, systems, and components; normal and emergency procedures; and the final safety analysis report. The inspector reviewed selected procedures and records, observed activities, and interviewed personnel.

No findings of significance were identified during this inspection.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be 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).

Sincerely,

/ RA by John Jacobson Acting for /

Ronald N. Gardner, Chief
Electrical Engineering Branch
Division of Reactor Safety

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

Enclosure: Inspection Reports 50-266/01-05 (DRS); 50-301/01-05 (DRS)

See Attached Distribution

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Ronald N. Gardner, Chief
Electrical Engineering Branch
Division of Reactor Safety

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

Enclosure: Inspection Reports 50-266/01-05 (DRS); 50-301/01-05 (DRS)

See Attached Distribution

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M. Wadley, Chief Nuclear Officer, NMC
J. Gadzala, Licensing Manager
D. Weaver, Nuclear Asset Manager
F. Cayia, Plant Manager
J. O'Neill, Jr., Shaw, Pittman,
Potts & Trowbridge
K. Duveneck, Town Chairman
Town of Two Creeks
D. Graham, Director
Bureau of Field Operations
A. Bie, Chairperson, Wisconsin
Public Service Commission
S. Jenkins, Electric Division
Wisconsin Public Service Commission
State Liaison Officer

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U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket Nos:	50-266; 50-301
License Nos:	DPR-24; DPR-27
Report No:	50-266/01-05(DRS); 50-301/01-05(DRS)
Licensee:	Nuclear Management Company, LLC
Facility:	Point Beach Nuclear Plant, Units 1 & 2
Location:	6610 Nuclear Road Two Rivers, WI 54241
Dates:	February 5 - 9, 2001
Inspector:	Hershell Walker, Reactor Engineer
Approved by:	Ronald N. Gardner, Chief Electrical Engineering Branch Division of Reactor Safety

NRC's REVISED REACTOR OVERSIGHT PROCESS

The federal Nuclear Regulatory Commission (NRC) recently revamped its inspection, assessment, and enforcement programs for commercial nuclear power plants. The new process takes into account improvements in the performance of the nuclear industry over the past 25 years and improved approaches of inspecting and assessing safety performance at NRC licensed plants.

The new process monitors licensee performance in three broad areas (called strategic performance areas) reactor safety (avoiding accidents and reducing the consequences of accidents if they occur), radiation safety (protecting plant employees and the public during routine operations), and safeguards (protecting the plant against sabotage or other security threats). The process focuses on licensee performance within each of seven cornerstones of safety in the three areas:

Reactor Safety	Radiation Safety	Safeguards
● Initiating Events	● Occupational	● Physical Protection
● Mitigating Systems	● Public	
● Barrier Integrity		
● Emergency Preparedness		

To monitor these seven cornerstones of safety, the NRC uses two processes that generate information about the safety significance of plant operations: inspections and performance indicators. Inspection findings will be evaluated according to their potential significance for safety, using the Significance Determination Process, and assigned colors of GREEN, WHITE, YELLOW or RED. GREEN findings are indicative of issues that, while they may not be desirable, represent very low safety significance. WHITE findings indicate issues that are of low to moderate safety significance. YELLOW findings are issues that are of substantial safety significance. RED findings represent issues that are of high safety significance with a significant reduction in safety margin.

Performance indicator data will be compared to established criteria for measuring licensee performance in terms of potential safety. Based on prescribed thresholds, the indicators will be classified by color representing varying levels of performance and incremental degradation in safety: GREEN, WHITE, YELLOW, and RED. GREEN indicators represent performance at a level requiring no additional NRC oversight beyond the baseline inspections. WHITE corresponds to performance that may result in increased NRC oversight. YELLOW represents performance that minimally reduces safety margin and requires even more NRC oversight. And RED indicates performance that represents a significant reduction in safety margin but still provides adequate protection to public health and safety.

The assessment process integrates performance indicators and inspection so the agency can reach objective conclusions regarding overall plant performance. The agency will use an Action Matrix to determine in a systematic, predictable manner which regulatory actions should be taken based on a licensee's performance. The NRC's actions in response to the significance (as represented by the color) of issues will be the same for performance indicators as for inspection findings. As a licensee's safety performance degrades, the NRC will take more and increasingly significant action, which can include shutting down a plant, as described in the Action Matrix.

More information can be found at: http://www.nrc.gov/NRR/OVERSIGHT/index.html.

SUMMARY OF FINDINGS

IR 50-266/01-05 (DRS); IR 50-301/01-05 (DRS), on 2/05/2001 - 2/09/2001; Nuclear Management Company, LLC; Point Beach Nuclear Power Plant. Evaluations of Changes, Tests, or Experiments.

This inspection was conducted by a regional based reactor engineer. No findings of significance were identified during the inspection.

Report Details

1. REACTOR SAFETY

Cornerstones: Initiating Events, Mitigating Systems, and Barrier Integrity

1R02 Evaluations of Changes, Tests or Experiments (Inspection Procedure 71111.02)

.1 Review of 10 CFR Part 50.59 Evaluations and Screenings for Changes, Tests, or Experiments

a. Inspection Scope

The inspector reviewed 15 evaluations performed pursuant to 10 CFR Part 50.59. The evaluations related to permanent plant modifications, setpoint changes, procedure changes, conditions adverse to quality, and changes to the Final Safety Analysis Report. The inspector confirmed that the evaluations were thorough and that prior NRC approval was obtained as appropriate. The inspector also reviewed 12 screenings where the licensee had determined that a 10 CFR Part 50.59 evaluation was not necessary. In regard to the changes reviewed, where no 10 CFR Part 50.59 evaluation was performed, the inspector verified that the changes did not meet the threshold to require a 10 CFR Part 50.59 evaluation. These evaluations and screenings were chosen, based on risk significance of samples, from the different cornerstones.

b. Findings

No findings of significance were identified.

4. OTHER ACTIVITIES

4OA2 Identification and Resolution of Problems

a. Inspection Scope

The inspector reviewed Point Beach Assessment Process reports concerning 10 CFR Part 50.59 evaluations and screenings to verify that the licensee had an appropriate threshold for identifying issues. The inspector evaluated the effectiveness of the corrective actions for the identified issues.

b. Findings

No findings of significance were identified.

4OA6 Management Meetings

Exit Meeting Summary

The inspection results were presented to members of licensee management at the conclusion of the inspection on February 9, 2001. Licensee personnel acknowledged the results presented during the exit and agreed that no proprietary information was provided or discussed.

PARTIAL LIST OF PERSONS CONTACTED

Licensee

D. Black, Senior Engineer - Nuclear Safety Analysis
A. Cayia, Plant Manager
F. Flentje, Senior Regulatory Compliance Specialist
D. Gehrke, Acting Manager, Organizational Assessment
N. Hoefert, Site Programs Manager
T. Kendall, Supervisor - Mechanical Analysis
L. Peterson, Manager - Engineering Processes
J. Polacek, Senior Engineer - Organizational Assessment
M. Reddemann, Site Vice President
R. Wood, Supervisor - Nuclear Safety Analysis

NRC

R. Powell, Resident Inspector

ITEMS OPENED, CLOSED AND DISCUSSED

Opened

None

Closed

None

Discussed

None

LIST OF DOCUMENTS REVIEWED

The following is a list of licensee documents reviewed during the inspection, including documents prepared by others for the licensee. Inclusion on this list does not imply that NRC inspectors reviewed the documents in their entirety, but rather that selected sections or portions of the documents were evaluated as part of the overall inspection effort. Inclusion of a document in this list does not imply NRC acceptance of the document, unless specifically stated in the body of the inspection report.

Procedures

NP 10.3.1, "Authorization of Changes, Tests, and Experiments (10 CFR Part 50.59 and Part 72.48 Reviews)," Revision 12, July 14, 1999

10 CFR Part 50.59 Evaluations

SE 2000-0001	Modification 98-117-B
SE 2000-0008-01	Editorial and Technical Changes to FSAR Section 9.2, Residual Heat Removal (RHR)
SE 2000-0015	Fsar Phase Ii Review and Upgrade Project-Section 8.7, PAB Ventilation, and Section 9.5, 125 VDC (VNPAB and VNBI Systems)
SE 2000-0021	Editorial Changes, Clarification of Wording, Revision of Technical Information and Addition and Deletion of Information in FSAR Section 5.7 - Tests and Inspections
SE 2000-0033	Disable U2 Four-Out-of-Six Service Water Isolation LOGIC/IWP 98-024-W, Changes to EOP 0U2, EOP 1.1 U2, CSP H.1 U2, CSP S.1 U2, AOP 22 U2, ORT 3A U2, ORT 3B U2, 1-SOP-480-B04, 2-SOP-480-B04, 2ICP 02.005, 2ICP 02.005A-1, 2ICP 02.0
SE 2000-0039	Temp-Mod, 00-012, 480 Vac Power Supply for B-07, B-08/B-09 during H-01 Outage
SE 2000-0055	Aux. Feed Water Pump P-38A AND P-38B Minimum Flow Recirc Line Flow Orifice Replacement
SE 2000-0065	Clarification of Wording to FSAR Section 10.1, Steam and Power Conversion System
SE 2000-0077	Changes to SW System Operating Procedures and FSAR
SE 2000-0080	Change Position of Valve WL-1680 on DWG 684J971 Sheet 1
SE 2000-0082	Modify Unit 2 Porv Solenoid Cables to Satisfy Appendix R Requirements-Changes to Abnormal Operating Procedure AOP-10A

SE 2000-0093	Revise Procedures for Spurious Operation of SI-851A/B Valves
SE 2000-0100	Temporary Modification for Containment Penetration Number 56 Unit 2
SE 2000-0103	Revise the Existing, PBNP Procedures Listed in Attachment a Affected by Modifications Done by Mod 98-002-M as Part of New PPCS (Plant Process Computer System) Installations for Units 1, 2 and Common to Both Units (Mod 98-002)
SE 2000-0124	Revision of Technical Information in FSAR Section 6.5, Leakage Detection Systems

10 CFR Part 50.59 Screenings

SCR 2000-0026	Units 1 and 2 SEP-3.0, Loss of All AC Power to a Shutdown Unit
SCR 2000-0103	Revise the Existing, PBNP Procedures Listed in Attachment a Affected by Modifications Done by Mod 98-
SCR 2000-0560	Engineered Safety Features Shutdown Logic Surveillance Testing Procedures
SCR 2000-0827	Revise the Existing, PBNP Procedures Listed in
SCR 2000-0856	Revise the Existing, PBNP Procedures Listed in
SCR 2000-0906	480V Electrical Equipment Operation
SCR 2000-0907	Permanent Change to Procedure HPIP 3.51, Containment Surveys
SCR 2000-0926	EOP-1, Loss of Reactor or Secondary Coolant, Unit 1 Revision 31-unit 2 Revision 31
SCR 2001-0002	Revision of Calculation Procedure NP 7.2.4
SCR 2001- 0011	Revise Surveillance Procedures For IT 60, Revision 25, Containment Isolation Valves (Quarterly) Unit 1; IT 65, Revision 26, Containment Isolation Valves (Quarterly) Unit 2
SCR 2001-0020	Replacement of Service Water Expansion Joints
SCR 2001-0067	Downgrade Component Cooling Water Heat Exchanger Service Water Relief Valves from Safety-related to Augmented Quality

Audit and Assessment Reports

A-P-99-21 Organizational Assessment Audit Report of 10 CFR 50.59/72.48 Review, Report dated March 7, 2000.

S-A-ENG-00-09 10 CFR 50.59/72.48 Prescreening/Screening Self Assessment, Report dated December 21, 2000.

Condition Reports

CR 98-0407 Improper Speed Evaluation of inadequately designed air start solenoids installed on PBNP emergency diesel Generators

CR 00-0048 Inconsistency of 50.59 Pre-Screened Item During Review of Contractor Procedures, Initiated January 5, 2000.

CR 00-4111 Assessment of 10 CFR 50.59 Screenings

CR 01-0225 Inconsistent Safety Evaluation Statements on Regard to Air Ejector Exhaust Vent Size, Initiated January 23, 2001.

CR 01-0403 Inadequate screening of the changing of the safety classification of component cooling water heat exchanger service water relief valves from safety-related to augmented quality.

Miscellaneous Documents

Section 9.6 of the Point Beach Nuclear Power Plant Final Safety Analysis Report (FSAR)

Section 6.6.6 of the Point Beach Nuclear Power Plant Fire Protection Evaluation Report (FPER)

NPM 2001-0015 Apparent Cause Evaluation for CR 00-4111, Assessment of 10 CFR 50.59 Screenings