

June 20, 2004

Mr. Edward J. Weinkam  
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SUBJECT: DUANE ARNOLD ENERGY CENTER, KEWAUNEE NUCLEAR POWER PLANT, MONTICELLO NUCLEAR GENERATING PLANT, PALISADES NUCLEAR PLANT, POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2, PRAIRIE ISLAND NUCLEAR GENERATING PLANT, UNITS 1 AND 2 — REQUEST FOR ADDITIONAL INFORMATION RE: REQUEST FOR APPROVAL OF NUCLEAR MANAGEMENT COMPANY QUALITY ASSURANCE TOPICAL REPORT (TAC NOS. MB7157, MC1309, MC1310, MC1311, MC1312, MC1313, MC1314, MC1315, AND MC1316)

Dear Mr. Weinkam:

The Nuclear Management Company, LLC's (NMC's) letter of October 31, 2003, requested U.S. Nuclear Regulatory Commission (NRC) approval of the NMC Quality Assurance Topical Report. The NRC staff is reviewing your request and finds that additional information is needed as shown in the enclosed request for additional information (RAI). The enclosed RAI questions relate to Enclosure 6 of your submittal entitled, Reduction in Commitment Regarding Offsite Review Committees.

The NRC staff discussed the enclosed RAI with you and your staff on June 3, 2004, and you agreed to respond within 30 days of receipt of the RAI. Please contact me at (301) 415-3243 if you have questions.

Sincerely,

*/RA/*

David P. Beaulieu, Project Manager, Section 1  
Project Directorate III  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket Nos. 50-331, 50-305, 50-263, 50-255, 50-266,  
50-301, 50-282, and 50-306

Enclosure: Request for Additional Information

cc w/encl: See next page

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REQUEST FOR ADDITIONAL INFORMATION  
REQUEST FOR APPROVAL OF  
NUCLEAR MANAGEMENT COMPANY QUALITY ASSURANCE TOPICAL REPORT  
NUCLEAR MANAGEMENT COMPANY, LLC  
DUANE ARNOLD ENERGY CENTER  
KEWAUNEE NUCLEAR POWER PLANT  
MONTICELLO NUCLEAR GENERATING PLANT  
PALISADES NUCLEAR PLANT  
POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2  
PRAIRIE ISLAND NUCLEAR GENERATING PLANT, UNITS 1 AND 2  
DOCKET NOS. 50-331, 50-305, 50-263, 50-255, 50-266, 50-301, 50-282, AND 50-306

The U.S. Nuclear Regulatory Commission (NRC) staff is reviewing the Nuclear Management Company's (NMC's) request for NRC approval of its Quality Assurance Topical Report and has determined that the following additional information is needed in order to complete the review:

Enclosure 6 of the NMC submittal proposes to eliminate the Offsite Review Committee, which implements the independent review program described in Section 4.3 of American National Standards Institute (ANSI) standard N18.7-1976 (alternately ANS-3.2), "Administrative Controls and Quality Assurance for the Operational Phase of Nuclear Power Plants," endorsed by NRC's Regulatory Guide 1.33, "Quality Assurance Program Requirements." Qualification requirements for personnel implementing the independent review process are established by ANSI standard ANS 3.1, "Selection and Training of Nuclear Power Plant Personnel," endorsed by NRC's Regulatory Guide 1.8, "Qualification and Training of Personnel for Nuclear Power Plants."

NMC's implementation of the independent review function, as described by the current quality assurance programs for NMC's nuclear stations, is consistent with the organizational construction for standing committees, as described in Section 4.3.2 of ANS-3.2. ANS-3.2 establishes provisions for independent reviews, including functional responsibilities, organizational provisions for conducting review activities, technical qualifications of personnel conducting the reviews, and documentation and reporting of activities. Persons or organizations responsible for implementing the independent review function shall be sufficiently independent from cost and scheduling considerations when opposed to safety considerations, shall have direct access to responsible management at a level where appropriate actions can be accomplished, and shall report regularly on the effectiveness of the program to offsite management.

ENCLOSURE

The staff requests the following additional specific information regarding the independent review function if the Offsite Review Committee were eliminated:

1. Scope of review

For each subject identified in Section 4.3.4 of ANS-3.2,

- (a) identify the organizational element(s) that would be responsible for the independent review of the subject and specific procedural or other administrative processes that will be used in implementing these reviews, or
- (b) provide justification why review of the subject is unnecessary.

2. Authority/Independence/Organizational Freedom

For the organizational element(s) identified above,

- (a) describe the organizational structure that ensures that personnel conducting independent reviews have sufficient authority, independence, and organizational freedom to identify safety problems, to initiate, recommend or provide solutions and to verify implementation of solutions, or
- (b) provide justification why this is unnecessary.

3. Oversight of Audit Program

With respect to the periodic review of the audit program described in Section 4.5 of ANS 3.2,

- (a) describe how this periodic, independent review would be performed, or
- (b) provide justification why this is unnecessary.

4. Oversight of Corrective Action Process

Section 5.2.11 of ANS-3.2 states that, "In the case of significant conditions adverse to safety, the measures shall assure that the cause of the condition is determined and corrective actions taken shall be documented and reported to appropriate levels of management and for independent review."

- (a) Describe how independent review of the adequacy of corrective actions is accomplished if the independent review function described in Section 5.2.11 of ANS-3.2 were eliminated, or
- (b) provide justification why this is unnecessary.

5. Results of Independent Reviews

- (a) Describe how deficiencies, adverse trends, and recommendations resulting from independent reviews are reported, corrected, and verified, or

(b) provide justification why this is unnecessary.

6. Qualifications for Independent Review Personnel

For personnel performing independent reviews,

(a) define the qualifications requirement for personnel performing independent reviews, including competence to review the areas identified in ANS-3.2, Section 4.3.1. The requirements should be equivalent to those currently required for independent review personnel, or

(b) provide justification why this is unnecessary.

7. Records

(a) Define the provisions for preparation and retention of records of reviews, including identification of document reviews, recommendations and proposed actions resulting from these reviews, and the method for promptly disseminating this information to management having responsibility for the areas reviewed, or

(b) provide justification why this is unnecessary.

8. Regulatory Basis

The independent review program is an administrative control, as defined under Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.36(c)(5). The source of the requirement is the regulation at 10 CFR 50.40(b), as it relates to the licensee being technically qualified to engage in license activities. The staff reviews changes to the independence review program in accordance with Chapter 13.4, "Operational Review," of the Standard Review Plan (NUREG-0800).

Enclosure 6 of the submittal contains a section titled "Basis for Concluding Continued Compliance with Appendix B." The independent review program is not an Appendix B requirement. The technical specification was relocated to the quality assurance program under a burden reduction initiative in accordance with the Commission's Final Policy Statement on Technical Specification Improvements for Nuclear Power Reactors (59 FR 39132). The 10 CFR 50.54(a) change control process requires regulatory review and approval of changes to the independent review program, but independent review is not an Appendix B requirement.

The submittal should be revised to delete the reference to Appendix B compliance and to address the regulations applicable to the independent review program.

9. Independent Review

Enclosure 6 of the submittal refers to the plant operations review committee as performing the "independent review" function. Please clarify whether the committee meets the definition of "independent review," as defined in Section 2.2 and further described in the third paragraph of Section 3.2 of ANSI N18.7-1976.