

December 31, 2003

EA-02-031  
EA-03-057  
EA-03-059  
EA-03-181

Mr. Alfred J. Cayia  
Site Vice-President  
Point Beach Nuclear Plant  
Nuclear Management Company, LLC  
6610 Nuclear Road  
Two Rivers, WI 54241-9516

SUBJECT: POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2  
PUBLIC EXIT MEETING FOR 95003 SUPPLEMENTAL INSPECTION  
NRC INSPECTION REPORT 05000266/2003007; 05000301/2003007

Dear Mr. Cayia:

This refers to the public exit meeting held on December 16, 2003, in Manitowoc, Wisconsin, to discuss the preliminary results of the three-phase supplemental inspection conducted in accordance with NRC Inspection Procedure (IP) 95003, "Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or One Red Input."

The NRC presented a brief description of the Reactor Oversight Process, the two Red inspection findings related to the auxiliary feedwater system that were reviewed during the inspection, and the inspection itself. The NRC then described the preliminary results of the inspection.

The overall conclusions of the inspection were that Point Beach was being operated safely; however, areas that were challenging the Point Beach staff that needed improvement were timely and thorough implementation of corrective actions, the emergency preparedness program, and engineering design control. Based on the findings and results of the inspection, the NRC determined that additional inspection activity above the baseline was warranted. In the emergency preparedness area, the inspection identified an apparent violation regarding emergency action levels; an unresolved item regarding protective action recommendations; a Severity Level IV, Non-Cited Violation; and three Green (very low safety significance), Non-Cited Violations. In engineering, the inspection identified seven Green, Non-Cited Violations and found the corrective actions for the auxiliary feedwater Red findings to be adequate. These conclusions and results are preliminary and subject to further NRC management review. The final conclusions and results will be documented in Inspection Report No. 05000266/2003007; 05000301/2003007, to be issued at a later date.

After the NRC's presentation, Messrs. Douglas Cooper and John Paul Cowan, you, and other members of the Nuclear Management Company (NMC) staff made a brief presentation. In this presentation, NMC officials acknowledged the preliminary results of the inspection and described some of the actions taken or planned to be taken to achieve long-term station performance improvement, particularly in corrective action implementation, emergency preparedness, and engineering. NMC representatives stated that effective implementation of these actions will be accomplished through the continued use of the site Excellence Plan and through the reinforcement of desired individual and organizational behaviors.

Mr. Geoffrey Grant, the Deputy Regional Administrator for Region III of the NRC, concluded the meeting with an acknowledgment of the presentation by NMC representatives and emphasized that the thoroughness and sustainability of corrective actions was the key area where improvements needed to be made by NMC.

A copy of the slides shown at the meeting by the NRC and by your staff and a listing of principal NRC and Nuclear Management Company attendees are attached as Enclosures 1, 2, and 3 to this letter.

In accordance with 10 CFR 2.790 of the NRC's "Rule of Practice," a copy of this letter and its enclosures will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records System (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions regarding this meeting, please contact me at (630) 829-9620.

Sincerely,

**/ RA by Patrick L. Loudon acting for /**

Anton Vogel, Chief  
Branch 7  
Division of Reactor Projects

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

Enclosures: 1) NRC Slides  
2) NMC Slides  
3) List of Principal Attendees

See Attached Distribution

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**OFFICIAL RECORD COPY**

cc w/encl: R. Kuester, President and Chief  
Operating Officer, WEPCo  
J. Cowan, Executive Vice President  
Chief Nuclear Officer  
Nuclear Asset Manager  
Manager, Regulatory Affairs  
J. Rogoff, Esquire, Vice President, Counsel & Secretary  
K. Duveneck, Town Chairman  
Town of Two Creeks  
Chairperson  
Public Service Commission of Wisconsin  
J. Kitsemel, Electric Division  
Public Service Commission of Wisconsin  
D. Cooper, Senior Vice President-Group Operations  
State Liaison Officer  
D. Markwardt, Manitowac County  
Board Chairman  
N. Crowley, Director, Manitowac  
Emergency Management Agency  
G. Novickis, Chairman, Kewaunee  
County Board  
The Honorable Darin A. Jeanquart  
G. Buckley, Two Rivers City Manager  
L. Hucek, Director, Kewaunee  
Emergency Management  
C. Meyer, President, Village of Mishicot  
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**PUBLIC MEETING PRINCIPAL ATTENDEES**  
**December 16, 2003**

Nuclear Management Company, LLC

John Paul Cowan	Chief Nuclear Officer, NMC
Douglas Cooper	Senior Vice-President, NMC
Fred Cayia	Site Vice-President, Point Beach
Jim McCarthy	Site Director and Acting Plant Manager, Point Beach
Jim Schweitzer	Director of Engineering, Point Beach
Renee Milner	Emergency Planning Manager
Jim Connolly	Regulatory Affairs Manager, Point Beach

NRC

Geoffrey Grant	Deputy Regional Administrator, Region III
Steven Reynolds	Acting Director, Division of Reactor Projects, Region III
Eric Leeds	Deputy Director, Deputy Director, Division of Licensing Project Management, Office of Nuclear Reactor Regulation
Anton Vogel	Chief, Branch 7, Division of Reactor Projects, Region III, and Team Leader, 95003 Inspection Team
Pat Loudon	Chief, Branch 5, Division of Reactor Projects, Region III
Ken Riemer	Chief, Plant Support Branch, Division of Reactor Safety, Region III
Deirdre Spaulding	Project Manager, Office of Nuclear Reactor Regulation
Paul Krohn	Senior Resident Inspector, Point Beach
Mike Morris	Resident Inspector, Point Beach
Rob Krsek	Senior Resident Inspector, Kewaunee
Mike Kunowski	Project Engineer, Region III, and Assistant Team Leader, 95003 Inspection Team
Viktoria Mitlyng	Assistant Public Affairs Officer, Region III