



June 16, 2006

NRC 2006-0057

Regional Administrator  
Region III  
U. S. Nuclear Regulatory Commission  
2443 Warrenville Road, Suite 210  
Lisle, IL 60532-4352

Point Beach Nuclear Plant, Units 1 and 2  
Dockets 50-266 and 50-301  
License Nos. DPR-24 and DPR-27

Point Beach Nuclear Plant  
Corrective Action Program Self-Assessment Plan

Reference: 1. Letter from NMC to NRC dated February 10, 2006/NRC 2006-0008

This letter submits the Nuclear Management Company, LLC (NMC) plan to perform an independent assessment of the corrective action program.

The Corrective Action Program (CAP) Independent Assessment Plan Summary, as committed to in Reference 1, is enclosed.

The assessment is scheduled to commence on July 10, 2006, and will last approximately two weeks. A debrief at the end of the assessment will be conducted with the Point Beach Nuclear Plant (PBNP) staff.

Summary of Commitments

This letter contains no new commitments and no revisions to existing commitments.

James H. McCarthy for  
Dennis L. Koehl  
Site Vice-President, Point Beach Nuclear Plant  
Nuclear Management Company, LLC

Enclosure

cc: Document Control Desk  
NRR Project Manager, Point Beach Nuclear Plant  
Resident Inspector, Point Beach Nuclear Plant, USNRC

## ENCLOSURE

### CORRECTIVE ACTION PROGRAM INDEPENDENT ASSESSMENT PLAN SUMMARY

#### **Assessment Tracking Number**

SARA00907262-04

#### **Assessment Objective**

1. Verify that station problems are being identified, reported and properly screened.
2. Verify that evaluation of problems and identification of corrective actions are commensurate with the significance of the problem.
3. Determine the effectiveness of corrective actions resolving identified problems.
4. Verify that performance indicators effectively characterize corrective action program performance and that CAP trending identifies potential adverse trends.
5. Verify that the requirements of the NMC Fleet CAP are being properly implemented.
6. Assess the effectiveness of management overview of the CAP.
7. Assess the effectiveness of the actions taken in response to the 2005 CAP Self-Assessment and the 2005 NRC Problem Identification and Resolution (PI&R) Inspection.

#### **Assessment Purpose**

The purpose is to provide an independent and comprehensive assessment of the quality of implementation of the Corrective Action Program at PBNP. The assessment will be performed in accordance with NMC procedure FP-PA-SA-01, "Focused Self-Assessment Planning, Conduct and Reporting". The assessment will be used to evaluate the quality of implementation of the three phases of the corrective action program – problem identification, problem evaluation, and problem resolution. The assessment report will provide an overall concluding statement on the effectiveness of implementation of the corrective action program.

#### **Assessment Scope**

Evaluate Point Beach performance and implementation of the NMC Fleet Corrective Action Program with respect to the criteria established in NRC

Inspection Procedure 71152, "Identification and Resolution of Problems," and various industry guidelines and performance criteria.

This assessment will review the products and results of the PBNP corrective action program to measure their quality. Examples of the products and results to be reviewed include but are not limited to CAPs, apparent cause evaluations, root cause evaluations, operability recommendations, and corrective actions. The assessment team will limit its review to products completed within the past year.

### **Narrative Discussion of Assessment Objectives**

#### **1. Problem identification, issue classification, and problem screening – problems are identified, reported, and properly screened.**

The team will verify that issues are being identified at an appropriately low threshold and entered into the corrective action program. The assessment will also verify that CAPs are being properly screened, assigned and classified based upon the safety significance of the issue identified. The team will determine whether operability and reportable issues are being properly addressed.

#### **2. Evaluation and corrective action – problem evaluation is commensurate with the significance of the problem and identification of corrective actions is correctly focused on resolving the problem. Causal analyses are thorough and of good quality.**

The team will review a sample of recent root cause (five) and apparent cause (twenty) evaluations to determine whether these causal analyses effectively determined the cause of significant problems, included an appropriate extent of condition assessment, and identified the appropriate corrective actions. The NMC administrative procedures will be used as the applicable standard for grading during the assessment. The PBNP evaluation and response to NRC identified issues will be reviewed to verify that sufficient causal analysis and corrective actions were taken since the last PI&R inspection. The adequacy of Maintenance Rule Evaluations will be reviewed. In addition, the adequacy of the evaluation of departmental human performance clock reset events will be assessed for adequacy.

**3. Corrective action effectiveness – corrective actions have been effective at resolving identified problems.**

The assessment team will review CAP data, interview station personnel and assess corrective action program implementation during the assessment to validate that PBNP is implementing the NMC Fleet Corrective Action Program requirements.

**4. Trending and performance indicators – corrective action program trend and performance indicators effectively characterize program performance and identify potential adverse trends.**

The Assessment Team will review the corrective action program performance indicators for adequacy and completeness. The team will evaluate the trending program (Department Roll-Up Meeting – DRUM) for effectiveness at the individual department and station level. Corrective action program trend data will be reviewed to validate that adverse trends are being identified, entered into the corrective action program, and are properly evaluated and resolved.

**5. Implementation of the fleet CAP process – the requirements of FP-PA-ARP-01 are being properly implemented.**

The assessment team will review CAP data, interview station personnel and assess corrective action program implementation during the assessment to validate that PBNP is implementing the NMC Fleet Corrective Action Program requirements.

**6. Management overview – management overview of the CAP assures effective CAP implementation.**

The team will assess the level of management oversight and ownership of the corrective action program by observing CAP Screening Team and Performance Assessment Review Board activities. Through interviews, the assessment will assess the effectiveness of senior management involvement and ownership of recent root cause investigations and corrective action program performance indicators.

**7. Assess the effectiveness of the actions taken in response to the 2005 CAP Self-Assessment and the 2005 NRC PI&R Inspection.**

The current status and effectiveness of actions that were identified in the 2005 CAP self-assessment will be assessed. In addition, the evaluations and corrective actions associated with the two non-cited violations and one finding from the 2005 NRC PI&R inspection will be assessed.

### **Independent Assessment Team**

- Ken Elsea, Conger & Elsea (Team Leader)
- Roman Estrada, Cooper Nuclear Station, Corrective Action & Performance Assessment Manager
- Robert Walpole, Indian Point 2, Corrective Action & Assessment Manager
- Richard Smith, Conger & Elsea, Inc., Senior Consultant
- Craig Murry, South Texas Project, Maintenance General Supervisor
- John Hamilton, Sun Technical
- Monica Ray, Regulatory Affairs Manager (On-Site Team Coordinator)

### **Schedule**

- July 5-7, 2006, Off-site (in office) review in preparation for onsite assessment
- July 10, 2006, Assessment team will assemble at PBNP for pre-job briefing
- July 10-20, 2006, Conduct onsite assessment and provide site management with preliminary result prior to leaving the site
- August 11, 2006, Draft assessment report provided to the site
- August 23, 2006, Final assessment report provided to the site

### **Assessment Methods**

The independent assessment team will use NMC procedure FP-PA-SA-01, "Focused Self-Assessment Planning, Conduct and Reporting," as guidance in conducting this assessment. The assessment methodology may include, but is not limited to, a combination of the following: Observation of activities, interviewing personnel, data and document reviews, reviewing procedures and programs, and review of performance indicators. These inputs will be assessed against NMC internal and nuclear industry standards.

## Assessment Team Experience and Qualifications

**Kenneth Elsea (Team Leader)**  
**President, Elsea & Conger, Inc.**

### Experience

Greater than 30 years of experience as a consultant, researcher, investigator, and teacher in the area of organizational communications and behavior, investigative and root cause analysis, and improving the quality of corrective actions. Has led and assisted major investigations into technical and managerial problems for nuclear and fossil power, oil, pharmaceutical, and manufacturing organizations.

### Education

1972 MA, Wake Forest University  
1979 PhD Course Work, Purdue University

**Roman Estrada**  
**Corrective Action & Assessment Department Manager**  
**Cooper Nuclear Station**

### Experience

Approximately 18 years of responsible nuclear power experience in positions of increasing responsibility including holding a Senior Reactor Operator's License for K-Reactor at Savannah River Site, Quality Assurance, Operations Support and System Engineering.

### Education

1987 BSME, South Dakota School of Mines and Technology  
2002 MS – Technology, South Dakota School of Mines and Technology

**Robert Walpole, Corrective Action & Assessment Manager  
Indian Point 2, Entergy**

Experience

Approximately 24 years experience in governmental and private nuclear industry sectors in positions of increasing responsibility in the areas of engineering, licensing, projects, human performance, security, and performance improvement.

Education

1980 BS-Engineering, Villanova University  
-- MBA Finance, Fordham University (in progress)

**Craig Murry, AOV/MOV Maintenance General Supervisor  
South Texas Project, South Texas Operating Company**

Experience

Approximately 18 years of responsible nuclear power construction and operational plant experience in the areas of quality control, welding, design engineering, testing and maintenance.

Education

1982 AAS-Welding Technology, Texas State Technical Institute  
1996 BS-Nuclear Technology, University of Maryland

**Richard Smith, Senior Consultant  
Conger & Elsea, Inc.**

Experience

Approximately 40 years of responsible nuclear power experience in the military, governmental and public sectors, as well as being a consultant for approximately the last ten years. Areas of expertise include program evaluations, event investigation and root cause evaluation, human error reduction, training, and emergency planning.

Education

1969 BS-Engineering Physics, University of Tennessee

**John Hamilton  
Sun Technical Services**

Experience

Approximately 35 years of commercial nuclear power industry experience in positions of increasing responsibility. Primary emphasis in quality assurance and quality control; and performance assessment, including corrective action, performance improvement, and project management.

Education

1970 BS-Metallurgical Engineering, Virginia Polytechnic Institute and State University

**Monica Ray, Regulatory Affairs Manager (On-Site Team Coordinator)  
Point Beach Nuclear Plant  
Nuclear Management Company, LLC**

Experience

Approximately 16 years of responsible nuclear power experience in the private sector in increasingly more responsible positions including regulatory compliance, emergency preparedness, radiation protection, training, and human performance improvement.

Education

1990 BS-Physics, Clarkson University