

January 27, 2004

EA-03-181

Mr. Gary Van Middlesworth
Acting 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
PREDECISIONAL ENFORCEMENT CONFERENCE:
EMERGENCY ACTION LEVELS

Dear Mr. Van Middlesworth:

This refers to the predecisional enforcement conference held on January 13, 2004, at the NRC Region III Office in Lisle, Illinois, to discuss an apparent violation involving changes made to the Emergency Action Level (EAL) scheme at Point Beach that reduced the effectiveness of the Emergency Plan without NRC approval. This apparent violation was identified during the emergency preparedness (EP) phase of the supplemental inspection recently conducted at Point Beach using Inspection Procedure (IP) 95003, "Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or One Red Input." Specific information about the apparent violation was discussed with members of your staff during a technical debriefing by the emergency preparedness inspectors on August 8, 2003; at the conclusion of the onsite portion of the emergency preparedness phase of the inspection on August 27; during a preliminary exit meeting for all three phases of the IP 95003 inspection on November 17; during a telephone conference on December 1; in a letter dated December 2; and during the public final exit meeting for the IP 95003 inspection on December 16.

At the conference, I described the apparent violation stating that Point Beach personnel made changes to eight EALs, between October 1998 and December 1999, from the EAL scheme approved by the NRC in 1984. These changes resulted in a decrease in the effectiveness of the Emergency Plan and a deviation from the NUREG-0654 standard scheme. These revisions to the Emergency Plan were made without prior NRC approval, an apparent violation of 10 CFR 50.54(q) and 50.47(b)(4).

As described in Enclosure 2 to this letter, Nuclear Management Company, LLC (NMC) management and staff acknowledged the apparent violation and presented information including their assessment of the root cause, contributing causes, and actions taken to prevent recurrence.

NMC management and staff presented four corrective actions for the apparent violation:

- An experienced corporate senior emergency preparedness specialist has been hired to provide assistance to the emergency planning staff.
- The Point Beach emergency preparedness staff has been changed and new staff has been trained on emergency preparedness requirements.
- The Emergency Plan change process was revised to require approval by the station regulatory affairs department and the plant operations review committee.
- The EAL scheme was being revised to the NRC-approved scheme in Nuclear Energy Institute (NEI) 99-01, "Methodology For Development of Emergency Action Levels," Revision 4.

Extensive discussions were held between the NRC and your staff regarding the timeliness and effectiveness of your corrective actions.

In addition, in a letter dated November 25, 2003, NMC had submitted proposed changes to the Point Beach emergency preparedness program, including a revision of several of the eight EALs to realign them with the 1984-approved EALs. However, in a letter dated January 16, 2004, NMC withdrew the submittal.

Since the predecisional enforcement conference on January 13, 2004, we have discussed with your staff the need to take immediate corrective actions to revise the eight EALs discussed in the apparent violation to ensure compliance with regulatory requirements. Between January 13 and January 16, you took actions to return to compliance. A review by the resident inspectors on January 16 confirmed that actions were completed to correct the eight EALs that resulted in the decrease in the effectiveness of the Emergency Plan as described in the apparent violation.

You will be notified by separate correspondence on the results of the NRC's deliberations on the apparent violation.

A listing of principal NRC and Nuclear Management Company attendees and a copy of the slides shown at the meeting by NMC are attached as Enclosures 1 and 2 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 conference, please contact me at (630) 829-9620.

Sincerely,

/RA/

Anton Vegel, Chief
Branch 7
Division of Reactor Projects

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

Enclosures: 1. List of Principal Attendees
2. NMC Slides

cc w/encl: R. Kuester, President and Chief
Executive Officer, We Generation
J. Cowan, Executive Vice President
Chief Nuclear Officer
D. Cooper, Senior Vice President, Group Operations
D. Weaver, Nuclear Asset Manager
Plant Manager
Regulatory Affairs Manager
Training Manager
J. Rogoff, Vice President, Counsel & Secretary
K. Duveneck, Town Chairman
Town of Two Creeks
Chairperson
Public Service Commission of Wisconsin
J. Kitsembel, Electric Division
Public Service Commission of Wisconsin
State Liaison Officer

OFFICE	RIII		RIII		RIII		RIII	
NAME	MKunowski/dtp		AVegel		BClayton*KJL		SReynolds	
DATE	1/22/04		1/26/04		1/23/04		1/27/04	

OFFICIAL RECORD COPY

ADAMS Distribution:

WDR

DFT

DNS

RidsNrrDipmlipb

GEG

HBC

PGK1

DRPIII

DRSIII

PLB1

JRK1

FJC

JGL

JLD

RLF2

OEMAIL

RJS2

RWB1

MRJ1

MAS

JRJ

RML2

BAB2

WMD

LSG

SAR

WHR

DWW

PREDECISIONAL ENFORCEMENT CONFERENCE PRINCIPAL ATTENDEES

January 13, 2004

Nuclear Management Company, LLC

D. Cooper	Senior Vice-President, NMC
G. Van Middlesworth	Vice President, Nuclear Assessment Programs, NMC
F. Cayia	Site Vice-President, Point Beach
R. Milner	Emergency Planning Manager, Point Beach
E. Weinkam	Director of Regulatory Services, NMC
J. Connolly	Regulatory Affairs Manager, Point Beach

NRC

J. Caldwell	Regional Administrator, Region III
B. Berson	Regional Counsel, Region III
S. Reynolds	Acting Director, Division of Reactor Projects, Region III
C. Pederson	Director, Division of Reactor Safety, Region III
A. Vegal	Chief, Branch 7, Division of Reactor Projects, Region III, and Team Leader, 95003 Inspection Team
K. Riemer	Chief, Plant Support Branch, Division of Reactor Safety, Region III
L. Raghavan	Chief, Section III-1, Division of Licensing Project Management, Office of Nuclear Reactor Regulation (NRR)
E. Weiss	Chief, Emergency Preparedness and Health Physics Section, Division of Inspection Program Management, NRR
R. Lantz	Senior Emergency Preparedness Inspector, Region IV
T. Ploski	Senior Emergency Preparedness Inspector, Region III
R. Kahler	Senior Emergency Preparedness Specialist, Emergency Preparedness and Health Physics Section, NRR
R. Franovich	Enforcement Coordinator, Division of Inspection Program Management, NRR
G. Casto	Senior Emergency Preparedness Specialist, Emergency Preparedness and Health Physics Section, NRR
D. Spaulding	Project Manager, NRR
M. Morris	Resident Inspector, Point Beach
J. Dixon-Herrity	Senior Enforcement Specialist, Office of Enforcement
K. Lambert	Enforcement Specialist, Region III