

July 9, 2002  
EN-02-028A

OFFICE OF ENFORCEMENT  
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Nuclear Management Company, LLC (EA-02-031)  
(Point Beach) Docket Nos. 50-301, 50-266

Subject: ISSUANCE OF FINAL SIGNIFICANCE DETERMINATION AND NOTICE OF  
VIOLATION

This is to inform the Commission that a RED Significance Determination Process (SDP) finding and associated Notice of Violation originally intended to be issued on or around July 3, 2002, to Nuclear Management Company, LLC, as the Commission was previously notified in EN-02-028, dated June 28, 2002, will now be issued on or around July 12, 2002. The delay was necessary for the staff to resolve whether the Commission directions stated in an SRM, also dated June 28, 2002, regarding "old design issues," should influence the proposed action. As explained below, a final determination regarding application of the "old design issue" characterization has not been made.

This RED finding, an issue with high importance to safety, involved the common mode failure of the auxiliary feedwater (AFW) pumps with a loss of instrument air. The AFW minimum flow recirculation valves fail closed with loss of instrument air, resulting in loss of the flow path for the AFW pumps. The failure of the licensee to have emergency procedures to address the design deficiency and the failure to promptly identify and correct a significant condition adverse to quality were identified as a violation of 10CFR50, Appendix B, Criterion V, "Instructions, Procedures, and Drawings," and Criterion XVI, "Corrective Action."

The staff is considering treating this issue within the ROP as an old design issue as specified in Inspection Manual Chapter (IMC) 0305. The licensee identified the longstanding issue in November, 2001. Although prior opportunities existed to identify the issue as early as 1997, these missed opportunities are not necessarily indicative of current performance. However, the staff concluded that additional information is needed to determine whether or not it is appropriate to treat this issue as an old design issue. Specifically, a follow-up inspection will be conducted to evaluate the corrective actions taken, or will be taken, to prevent recurrence. Following the completion of that inspection, the staff will determine whether old design issue treatment is appropriate and what actions (including which appropriate supplemental inspections, if any) are warranted based on this decision. The follow-up inspection report will document the final conclusion.

If treatment as an old design issue is appropriate then, in accordance with Section 6.06.a. of IMC 0305, the staff will not aggregate this finding in the Action Matrix for the purpose of determining the appropriate level of agency response. This means that the issue will be considered Red and posted on the NRC's Web site for a period of four quarters. However, Point Beach will not be placed in the Multiple/Repetitive Degraded Cornerstone Column of the Action Matrix nor will the specified actions associated with this column be taken as would normally occur for a Red finding. However, if treatment as an old design issue is not

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determined to be appropriate, then the issue will be considered Red and Point Beach will be placed in the Multiple/Repetitive Degraded Cornerstone Column of the Action Matrix, and the staff will take the appropriate actions in accordance with the guidance provided in IMC 0305.

The licensee was notified of this action today due to the June 28, 2002 EN being in the public domain. The action will be issued on July 12, 2002 to provide the Commission with the usual three day opportunity to question the staff.

The State of Wisconsin will be notified.

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