Mr. Eric McCartney
Site Vice President
NextEra Energy Point Beach, LLC
6610 Nuclear Road
Two Rivers, WI 54241

SUBJECT: ANNUAL ASSESSMENT LETTER FOR POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2 (REPORT 05000266/2014001; 05000301/2014001)

Dear Mr. McCartney:

On February 12, 2015, the U.S. Nuclear Regulatory Commission (NRC) completed its end-of-cycle performance review of Point Beach Nuclear Plant, Units 1 and 2. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1, 2014 through December 31, 2014. This letter informs you of the NRC’s assessment of your facility during this period and its plans for future inspections at your facility.

The NRC determined the performance at Point Beach Nuclear Plant, Unit 1, during the most recent quarter was within the Degraded Cornerstone Column (Column 3) of the NRC’s Reactor Oversight Process (ROP) Action Matrix because of two inspection findings classified as having low to moderate safety significance (i.e., White) in the Mitigating Systems Cornerstone. One White finding was associated with a coupling failure on the Unit 1 turbine-driven auxiliary feedwater pump that was identified in the fourth quarter of 2012. The other White finding was associated with your failure to implement external flooding wave run-up protection design features as described in the Final Safety Analysis Report (FSAR) and was identified in the first quarter of 2013. This finding was associated with Unit 1 and Unit 2. By letter dated August 9, 2013, NRC Inspection Report 05000266/2013012 and 05000301/2013012 (ADAMS Accession Number ML13221A187), the NRC notified you of the final significance of the failure to implement external flooding features and advised you that Unit 1 was assessed to be in the Degraded Cornerstone column.

The NRC determined the performance at Point Beach Nuclear Plant, Unit 2, during the most recent quarter was within the Regulatory Response Column (Column 2) of the NRC’s ROP Action Matrix because of the flooding related inspection finding classified as having low to moderate safety significance (i.e., White) in the Mitigating Systems Cornerstone, discussed above.

In the Mid-Cycle Assessment Letter for Point Beach Nuclear Plant, Units 1 and 2, dated September 2, 2014 (ML14245A166), the NRC advised you that based on the results of a supplemental inspection (ML14087A366) conducted in February 2014; the performance issues associated with the identified flooding finding would remain open beyond the normal four
quarters and would not be removed from consideration in the NRC’s assessment program until
the identified weaknesses were corrected and the NRC reviewed your actions during a
subsequent supplemental inspection. The objectives of this supplemental inspection would be
to verify that your staff adequately evaluated, and have implemented or plan to implement,
adequate corrective actions to address the root causes, contributing causes, extent-of-condition,
and extent-of-cause and to prevent recurrence of the safety-significant finding.

Your staff notified the NRC of your readiness to resume the supplemental inspection by letter
dated December 16, 2014 (ML14351A028). The NRC re-performed the inspection in
accordance with Inspection Procedure 95002, “Supplemental Inspection For One Degraded
Cornerstone or Any Three White Inputs In a Strategic Performance Area,” during the first
quarter of 2015, but, as of the date of this letter, the report documenting that inspection has not
been finalized. Point Beach Nuclear Plant Unit 1 remains in the Degraded Cornerstone Column
and Point Beach Nuclear Plant Unit 2 remains in the Regulatory Response Column of the
NRC’s ROP Action Matrix. Upon issuance of the report documenting the supplemental
inspection, the NRC will re-assess each unit’s position in the NRC’s ROP Action Matrix. We
expect to issue that inspection report and the associated performance assessment follow-up by

During this assessment period, the NRC identified a cross-cutting theme in the Problem
Identification and Resolution component. Specifically, there were three findings during the
current assessment period in addition to the first quarter 2013 White finding (held open) with the
cross-cutting aspect of Evaluation (P.2). There were no cross-cutting aspects of P.2 identified
in the third or fourth quarter of the assessment period. The NRC determined that a substantive
cross-cutting issue associated with P.2 does not exist because the NRC does not have a
concern with your staff’s scope of effort and current progress in addressing the cross-cutting
theme. All of the findings associated with the P.2 aspect are associated with the White flooding
finding and the supplemental inspection of your facility’s original efforts to address that finding.
Also, you are aware of the issues, have a cause analysis that also considered “evaluation”
issues across the plant, have identified corrective actions, and are working to address the
identified issues.

The enclosed inspection plan lists the inspections scheduled through June 30, 2016. Routine
inspections performed by resident inspectors are not included in the inspection plan. The
inspections listed during the last nine months of the inspection plan are tentative and may be
revised at the mid-cycle performance review. The NRC provides the inspection plan to allow
for the resolution of any scheduling conflicts and personnel availability issues. The NRC will
contact you as soon as possible to discuss changes to the inspection plan should
circumstances warrant any changes. This inspection plan does not include security related
inspections, which will be sent via separate, non-publicly available correspondence.

The NRC is presently conducting a triennial Component Design Basis Inspection (February,
March) and will conduct a biennial Problem Identification and Resolution inspection (June, July).
Additionally, an NRC audit of licensee efforts towards compliance with Order EA-12-049,
“Order Modifying Licenses with Regard to Requirements for Mitigation Strategies for
Beyond-Design-Basis External Events,” and Order EA–12–051, "Order Modifying Licenses with
Regard to Reliable Spent Fuel Pool Instrumentation” is ongoing for various sites. The audit
includes an onsite visit for the NRC staff to evaluate mitigating strategies as described in the licensee submittals, and to receive and review information relative to associated open items. This onsite audit will occur prior to the first unit at the site achieving compliance with the Orders and the audit will aid NRC staff in developing a final Safety Evaluation for the site. The audit at your site has been scheduled for the week of June 8, 2015. A site-specific audit plan for the visit will be provided in advance to allow sufficient time for preparations.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, “Public Inspections, Exemptions, Requests for Withholding,” of the NRC’s "Rules of Practice," a copy of this letter, its enclosure, and your response (if any) will be available electronically for public inspection in the NRC’s Public Document Room or from the Publicly Available Records (PARS) component of the NRC’s Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at [http://www.nrc.gov/reading-rm/adams.html](http://www.nrc.gov/reading-rm/adams.html) (the Public Electronic Reading Room).

Please contact Mr. Jamnes Cameron at 630–829–9833 with any questions you have regarding this letter.

Sincerely,

/RA/

Cynthia D. Pederson
Regional Administrator

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

Enclosure:
Point Beach Nuclear Plant
Inspection/Activity Plan

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