

December 29, 2004

Mr. Dennis L. Koehl
Site Vice-President
Point Beach Nuclear Plant
Nuclear Management Company, LLC
6590 Nuclear Road
Two Rivers, WI 54241-9516

SUBJECT: POINT BEACH NUCLEAR PLANT
NRC EMERGENCY PREPAREDNESS INSPECTION REPORT
NO. 050000266/2004013(DRS) AND 05000301/2004013(DRS)

Dear Mr. Koehl:

On December 10, 2004, the U.S. Nuclear Regulatory Commission (NRC) completed a baseline inspection at your Point Beach Nuclear Plant. The enclosed report documents the inspection findings which were discussed on December 10, 2004, with you and members of your staff.

The inspection examined activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel. This inspection focused on emergency preparedness, which included an evaluation of your staff's performance during the exercise on December 7, 2004 and your staff's determinations of performance indicators for the Emergency Preparedness Cornerstone.

On the basis of the results of this inspection, no findings of significance were identified.

On April 21, 2004, the NRC issued a Confirmatory Action Letter (CAL) to the Nuclear Management Company which identified programmatic areas at the Point Beach facility in need of improvement. The Emergency Preparedness program was one of five areas identified as an area of regulatory concern. The Nuclear Management Company developed a comprehensive improvement plan, called the Excellence Plan, which contains, among other items, several action plans to address performance deficiencies in the area of Emergency Preparedness. Some of the Emergency Preparedness areas included, emergency response organization staff drill performance, Emergency Preparedness staff training, and emergency response organization facility and equipment maintenance. This exercise was identified as an opportunity for you to demonstrate that progress had been made in addressing the Emergency Preparedness CAL area of regulatory concern.

Based on the results of the exercise, we have determined that adequate progress is being made in correcting the Emergency Preparedness programmatic problems which were subject to the CAL. We will continue to monitor your implementation of Emergency Preparedness program improvement items to determine if the actions taken will sustain long term programmatic performance improvement.

D. Koehl

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In accordance with 10 CFR Part 2.390 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/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

Steven A. Reynolds, Deputy Director
Division of Reactor Projects

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

Enclosure: Inspection Report 05000266/2004013(DRS);
05000301/2004013(DRS)

See Attached Distribution

cc w/encl: F. Kuester, President and Chief
Executive Officer, We Generation
J. Cowan, Executive Vice President
Chief Nuclear Officer
D. Cooper, Senior Vice President, Group Operations
J. McCarthy, Site Director of Operations
D. Weaver, Nuclear Asset Manager
Plant Manager
Regulatory Affairs Manager
Training Manager
Site Assessment Manager
Site Engineering Director
Emergency Planning Manager
J. Rogoff, Vice President, Counsel & Secretary
K. Duveneck, Town Chairman
Town of Two Creeks
Chairperson
Public Service Commission of Wisconsin
J. Kitsembel, Electric Division
Public Service Commission of Wisconsin
W. King, FEMA, Region V

D. Koehl

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Chairperson
Public Service Commission of Wisconsin
J. Kitsembel, Electric Division
Public Service Commission of Wisconsin
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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: 05000266/2004013(DRS); 05000301/2004013(DRS)

Licensee: Nuclear Management Company, LLC

Facility: Point Beach Nuclear Plant

Location: 6590 Nuclear Road
Two Rivers, WI 54241-9516

Dates: December 6 through December 10, 2004

Inspectors: T. Ploski, Senior Emergency Preparedness Analyst
R. Jickling, Emergency Preparedness Analyst
P. Krohn, Senior Resident Inspector

Approved by: K. Riemer, Chief
Plant Support Branch

Enclosure

SUMMARY OF FINDINGS

IR 05000266/2004013(DRS); 05000301/2004013(DRS); 12/06/2004 - 12/10/2004; Point Beach Nuclear Plant; Emergency Preparedness Specialist Report.

The report covers a one-week baseline inspection by two regional emergency preparedness inspectors and a senior resident inspector. The inspection focused on the Emergency Preparedness Cornerstone in the Reactor Safety strategic performance area during the biennial emergency preparedness exercise. This inspection also included a review of records related to the three emergency preparedness performance indicators for the period from October 2003 through September 2004. No findings of significance were identified.

The NRC's program for overseeing the safe operation of commercial nuclear power reactors is described in NUREG-1649, "Reactor Oversight Process," Revision 3, dated July 2000.

A. Inspector-Identified and Self-Revealed Findings

None.

B. Licensee-Identified Violations

None.

REPORT DETAILS

1. REACTOR SAFETY

Cornerstone: Emergency Preparedness

1EP1 Exercise Evaluation (71114.01)

a. Inspection Scope

The inspectors reviewed the December 7, 2004, biennial emergency preparedness exercise's objectives and scenario to ensure that the exercise would acceptably test major elements of the licensee's radiological emergency plan and to determine if the exercise's simulated problems provided an acceptable framework to support demonstration of the licensee's capability to implement its plan. The inspectors also reviewed samples of records of emergency preparedness drills, which were conducted between October 2003 and October 2004, to determine whether the scenarios used in those drills were sufficiently different from the scenario used in the December 7, 2004, exercise.

The inspectors evaluated the licensee's exercise performance, focusing on the risk-significant activities of emergency classification, notification, and protective action decision making, as well as implementation of accident mitigation strategies in the following emergency response facilities:

- Control Room Simulator;
- Technical Support Center (TSC);
- Operations Support Center (OSC); and
- Emergency Operations Facility (EOF).

The inspectors also assessed the licensee's recognition of abnormal plant conditions, transfer of responsibilities between facilities, internal communications, interfaces with offsite officials, readiness of emergency facilities and related equipment, and overall implementation of the licensee's emergency plan.

The inspectors attended post-exercise critiques in the TSC, OSC, and EOF to evaluate the licensee's initial self-assessment of its exercise performance. The inspectors later met with the licensee's lead exercise evaluators, staff, and managers to obtain the licensee's refined assessments of its exercise participants' performances. These self-assessments were then compared with the inspectors' independent observations and assessments to determine the licensee's ability to adequately critique its exercise performance.

b. Findings

No findings of significance were identified.

4. OTHER ACTIVITIES

4OA1 Performance Indicator (PI) Verification (71151)

a. Inspection Scope

The inspectors reviewed the licensee's records associated with each of the three emergency preparedness PIs to determine if the licensee's program was implemented consistent with the industry guidelines in Nuclear Energy Institute publication No. 99-02, "Regulatory Assessment Performance Indicator Guideline," Revision 2, and related licensee procedures. Specifically, licensee records related to the performance of the Alert and Notification System (ANS), key Emergency Response Organization (ERO) members' drill participation, and Drill and Exercise Performance (DEP) were reviewed to ascertain the accuracy and completeness of the PI data submitted to NRC for the period from October 2003 through September 2004. The following PIs were reviewed:

- ANS;
- ERO Drill Participation; and
- DEP.

b. Findings

No findings of significance were identified.

4OA2 Identification and Resolution of Problems

The following performance concerns, which were identified in the critique of the December 2004 exercise, could have adversely impacted response activities if scenario events had been real:

- Continuous communications with remotely located NRC responders should have been established and maintained sooner using the Emergency Notification System.
- The EOF staff took several minutes longer than expected to develop a revised offsite protective action recommendation.

The licensee acknowledged the concerns and entered the items into the corrective action process as CAP 060765, "Suggested Improvement to Staffing the Emergency Notification System Communicator Position," and CAP 060986, "Untimely Development of a Revised Protective Action Recommendation During the December 2004 Exercise."

4OA6 Meetings

.1 Exit Meeting

An exit meeting was conducted for Emergency Preparedness with Mr. D. Koehl and other members of licensee management and staff at the conclusion of the inspection on December 10, 2004. The licensee acknowledged the information presented. No proprietary information was identified.

.2 Public and Media Briefing

On December 10, 2004, an inspector summarized the NRC's preliminary conclusions on the licensee's exercise and critique performances at a public and media briefing hosted by Federal Emergency Management Agency, Region V staff in Manitowoc, Wisconsin.

ATTACHMENT: SUPPLEMENTAL INFORMATION

SUPPLEMENTAL INFORMATION

KEY POINTS OF CONTACT

Licensee

D. Koehl, Site Vice President
A. Capristo, Regulatory Affairs Manager
G. Casadonte, Fire Protection Coordinator
R. Davenport, Production Planning Manager
Z. Dent, Emergency Planning Specialist
M. Fencl, Security Manager
T. Gemskie, Emergency Planning Supervisor
W. Herrman, Senior Technical Advisor
D. Hettick, Performance Improvement Manager
R. Johnson, Emergency Planning Coordinator
J. Knorr, License Renewal Manager
M. Ray, Emergency Preparedness Manager
S. Ruesch, Procedures Manager
W. Smith, Performance Assessment Manager
J. Schwalbe, Security Operations Officer
J. Schweitzer, Engineering Director
D. Shannon, Acting Radiation Protection Manager
J. Strharsky, Planning and Scheduling Manager
M. Vonk, Corporate Emergency Preparedness Specialist

LIST OF ITEMS OPENED, CLOSED AND DISCUSSED

Opened and Closed

None.

Discussed

None.

LIST OF DOCUMENTS REVIEWED

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

1EP1 Exercise Evaluation

Biennial Exercise Scenario Manual; dated December 7, 2004

Slide Presentation of Critique Findings for the December 7 Biennial Exercise; dated December 9, 2004

2004 Practice Exercise Narrative Summary and Time Line; dated October 19, 2004

Summary of Scenario Used in an October 2003 ERO Drill

Summaries of Scenarios Used in Three ERO Team Drills Conducted in June 2004

EPIP 1.1; Course of Actions; Revision 47

EPIP 1.2; Emergency Classification; Revision 44

EPIP 1.3; Dose Assessment and Protective Action Recommendations; Revision 34

EPIP 2.1; Notifications - ERO, State and Counties, and NRC; Revision 32

EPIP 4.1; TSC Activation and Evacuation; Revision 36

EPIP 4.2; OSC Activation and Evacuation; Revision 18

EPIP 4.3; EOF Activation and Evacuation; Revision 33

EPIP 4.7; Offsite Radiation Protection Facility Activation and Evacuation; Revision 6

EPIP 5.1; Personnel Emergency Dose Authorization; Revision 15

EPIP 6.1; Assembly, Accountability, and Evacuation of Personnel; Revision 26

4OA1 Performance Indicator Verification

Procedure NP 5.2.16; NRC Performance Indicators; Revision 9

EPMP 6.0; NRC Performance Indicators; Revision 3

Records of Bi-monthly ANS Tests for the Manitowoc County Portion of the Emergency Planning Zone; October 2003 through September 2004

Records of DEP PI Opportunities; October 2003 through September 2004

Records of Key ERO Members' Drill and Exercise Participation; October 2003 through September 2004

CAP051633; Power Failure to Siren P008

CAP051669; State and County Notification Form May Need Revision for Changes to Protective Action Recommendations

CAP051679; Flaw Discovered in CRS Drill Scenario

CAP056983; Power Failure to Siren P008

CAP058924; Siren Test Re-scheduled from September 1 to September 8, 2004

CAP060765; Suggested Improvement to Staffing the Emergency Notification System Communicator Position

CAP060963; Ineffective Evaluation of TSC and OSC Habitability in the December 2004 Exercise

CAP060964; Inadequate Documentation of Simulated Exposures During OSC Debriefings in the December 2004 Exercise

CAP060965; Inadequate Evaluation of the Simulated Minor Release by TSC Staff in the December 2004 Exercise

CAP060966; Insufficient Evaluation of Protective Clothing Needs for Some In-plant Teams in the December 2004 Exercise

CAP060968; Some Personnel Left the OSC and TSC Before Completion of Initial Critiques of the December 2004 Exercise

CAP060971; CRS Generated Unexpected Wind Direction Data During Part of the December 2004 Exercise

CAP060983; Inaccurate Notification Form for the Unusual Event Declaration During the December 2004 Exercise

CAP060984; Inaccurate Notification Form for the Site Area Emergency Declaration During the December 2004 Exercise

CAP060986; Untimely Development of a Revised Protective Action Recommendation During the December 2004 Exercise

CAP060989; Access Control Issues at the TSC and EOF in the December 2004 Exercise

CAP060990; Failure to Clearly Communicate Critical Information During the December 2004 Exercise on Condition of Degraded Valve Associated with a Simulated Release

CAP060991; Reassess Procedural Guidance for Developing Revised Protective Action Recommendations

CAP060992; Improvements Needed to Efficiently Establish Communications Bridges with the NRC Headquarters Operations Officer

CAP060994; Communications Equipment Failures During the December 2004 Exercise

CAP060995; Controller and CRS Concerns During the December 2004 Exercise

LIST OF ACRONYMS USED

ADAMS	NRC's Document System
ANS	Alert and Notification System
CAP	Corrective Action Program (document)
CRS	Control Room Simulator
DEP	Drill and Exercise Performance
EOF	Emergency Operations Facility
EPIP	Emergency Plan Implementing Procedure
EPMP	Emergency Plan Maintenance Procedure
ERO	Emergency Response Organization
NRC	Nuclear Regulatory Commission
NUREG	Nuclear Regulatory Guide
OSC	Operations Support Center
PARS	Publicly Available Records
PI	Performance Indicator
TSC	Technical Support Center