

September 15, 2007

Mr. David A. Christian  
Senior Vice President and  
Chief Nuclear Officer  
Innsbrook Technical Center  
5000 Dominion Boulevard  
Glen Allen, VA 23060-6711

SUBJECT: KEWAUNEE POWER STATION - COMMITMENT MANAGEMENT AUDIT  
(TAC NO. MD2443)

Dear Mr. Christian:

During the period from August 28 to September 1, 2006, the Nuclear Regulatory Commission (NRC) staff conducted an audit of the programs associated with the management of regulatory commitments at the Kewaunee Power Station (KPS). On October 31, 2006, the NRC staff requested additional information to support the completion of this audit. By letter dated January 2, 2007, Dominion Energy Kewaunee, Inc. (DEK) submitted its response to the request for additional information.

The NRC staff has completed its audit of the commitment management programs and has concluded that DEK's program is consistent with the intent of both the commitment management process described in Regulatory Issue Summary (RIS) 2000-017, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," and in Nuclear Energy Institute 99-04, "Guidance for Managing NRC Commitment Changes." The results of this audit are summarized in the enclosure to this letter. During the audit, the NRC staff noted that DEK was pursuing corrective actions associated with KPS Improvement Initiative 3.a, "Confirm prior NRC commitments have been made." However, the NRC staff did not review this area in sufficient detail to assess the adequacy. Thus, this area is not reflected herein. This completes the NRC staff's actions associated with TAC No. MD2443.

If you have any questions regarding this correspondence, please let me know.

Sincerely,

**/RA/**

Patrick D. Milano, Senior Project Manager  
Plant Licensing Branch III-1  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation

Docket No. 50-305

Enclosure: Audit Report

cc w/encl: See next page

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AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION

OF REGULATORY COMMITMENTS MADE BY

DOMINION ENERGY KEWAUNEE, INC.

KEWAUNEE POWER STATION

DOCKET NO. 50-305

1.0 INTRODUCTION AND BACKGROUND

The Office of Nuclear Reactor Regulation (NRR) Office Instruction, LIC-105, Revision 1, "Managing Regulatory Commitments Made by Licensees to the NRC" (Agencywide Documents Access and Management Systems (ADAMS) Accession No. ML042320463), provides the Nuclear Regulatory Commission (NRC) staff and its stakeholders with a common reference for handling regulatory commitments. In accordance with LIC-105, the NRC staff shall audit a licensee's commitment management program once every 3 years. This guidance is consistent with the industry guidance prepared by the Nuclear Energy Institute's (NEI's), NEI 99-04, "Guidance for Managing NRC Commitment Changes." NRC Regulatory Issue Summary (RIS) 2000-017, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," acknowledges NRC staff endorsement of NEI 99-04.

The guidance in NEI 99-04 suggests that licensees use information management systems, annotations to procedures, or other methods to ensure the traceability of regulatory commitments after implementation. The NRC staff and licensees observed that such systems help ensure that subsequent changes to regulatory commitments are evaluated using the change-control guidance in NEI 99-04.

According to LIC-105, a "regulatory commitment" is an explicit statement to take a specific action agreed to, or volunteered by, a licensee and submitted in writing on the docket to the NRC. LIC-105 further directs the NRR Project Manager to "audit the licensee's regulatory commitment management program by assessing the adequacy of the licensee's implementation of a sample of regulatory commitments made to the NRC in past licensing actions (amendments, reliefs, exemptions, etc.) and activities (bulletins, generic letters, etc.)."

2.0 AUDIT PROCEDURE AND RESULTS

During the period from August 28 to September 1, 2006, the NRC staff performed an on-site audit at the Kewaunee Power Station (KPS) site for the purpose of reviewing the programs associated with the management of regulatory commitments. On October 31, 2006, the NRC staff requested additional information to support completion of the audit. In a letter dated January 2, 2007, Dominion Energy Kewaunee (the licensee) submitted a response to the request for additional information.

2.1 Verification of Regulatory Commitment Implementation

The primary focus of the audit was to confirm that the licensee has implemented the regulatory commitments made to the NRC as part of past licensing actions/activities and that each

Enclosure

commitment is linked to the source document. For regulatory commitments that have not yet been implemented, the NRC staff is to ascertain that the regulatory commitments have been captured in an effective tracking program for future implementation. The scope of the verification was limited to the regulatory commitments selected for the audit.

### 2.1.1 Audit Scope

LIC-105 limits the audit of regulatory commitments to those made in writing to the NRC as a result of past licensing actions (amendments, reliefs, exemptions, etc.) or licensing activities (bulletins, generic letters, etc.). Accordingly, the commitments integrated into the final safety analysis report (FSAR), quality assurance program, site security plan, emergency plan, or other documents governed by a change-control mechanism contained in regulations, such as Sections 50.59 or 50.54 of Part 50 of Title 10 of the *Code of Federal Regulations*, are excluded from the scope of the audit.

Before the audit, the NRC staff searched ADAMS for the licensee's licensing actions and licensing activity submittals dated in the last 3 years. The staff used the criteria in LIC-105 to select from regulatory commitments contained in this population for the audit.

As part of the audit, the NRC staff reviewed KPS Nuclear Administrative Directive (NAD)-05.25, "Commitment Tracking," Revision E, which is dated May 2, 2006. This directive applies to all organizations and departments at KPS that are required to process documents in response to commitments made or imposed by management, regulatory agencies, or Significant Operating Experience Reviews.

Administrative controls have been established for commitment identification and acceptance, including NRC correspondence; assignment of responsibility for committed actions; commitment completion and verification; and commitment revision and deletion. Provisions are included for evaluations to determine whether NRC commitments should be modified or deleted and to determine if prior approval is needed. If it is determined that prior approval is not necessary, the directive provides instructions for the appropriate notification to the NRC. The administrative controls include maintenance of the appropriate plant records.

### 2.1.2 Audit Results

During the audit, the NRC staff reviewed the disposition of selected commitments that had been made in correspondence during the period of 1989 to the present. The review concluded that the 28 commitments reviewed had been adequately dispositioned. No instances of inadequate disposition were identified.

## 2.2 Verification of the Licensee's Program for Managing NRC Commitment Changes

The NRC staff reviewed KPS NAD-05.25 against NEI 99-04 guidelines. In general, NAD-05.25 follows the guidance of NEI-99-04, sets forth the need for identifying, tracking and reporting commitments, and provides a mechanism for changing commitments.

### 2.3 Additional Areas Reviewed

During the audit, corrective actions associated with Kewaunee Improvement Initiative 3.a, "Confirm prior NRC commitments have been implemented as required," were reviewed. This Improvement Initiative was defined in a letter dated March 18, 2005; adopted with clarifications by the licensee in a letter dated September 15, 2005; updated in a letter dated November 14, 2005; and stated as completed in a letter dated December 5, 2006.

The NRC staff requested additional information regarding (1) the actions taken with regards to this Improvement Initiative, and root cause or causes, (2) the followup assessments, and (3) the completion status of corrective actions. In response to the NRC staff's request for additional information, the licensee described the actions taken to implement this Improvement Initiative. The licensee stated that a sampling of correspondence was reviewed and compared to the plant's commitment tracking system. The deficiencies noted were captured in the plant's corrective action system, and the majority of the corrective actions had been completed. However, the NRC staff did not review Improvement Initiative 3.a in sufficient detail to assess its adequacy.

In order to assess the effectiveness of the corrective actions, the licensee stated that they had performed an audit of the commitment management process in the fourth quarter of 2006, and that no commitment tracking or implementation issues were discovered.

### 3.0 ASSESSMENT

Based on the NRC staff's review of the licensee's procedure, a sampling of commitments, and the licensee's statements regarding corrective actions taken, the NRC staff concludes that the licensee's program, if properly implemented, is consistent with the intent of the commitment management process described in NEI 99-04.

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Date: September 15, 2007