September 6, 2005

CAL 3-04-001

Mr. Dennis L. Koehl
Site Vice President
Point Beach Nuclear Plant
Nuclear Management Company, LLC
6590 Nuclear Road
Two Rivers, WI 54241-9516

SUBJECT: CONFIRMATORY ACTION LETTER CAL 3-04-001

Dear Mr. Koehl:

Point Beach Nuclear Plant was placed in the Multiple/Repetitive Degraded Cornerstone column (Column IV) of the NRC's Action Matrix during the first quarter of 2003 as a result of a Red finding for Unit 1 and Unit 2 associated with the auxiliary feedwater and instrument air systems and a Yellow finding for Unit 1 and a Red finding for Unit 2 associated with the potential failure of the auxiliary feedwater pumps because of plugging of recirculation line orifices. Actions to improve station performance to address these findings and other performance issues were developed and incorporated in the Point Beach Excellence Plan. After reviewing the Plan and meeting with Nuclear Management Company (NMC) officials on March 15, 2004, the NRC issued the subject Confirmatory Action Letter, CAL 3-04-001, to NMC on April 21, 2004.

The Confirmatory Action Letter documented the steps of the Excellence Plan that NMC committed to complete and the intent of the NRC to conduct periodic inspections, in addition to the normal baseline program inspections, to assess the status and confirm the effectiveness of these steps. The NRC had categorized these steps in five Areas of Regulatory Concern: Human Performance, Engineering Design Control, Engineering/Operations Interface, Emergency Preparedness, and Corrective Action Program. As listed in the enclosure to this letter, the NRC has conducted several inspections that have assessed steps in these five areas. These inspections have indicated that the actions taken by NMC in the Engineering/Operations Interface and Emergency Preparedness Areas of Regulatory Concern have been adequate and met the commitments in CAL 3-04-001. Furthermore, we have determined that the actions taken in these two areas have established reasonable assurance of sustainability. Consequently, we plan no further review of these two areas other than that which may occur during the normal baseline program inspections.

To assess the adequacy of actions taken to address the remaining three Areas of Regulatory Concern, we will use the results of the recently completed engineering team inspection, the expanded-scope Problem Identification and Resolution inspection scheduled for September, the Modifications/50.59 inspection scheduled for December, and the 3rd and 4th quarter 2005 resident inspector integrated inspections. You will be notified by separate correspondence after we have completed our assessment.

If you have any questions regarding these matters, please contact Patrick Louden of my staff at (630) 829-9627.

Sincerely,

/RA/

James L. Caldwell
Regional Administrator

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

Enclosure: Listing of Inspections to Review CAL Commitments

cc w/encl: F. Kuester, President and Chief
Executive Officer, We Generation
J. Cowan, Executive Vice President
Chief Nuclear Officer
D. Cooper, Senior Vice President, Group Operations
J. McCarthy, Site Director of Operations
D. Weaver, Nuclear Asset Manager
Plant Manager
Regulatory Affairs Manager
Training Manager
Site Assessment Manager
Site Engineering Director
Emergency Planning 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

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DATE	08/17/2005		08/17/2005		08/17/2005		08/17/2005	

OFFICE	NRR		RIII		RIII		RIII	
NAME	LRaghavan*PLL for via telephone		MSatorius		JCaldwell			
DATE	08/29/2005		08/26/2005		09/06/2005			

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Inspections Completed to Review CAL Commitments

Report 05000266/2004005; 05000301/2004005, conducted June 7 through 25, 2004. Areas of Regulatory Concern Reviewed: Areas of Regulatory Concern: Human Performance, Engineering Design Control, Emergency Preparedness, Corrective Action Program. ADAMS Accession Number ML042240036.

Report 05000266/2004004; 05000301/2004004, conducted June 28 through July 16, 2004. Area of Regulatory Concern Reviewed: Engineering Design Control. ADAMS Accession Number ML042510353.

Report 05000266/2004007; 05000301/2004007, conducted August 2 through September 24, 2004. Area of Regulatory Concern Reviewed: Emergency Preparedness. ADAMS Accession Number ML043130107.

Report 05000266/2004008; 05000301/2004008, conducted August 30 through November 3, 2004. Areas of Regulatory Concern Reviewed: Human Performance, Engineering Design Control, Corrective Action Program. ADAMS Accession Number ML043350079.

Report 05000266/2004011; 05000301/2004011, conducted August 16, 2004 through January 19, 2005. Areas of Regulatory Concern Reviewed: Human Performance, Engineering Design Control, Engineering/Operations Interface, Corrective Action Program. ADAMS Accession Number ML050630576.

Report 05000266/2005014; 05000301/2005014, conducted June 13 through 17, 2005. Areas of Regulatory Concern Reviewed: Human Performance, Engineering Design Control, Engineering/Operations Interface, Corrective Action Program. ADAMS Accession Number ML051880088.

Report 05000266/2005009; 05000301/2005009, conducted June 27 through July 1, 2005. Area of Regulatory Concern Reviewed: Emergency Preparedness. ADAMS Accession Number ML052140414.

Enclosure