

July 21, 2003

MEMORANDUM TO: J. E. Dyer, Regional Administrator

FROM: Geoffrey E. Grant, Director, Division of Reactor Projects */RA/*

SUBJECT: SCHEDULE AND INSPECTION PLAN FOR THE 95003  
SUPPLEMENTAL INSPECTION AT POINT BEACH

For your approval, attached is the inspection plan and schedule for the Point Beach 95003 Supplemental Inspection.

#### Background

On April 2, 2003, the NRC determined that a finding associated with the potential common mode failure of the auxiliary feedwater (AFW) system due to a loss of instrument air was not an Old Design Issue. This determination indicated that plant performance at Point Beach Nuclear Plant was within the Multiple/Repetitive Degraded Cornerstone Column of the Action Matrix based on a Red finding in the mitigating systems cornerstone. In accordance with Manual Chapter 0305, "Operating Reactor Assessment Program," Inspection Procedure 95003, "Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or One Red Input," will be performed to determine the breadth and depth of the performance deficiencies. Additionally, the April 2, 2003, letter documented a preliminary Red finding associated with the potential common mode failure of the four AFW pumps due to plugging of the recirculation line pressure reducing orifices. During the Regulatory Conference to discuss this issue on June 6, the licensee concurred with the characterization of the apparent violation of 10 CFR 50, Appendix B, Criterion III, Design Control; however, the licensee's significance determination of this issue was still in progress. Pending NRC staff review of the licensee's significance determination evaluation, this issue remains a preliminary Red issue.

Also, as documented in the March 4, 2003, Annual Assessment Letter - Point Beach Nuclear Plant, the NRC also identified a substantive cross-cutting issue in the area of Problem Identification and Resolution. This was based on the White Findings involving a safety injection pump failure and emergency preparedness program issues and four Green findings. The four Green findings involved the flooding of manholes containing plant equipment, repeat problems with cold weather preparations, delayed maintenance rule action for the G05 gas turbine, and an inadequate extent of condition review when addressing a steam generator narrow range level detector problem.

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DATE	07/11/03		07/11/03		07/16/03		07/21/03			

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*\* Received concurrence via email from J. Jacobson.*

As a result of the final Red finding and the discussion at the Agency Action Review Meeting, actions were initiated to accomplish Inspection Procedure (IP) 95003, "Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or One Red Input," at Point Beach. The IP 95003 inspection will be conducted in addition to the baseline inspections currently scheduled. However, for those baseline inspections scheduled for after completion of the 95003 team inspections, consideration will be given to taking baseline credit for areas reviewed during the 95003.

### Inspection Scope and Schedule

The intent of IP 95003 is to allow the NRC to obtain a comprehensive understanding of the depth and breadth of safety, organizational, and performance issues at facilities where data indicates the potential for serious performance degradation. The objectives of the IP 95003 inspection are to: (1) provide additional information to be used in deciding whether the continued operation of the facility is acceptable and whether additional regulatory actions are necessary to arrest declining performance; (2) provide an independent assessment of the extent of risk significant issues to aid in the determination of whether an acceptable margin of safety exists; (3) independently evaluate the adequacy of facility programs and processes used to identify, evaluate, and correct performance issues; (4) independently evaluate the adequacy of programs and processes in the affected strategic performance areas; and (5) provide insight into the overall root and contributing causes of identified performance deficiencies.

As prescribed by IP 95003, the scope of inspection activities at Point Beach will include the assessment of performance in the Reactor Safety Strategic Performance Area, including the inspection of key attributes such as design, human performance, procedure quality, configuration control, and emergency response organization readiness. Also, the 95003 inspection will review the control systems for identifying, assessing, and correcting performance deficiencies to evaluate whether programs are sufficient to prevent further declines in safety that could result in unsafe operation. In developing the scope of this inspection, the NRC considered the results of the licensee's ongoing self-assessment, the disposition of the preliminary Red finding and an Unresolved Item from the emergency preparedness drill of August 2002, and the evaluation of the licensee's progress in addressing the substantive cross-cutting issue in the area of problem identification and resolution.

The IP 95003 at Point Beach will be conducted in phases to accommodate NRC resource constraints, the licensee's fall refueling outage, and the timely completion of this extensive inspection. During the first phase, the Corrective Actions Team (CAT) will review licensee discovery efforts and the quality of the corrective action program. In the second phase, the Emergency Preparedness Team (EPT) will review the emergency preparedness program. During the third and final phase, the Engineering, Operations, and Maintenance Team (EOMT) will assess implementation of corrective actions and review the design engineering function. Two systems have been chosen for a detailed review: component cooling water system and 125-volt direct current electrical system. The auxiliary feedwater system will also be reviewed, but that review will be limited to corrective actions taken in 2003. The design of the auxiliary feedwater system was previously reviewed during the recent special inspection in which Old Design Issue credit was disallowed (Inspection Report 50-266/02-15; 50-301/02-15).

In consideration of this, we have developed the attached schedule for the three teams and the inspection plan for the overall inspection effort. In addition, we have worked with NRR inspection program (IIPB) staff in developing the plan and have received concurrence from the IIPB Branch Chief. Tony Vogel has been designated the Team Leader for the Point Beach 95003 efforts and will implement the plan in accordance with the schedule. The results of the three teams will be documented in three separate inspection reports. We will keep you informed of any major changes to the schedule and inspection plan. In addition, we will develop a communication plan to inform other internal stakeholders of major 95003 activities and develop detailed inspection plans for each of the three teams.

Approval:     /RA/      
J. E. Dyer, Regional Administrator

Attachments: As stated

## Schedule for the Point Beach 95003 Supplemental Inspection

### Corrective Action Team (CAT)

July 21-25, 2003	Inspection preparation week
July 28-August 8	Onsite inspection weeks
August 11-15	Documentation week
August 27	Exit meeting

### Emergency Preparedness Team (EPT)

July 7-11, 2003	Inspection preparation week
August 4-15	Onsite inspection weeks
August 18-22	Documentation week
August 27	Exit meeting

### Engineering, Operations, and Maintenance Team (EOMT)

September 2-5	Inspection preparation week
September 8-12	1 <sup>st</sup> onsite inspection week
September 15-19	In-office inspection week
September 22-26	2 <sup>nd</sup> onsite inspection week
September 29-October 3	Documentation week
October 15	Exit meeting

## **Inspection Plan for the Point Beach 95003 Supplemental Inspection**

The inspection plan consists of two parts: 1) Sections 02.01, 02.02, and 02.03 of the Inspection Requirements will be followed by the CAT and EOMT. 2) Attachment 95003.01, Emergency Preparedness, will be followed by the EPT.

Sections 02.07 and 02.08 of the Inspection Requirements will be implemented in both parts of the plan.

### **95003-02 Inspection Requirements**

- 02.01.a. Identify the strategic performance area(s) for which performance has significantly declined. Completed. Reactor Safety Strategic Performance Area, Mitigating Systems and Emergency Preparedness cornerstones. Section 02.03 will be completed for the Mitigating Systems cornerstone by the CAT and EOMT.
- 02.01.b. Complete Inspection Requirements 02.02, 02.03, 02.07. and 02.08. CAT and EOMT.
- 02.02.a. Determine whether licensee evaluations of, and corrective actions to, significant performance deficiencies identified in the engineering and corrective action program areas as a result of the Red inspection finding have been sufficient to correct the deficiencies and prevent recurrence. CAT and EOMT.
- 02.02.b. Evaluate effectiveness of audits and assessments in arresting declining performance. CAT and EOMT.
- 02.02.c. Review the process for allocating resources to manage backlogs in the corrective action program and engineering products, such as design mods, work package reviews, test evaluations, temp mod and work around reductions, procedure reviews, and drawing changes. CAT.
- 02.02.d. Review corporate, site, and organizational strategic plans to determine if corrective action program and engineering program goals are in conflict with actions needed to correct performance issues. CAT.
- 02.02.e. Review the employee concerns program, using Inspection Procedure 40001, to evaluate the safety consciousness of the work environment. CAT.
- 02.02.f. Evaluate the operating experience program regarding corrective action program and engineering program deficiencies. CAT.
- 02.03.a.1. Review corrective action program documents, audits of the corrective action program and engineering program, LERs, and inspection reports since January 1, 2002. CAT.

- 02.03.a.2. Select system(s) for focus. Completed. Full review of component cooling water system (CCW) and 125-volt DC system. Partial review of auxiliary feedwater system (AFW)—review assessments and corrective actions since January 1, 2003. CAT for AFW and EOMT for CCW and 125-volt DC.
- 02.03.b. Review the design basis, as-built design features, and several recent modifications of the CCW and 125-volt DC systems to verify the capability of the systems to perform the intended safety functions with a sufficient margin. EOMT.
- 02.03.c. Evaluate the role of human performance attributes, such as group organization, training and qualifications, communications, control of overtime and fatigue, and human-system interfaces, in the deficiencies in the corrective action and engineering programs. CAT and EOMT.
- 02.03.d. Evaluate the role of inadequate procedures in the performance deficiencies in corrective actions and engineering. CAT. For CCW and 125-volt DC, evaluate operating, maintenance, and testing procedures to ensure incorporation of appropriate design basis information. EOMT.
- 02.03.e. Determine if the licensee is adequately maintaining, operating, and testing the CCW and 125-volt DC systems. EOMT.
- 02.03.f. Conduct detailed walkdowns of the CCW and 125-DC systems to verify that the systems are in configurations which support their safety functions. EOMT.
- 02.07 Group the safety performance deficiencies identified during the team inspections. CAT, EPT, and EOMT. The technical assistant team leader for each team will perform this. The 95003 team leader will compile the groupings from each team.
- 02.08 Compare the team's findings with previous NRC inspection and assessment information to determine whether sufficient warning was provided to identify a significant reduction in safety. The results of this comparison will not be contained in the 95003 inspection reports, but should be documented in a separate document to the Region III Regional Administrator and the Director of NRR. The 95003 team leader will perform this comparison, with assistance as needed by the assistant team leaders.

Attachment 95003.01–EPT

- 02.01 Review the recent inspection record and the E-plan as part of the preparation of this inspection. Consider selecting an RSPS (risk significant planning standard) for in-depth review.
- 02.02 Review various assessments, drill and exercise critiques, and corrective action program documents to determine the adequacy of problem identification, evaluation, and correction. Implement Inspection Procedure 7114.05, “Correction of Emergency Preparedness Weaknesses and Deficiencies.”
- 02.03 Determine if the ERO augmentation system design is adequate, implementing Inspection Procedure 7114.03, “Emergency Response Organization Augmentation Testing.”
- 02.04 Determine the adequacy of emergency response facilities and equipment, implementing Inspection Procedure 82001.04, “Facilities and Equipment.”
- 02.05 Evaluate the adequacy of changes to EIPs through the corrective action process, implementing Inspection Procedure 82001.05, “Procedure Quality.”
- 02.06 Review various aspects of EP training, including ERO performance drills.
- 02.07 Conduct an in-depth review of a risk significant planning standard if the failure to comply a planning standard contributed to the current performance decline.
- 02.08 Group the safety performance deficiencies identified during the inspection. The technical assistant team leader will perform this. The 95003 team leader will compile the groupings from the EPT and the CAT and EOMT.
- 02.09 Compare the findings with previous NRC inspection and assessment information to determine whether sufficient warning was provided to identify a significant reduction in safety. The results of this comparison will not be contained in the 95003 inspection reports, but should be documented in a separate document to the Region III Regional Administrator and the Director of NRR. The 95003 team leader will perform this comparison, with assistance as needed from the assistant team leaders.