

May 31, 2001

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

SUBJECT: ANNUAL ASSESSMENT LETTER - POINT BEACH NUCLEAR PLANT
(REPORT 50-266/01-01; 50-301/01-01)

Dear Mr. Reddemann:

On May 1, 2001, the NRC staff completed its End-of-Cycle plant performance assessment of Point Beach. The End-of-Cycle review for Point Beach involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period April 2, 2000, to March 31, 2001. 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 so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities.

Overall, Point Beach operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix, based on a Unit 1 Scrams With Loss of Normal Heat Removal White Performance Indicator. This PI went White in the 4th quarter of 2000. All inspection findings for the most recent quarter were classified as having very low safety significance (Green). A Supplemental Inspection, using Inspection Procedure 95001, was completed in February 2001 to review the White PI. No significant issues or findings were identified during this inspection.

While plant performance for the most recent quarter is within the Regulatory Response Column of the Action Matrix, the Alert and Notification System PI for Unit 1 went White in the 2nd quarter 2000. Therefore, Point Beach was also in the Regulatory Response Column of the Action Matrix during the 3rd quarter of the assessment cycle. The PI returned to Green in the 3rd quarter 2000. A Supplemental Inspection, using Inspection Procedure 95001, was completed in November 2000 to review the White PI. No significant issues or findings were identified during this inspection.

The enclosure details the scheduled inspections that will occur through May 31, 2002. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. An inspection to review spent fuel dry cask concrete pouring activities is planned for the

summer of 2001. Routine resident inspections are not listed due to their ongoing and continuous nature.

For your information, the NRC is in the process of aligning the inspection and assessment cycle with the calendar year. In order to transition to a calendar year cycle (January 1 - December 31), the next inspection and assessment cycle will consist of only three quarters (i.e., the second, third, and fourth calendar quarters of calendar year 2001). As a result, a quarterly review will be conducted for the third calendar quarter (July 1 - September 30) in lieu of a mid-cycle review. The impact on the inspection plan, which is included as an enclosure, is minimal. Activities planned for the transition cycle represent only 60-80 percent of those activities that would be accomplished during a typical 12-month inspection and assessment cycle.

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).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the changes as soon as possible. Please contact Roger Lanksbury at (630) 829-9631 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Geoffrey E. Grant, Director
Division of Reactor Projects

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

Enclosure: Point Beach Inspection/Activity Plan

See Attached Distribution

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cc w/encl: 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
D. Graham, Director
Bureau of Field Operations
A. Bie, Chairperson, Wisconsin
Public Service Commission
S. Jenkins, Electric Division
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