

Jim Baumstark's comments, NRC Exit, 1997 Steam Generator Inspection, 20 July, 2000

Several points I'd like to make in response:

We believe we met all the inspection requirements in 1997.

We do not believe the NRC has referenced requirements, industry standards, benchmarks or guidelines that we failed to meet in 1997 that could have led to a failure to detect.

The section of the proposed inspection findings relative to POD dataset transferability does not acknowledge that no site-specific noise requirement existed in '97.

The proposed inspection findings described today are not in agreement with NRC Inspection Report 97-07 of 16 July 1997.

With regard to licensee oversight of contractors:

Although not required by industry standards but in concert with the practice of our peers, we hired an independent Eddy Current Level III to oversee our contractor's work. He reviewed the inspection plans, including analyst training, and approved them as meeting industry standards.

Prior to the outage, accompanied by our independent Level III, we met with the NRC to review our inspection plan. The decision to inspect rows 2 and 3 with the + Point Probe was a result of that meeting.

INPO and EPRI reviewed aspects of our outage planning activities, including the proposed Steam Generator inspection, and made several recommendations which were incorporated.

The NRC sent an inspection team to provide outage oversight. Their results are incorporated in the report I mentioned earlier.

When the testing found PWSCC in a row 2 U-bend this was an expected indication and no notice was provided to analysts other than through the normal disposition process. In contrast, when unexpected anomalies were discovered in other parts of the inspection program, they were addressed.

Finally, because of the rationale we have used in today's discussion, we continue to believe the root cause we submitted earlier this year was complete and accurate.

Attachment 2

DD/11