

December 8, 2000

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

SUBJECT: POINT BEACH NUCLEAR PLANT - NRC EXAMINATION REPORT
50-266-00-301(DRS); 50-301-00-301(DRS)

Dear Mr. Reddemann:

On October 26, 2000, the NRC completed initial operator licensing examinations at your Point Beach Nuclear Power Station. The enclosed report presents the results of the examination which were discussed on October 26, 2000, with you.

Your training department personnel administered the written examination on October 26, 2000. NRC examiners administered the operating examination during the period of October 16 through October 25, 2000. Five applicants were administered senior reactor operator license examinations and five applicants were administered reactor operator license examinations. Two of your previously licensed operators were administered senior reactor operator upgrade examinations. The license applicants' performance evaluations were finalized on November 21, 2000. All applicants passed all sections of their corresponding examinations and were issued their respective licenses.

Based on the results of this inspection, one issue of very low safety significance (Green) was identified. This issue was determined to involve a violation of NRC requirements. However, because of its very low safety significance and because it has been entered into your corrective action program, the NRC is treating this issue as a Non-Cited Violation, in accordance with Section VI.A.1 of the NRC's Enforcement Policy. If you deny the Non-Cited Violation, you should provide a response with the basis for your denial, within 30 days of the date of this inspection report to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001; with copies to the Regional Administrator, Region III; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at the Point Beach facility.

M. Reddemann

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Sincerely,

/RA by Jay Hopkins for/

David E. Hills, Chief
Operations Branch
Division of Reactor Safety

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

- Enclosures:
1. Operator Licensing Examination Report
50-266-00-301(DRS); 50-301-00-301(DRS)
 2. Simulation Facility Report
 3. Written Examination and Answer Key (RO)
 4. Written Examination and Answer Key (SRO)

cc w/encls 1 & 2:

- R. Grigg, President and Chief
Operating Officer, WEPCo
- 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
- B. Burks, P.E., Director
Bureau of Field Operations
- A. Bie, Chairperson, Wisconsin
Public Service Commission
- S. Jenkins, Electric Division
Wisconsin Public Service Commission
State Liaison Officer

cc w/encls 1, 2, 3 & 4: W. Walker, Training Manager

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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: 50-266-00-301(DRS); 50-301-00-301(DRS)

Licensee: Nuclear Management Company, LLC

Facility: Point Beach Nuclear Plant, Units 1 & 2

Location: 6610 Nuclear Road
Two Rivers, WI 54241

Dates: October 16 through October 26, 2000

Inspectors: A. M. Stone, Chief Examiner
J. Hopkins, Examiner
D. Muller, Examiner

Approved by: David E. Hills
Chief Operations 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 |
|---|---|---|
| <ul style="list-style-type: none">● Initiating Events● Mitigating Systems● Barrier Integrity● Emergency Preparedness | <ul style="list-style-type: none">● Occupational● Public | <ul style="list-style-type: none">● Physical Protection |

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

ER 05000266-00-301, ER 05000301-00-301, on 10/16-26/2000, Nuclear Management Company, LLC, Point Beach Nuclear Plant, Units 1 & 2. Other Activities.

The announced operator licensing initial examination was conducted by regional examiners in accordance with the guidance of NUREG-1021, "Operator Licensing Examination Standards for Power Reactors," Revision 8, Supplement 1. The inspectors identified one Green finding which was a Non-Cited Violation. The significance of findings is indicated by their color (Green, White, Yellow, Red) and is determined by using Inspection Manual Chapter 0609, "Significance Determination Process," (SDP).

Examination Summary:

Seven applicants were administered senior reactor operator license examinations and five applicants were administered reactor operator license examinations. All twelve applicants passed all portions of their respective examinations and were awarded senior reactor operator and reactor operator licenses as appropriate (Section 40A5.1).

Cornerstone: Mitigating Systems

Green. During the administration of the operating test, the licensee determined that emergency operating procedure ECA-1.1, "Loss of Containment Sump Recirculation," was inadequate. The procedure directed operators to stop a residual heat removal pump which would have resulted in cavitation of a running safety injection pump under certain initial conditions.

This finding was of very low safety significance because the procedure deficiency would only affect actual operability of the safety injection pumps during a large break loss of coolant initiating event concurrent with the loss of containment sump recirculation. The inspectors identified a non-cited violation for inadequate procedures (10 CFR Part 50, Appendix B, Criterion V, "Instructions, Procedures, and Drawings") (Section 40A5.1).

Report Details

4. OTHER ACTIVITIES (OA)

4OA5 Other

.1 Initial Licensing Examinations

a. Inspection Scope

The NRC examiners conducted announced operator licensing initial examinations during the period of October 16 through October 25, 2000. The facility licensee's training staff used the guidance prescribed in NUREG-1021, "Operator Licensing Examination Standards for Power Reactors," Revision 8, Supplement 1, to prepare the outline and develop the written examination and operating test. The examiners administered the operating test consisting of job performance measures and dynamic simulator scenarios, during the period of October 16 through 25, 2000. The facility licensee administered the written examination on October 26, 2000. Seven senior reactor operator applicants and five reactor operator applicants received written examinations and operating tests.

b. Findings

Written Examination

The NRC examiners determined that the written examination, as originally submitted by the licensee, was within the range of acceptability expected for a proposed examination.

The NRC examiners independently graded the written examination and concluded that all twelve applicants achieved or surpassed the passing criteria of 80.0 percent. No post-examination comments were submitted by the licensee.

Operating Test

The NRC examiners determined that the operating test, as originally submitted by the licensee, was within the range of acceptability expected for a proposed examination.

All applicants demonstrated satisfactory performance in all three areas of the operating examination (administrative, control room and systems walkthrough, and integrated plant response).

During the administration of job performance measure B.1.b, "Respond to a Loss of Containment Sump Recirculation Capability," a deficiency in an emergency operating procedure deficiency was identified. The task involved delaying the depletion of the reactor water storage tank when two containment sump valves were simulated inoperable and closed. Step 21.b. of the "Response Not Obtained" column in ECA-1.1, "Loss of Containment Sump Recirculation," Revision 23, required the applicant to determine the minimum injection flow, then establish this flow using charging, safety injection (SI), or residual heat removal (RHR) pumps. Step 21.b.5 directed the

applicants stop any SI or RHR pumps not required to maintain the minimum required injection flow. It was expected that the applicant would stop the running RHR pump. However, several applicants indicated that the RHR pump was necessary since the pump was supplying suction to the SI pump through the "piggy-back" mode of operation; therefore, these applicants did not stop the running RHR pump. The facility licensee subsequently determined that Step 21.b.5 was incorrect, in that, stopping the RHR pump would result in potential cavitation of the running SI pump. The facility issued condition report 00-3326 and initiated a temporary procedure change to correct the deficiency.

This finding has a credible impact on safety and would potentially affect the operability and availability of a mitigating system because the procedure, if followed, could have caused a safety related pump to cavitate. However, the procedure deficiency would have affected operability only during a large break loss of coolant accident initiating event concurrent with the loss of containment sump recirculation. Therefore, this finding was considered to be of very low safety significance (Green) during the Phase 1 risk significance screening which was performed in accordance with NRC Inspection Manual Chapter 0609, "Significance Determination Process."

The inspectors determined that emergency operating procedure ECA-1.1 was not appropriate to the circumstances, constituting a violation of 10 CFR Part 50, Appendix B, Criterion V, "Instructions, Procedures, and Drawings." However, because of the very low safety significance of the finding and because the licensee has included this issue in their corrective action program (Condition Report 00-3326), this procedure violation is being treated as a Non-Cited Violation consistent with Section VI.A.1 of the NRC Enforcement Policy (NCV 50-266-00-301-01(DRS); 50-301-00-301-01(DRS)).

.2 Examination Security

a. Inspection Scope

The examiners reviewed and observed the licensee's implementation and controls of examination security during the examination preparation and administration.

b. Findings

The NRC examiners determined that the licensee's overall examination security practices associated with the development and administration of the operator license examinations were satisfactory.

4OA6 Management Meetings

Exit Meeting Summary

The chief examiner presented the examination team's preliminary observations and findings to Mr. Reddemann and other members of the licensee management on October 26, 2000. The licensee acknowledged the observations and findings presented, and did not identify any information as proprietary.

PARTIAL LIST OF PERSONS CONTACTED

Licensee

M. E. Reddemann, Site Vice President
A. J. Cayia, Plant Manager
F. A. Flentje, Senior Regulatory Compliance Specialist
C. R. Sizemore, Operations Training Coordinator
P. J. Smith, Operations Training Coordinator
G. D. Strharsky, Assistant Operations Manager
P. W. Walker, Training Manager

ITEMS OPENED, CLOSED AND DISCUSSED

Opened

| | | |
|------------------|-----|---|
| 50-266-00-301-01 | NCV | Deficient Emergency Operating Procedure For Loss of Containment Sump Recirculation (Section 4OA3) |
| 50-301-00-301-01 | | |

Closed

| | | |
|------------------|-----|---|
| 50-266-00-301-01 | NCV | Deficient Emergency Operating Procedure For Loss of Containment Sump Recirculation (Section 4OA3) |
| 50-301-00-301-01 | | |

Discussed

None

LIST OF ACRONYMS

| | |
|-----|------------------------------------|
| CFR | Code of Federal Regulations |
| DRS | Division of Reactor Safety |
| NCV | Non-Cited Violation |
| NRC | Nuclear Regulatory Commission |
| RHR | Residual Heat Removal |
| SDP | Significance Determination Process |
| SI | Safety Injection |

SIMULATION FACILITY REPORT

Facility Licensee: Point Beach Nuclear Power Station

Facility Licensee Docket Nos. 50-266; 50-301

Operating Tests Administered: October 16-25, 2000

The following documents observations made by the NRC examination team during the initial operator license examination. These observations do not constitute audit or inspection findings and are not, without further verification and review, indicative of non-compliance with 10 CFR 55.45(b). These observations do not affect NRC certification or approval of the simulation facility other than to provide information which may be used in future evaluations. No licensee action is required in response to these observations.

During the conduct of the simulator portion of the operating tests, the following items were observed:

| ITEM | DESCRIPTION |
|--|--|
| 1. A Steam Generator Atmospheric Dump Valve failed to close. | During the first administration of Scenario #2, a contact stuck which prevented the "A" steam generator atmospheric dump from closing. This required the crew to enter an abnormal procedure for a stuck open steam dump valve. The examination team verified and validated that the crews actions were correct. |

Enclosure 3

WRITTEN EXAMINATION AND ANSWER KEY (RO)

Enclosure 4

WRITTEN EXAMINATION AND ANSWER KEY (SRO)