

June 18, 2008

Mr. James H. McCarthy
Site Vice President
FPL Energy Point Beach, LLC
6610 Nuclear Road
Two Rivers, WI 54241

SUBJECT: POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2 - AUDIT OF THE
LICENSEE'S MANAGEMENT OF REGULATORY COMMITMENTS
(TAC NOS. MD8387 AND MD8388)

Dear Mr. McCarthy:

The enclosed report provides the results of an onsite audit conducted by U.S. Nuclear Regulatory Commission (NRC) staff during the period of April 28 through May 1, 2008, of the regulatory commitment management program at Point Beach Nuclear Plant, Units 1 and 2. Based on the audit, the NRC staff concludes that (1) FPL Energy Point Beach has implemented NRC commitments on a timely basis, and (2) has implemented an effective program for managing NRC commitment changes. Details of the audit are set forth in the enclosed audit report.

The NRC staff appreciates the resources that were made available by your staff for performing the audit. If you have any questions, I may be reached at (301) 415-1424.

Sincerely,
/RA/

Jack Cushing, Senior Project Manager
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50 -266 and 50-301

Enclosure:
Audit Report

cc w/encl: See next page

Mr. James H. McCarthy
Site Vice President
FPL Energy Point Beach, LLC
6610 Nuclear Road
Two Rivers, WI 54241

June 18, 2008

SUBJECT: POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2 - AUDIT OF THE
LICENSEE'S MANAGEMENT OF REGULATORY COMMITMENTS
(TAC NOS. MD8387 AND MD8388)

Dear Mr. McCarthy:

The enclosed report provides the results of an onsite audit conducted by U.S. Nuclear Regulatory Commission (NRC) staff during the period of April 28 through May 1, 2008, of the regulatory commitment management program at Point Beach Nuclear Plant, Units 1 and 2. Based on the audit, the NRC staff concludes that (1) FPL Energy Point Beach has implemented NRC commitments on a timely basis, and (2) has implemented an effective program for managing NRC commitment changes. Details of the audit are set forth in the enclosed audit report.

The NRC staff appreciates the resources that were made available by your staff for performing the audit. If you have any questions, I may be reached at (301) 415-1424.

Sincerely,

/RA/

Jack Cushing, Senior Project Manager
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50 -266 and 50-301

Enclosure:

Audit Report

cc w/encl: See next page

DISTRIBUTION

PUBLIC RidsOgcRp LPL3-1 R/F RidsAcrsAcnw&mMailCenter
RidsNrrDoriDpr RidsNrrDoriLpl3-1 RKrsek
RidsNrrLATHarris RidsRgn3MailCenter RidsNrrPMJCushing

ADAMS ACCESSION NUMBER: ML081270075

OFFICE	LPL3-1/PM	LPL3-1/LA	LPL3-1/BC
NAME	JCushing	THarris	LJames
DATE	06/05/8	06/1/08	06/18/08

OFFICIAL RECORD COPY

AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION (NRR)
OF FPL ENERGY POINT BEACH, LLC
MANAGEMENT OF REGULATORY COMMITMENTS MADE BY
FPL ENERGY POINT BEACH TO THE NUCLEAR REGULATORY COMMISSION
POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2
DOCKET NOS. 50-266 AND 50-301

1.0 INTRODUCTION AND BACKGROUND

In SECY-00-045, Acceptance of [Nuclear Energy Institute] NEI 99-04, "Guidelines for Managing NRC Commitments," the Nuclear Regulatory Commission (NRC) staff informed the Commission that it had found NEI 99-04 contains acceptable guidance for controlling regulatory commitments made to the NRC staff by licensees for commercial nuclear reactors and the Commission endorsed NEI 99-04 (see Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," dated September 21, 2000). The commitments will be controlled in accordance with the licensee's Commitment Management Program (CMP) in accordance with NEI 99-04. Any change to the regulatory commitments is subject to licensee management approval and subject to the procedural controls established at the plant for commitment management in accordance with NEI 99-04, which include appropriate notification of the NRC. In accordance with NEI 99-04, the NRC is informed of any regulatory commitment change that has safety or regulatory significance.

On September 7, 2004, NRR Office Instruction LIC-105, Revision 1, "Managing Regulatory Commitments Made by Licensees to the NRC," was issued. LIC-105 is consistent with NEI 99-04 guidance, and it further provides the NRC staff guidance for handling regulatory commitments made by licensees of commercial nuclear reactors to the NRC staff. According to LIC-105, which cites the definition from NEI 99-04, that 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 NRC staff to "audit the licensee's commitment management program by assessing the adequacy of the licensee's implementation of a sample of commitments made to the NRC in past licensing actions (amendments, reliefs, exemptions, etc.) and activities (bulletins, generic letters, etc.)." LIC-105 recommends that the audit be performed every 3 years. This is the first audit of the Point Beach Nuclear Plant (PBNP) regulatory commitment program.

2.0 AUDIT SCOPE AND RESULTS

2.1 Audit Scope

The audit of FPL Energy Point Beach LLC (the licensee) commitment was performed at the PBNP site from April 28 through May 1, 2008. The licenses for PBNP Units 1 and 2 were transferred on September 28, 2007, from the owner Wisconsin Electric Power Company and the

operator Nuclear Management Company LLC, to the current licensee FPL Energy Point Beach, LLC. Transfer of the license did not affect the implementation of regulatory commitments or the licensee's commitment management system.

The scope of the audit was limited to those commitments made in writing to the NRC as a result of past licensing actions (amendments, exemptions, etc.) or licensing activities (bulletins, generic letters, etc.). Prior to the audit, in order to generate a list of items for the audit, the NRC staff performed an Agencywide Documents Access and Management System search for commitments listed in licensing action and licensing activity submittals dated in the last 3 years. From this list, the NRC staff selected a representative sample of regulatory commitments to audit. The selection of the sample list covered a variety of systems, disciplines and licensing actions important to NRC staff's decision-making process. This list also included commitment changes. The licensee was also asked to provide a list of regulatory commitments related to licensing actions from its commitment management system. The NRC staff again ensured that the sample selected related to the licensee's licensing action and licensing activity submittals and asked the licensee to provide documentation to support the audit.

The licensee provided the list and the documentation to support the NRC staff's audit in each of the sample areas discussed above. The licensee's documentation included summary sheets providing the status of the commitment and appropriate backup documentation, as needed (i.e., plant procedures, examination records, and/or other plant documentation). The attached table lists the commitments selected for this audit.

2.2 Verification of Licensee's Implementation of NRC Commitments

The primary focus of this part of the audit was to confirm that the licensee has implemented those commitments made to the NRC as part of past licensing actions/activities. For commitments that had not yet been implemented, the NRC staff aimed to ascertain that they have been captured in an effective program for future implementation.

The licensee's Commitment Management Program is described in procedure NP 5.1.7, "Regulatory Commitment Management," Rev. 13, dated February 6, 2008. NP 5.1.7 provides the guidance on managing regulatory commitments and generally follows the NEI 99-04, "Guidelines for Managing NRC Commitments." NP 5.1.7 directs the licensee's Regulatory Affairs Department to identify new regulatory commitments through reviewing incoming and outgoing correspondence with the NRC. The licensee documents the commitments made in NRC correspondence by filling out form PBF-1639, "Regulatory Review and Approval Tracking." The tracking form documents the commitment, the due date, assigns a tracking number and describes the regulatory impact. The commitment is then entered into the licensee's corrective action program (CAP) as a commitment. Prior to changing a commitment, a commitment change evaluation is performed in accordance with NP 5.1.7 and form PBF-1640, "Commitment Change Evaluation (CCE)" is completed. To change a commitment, the technical contact justifies the change using form PBF-1640, the change is then reviewed by the technical manager and the Regulatory Affairs Department to ensure that the change is following the guidance in NP 5.1.7 for changing regulatory commitments.

Interviews with the PBNP personnel provided the information on the existing tracking mechanism for commitments. The licensee enters commitments made to the NRC into the CAP

database as a "COMM." This indicates that this action is a commitment. The CAP database also tracks other plant activities besides the commitments. Also entered are the due date and

the responsible individual for meeting the commitment. The licensee also tracks commitments in another system called the "Regulatory Information System (RIS)." The Regulatory Affairs Department manually transfers the data from the CAP database to the RIS database. The reason for the two tracking systems is that the plant has changed tracking systems several times and having a second tracking system allows them to check the commitments after a system change to make sure the commitments are correct in the new system.

The systems, however, do not provide any automatic reminders to the individual when the due date approaches. The Regulatory Affairs Department performs this function during periodic review of the existing open commitments. Individuals assigned to completing an NRC Commitment are responsible for updating the database upon completion of the commitment, and providing the necessary documents to the Regulatory Affairs Department. Regulatory Affairs reviews and closes the commitment in the CAP database. The CAP database has links to the related documents for changes to commitments and for the implementing documents. Commitments are provided to management as part of the plan-of-the-day package. If a commitment is required to be completed prior to startup from an outage, then a hold is placed on the applicable Mode change and the plant is not allowed to change Modes until the commitment is completed. Management assesses the status of the commitments and adjusts resources as necessary to meet the commitment. The NRC staff found that the licensee's procedure NP 5.1.7 meets the intent and is consistent with the guidance provided in NEI 99-04.

The NRC staff reviewed documentation generated by the licensee related to the sample items listed in the attached table that are categorized as commitments in response to different categories of documents such as PBNP Amendments, Quality Assurance Topical Reports, Bulletins and Generic Letters to assess the implementation of the licensee's commitment, including the status of their completion. The licensee has made changes to the commitments using the CCE Form. For the sample of commitments selected for the audit, the NRC staff found that the licensee's CAP database had captured all of the regulatory commitments. The review of CAP database reflected their status consistent with the program.

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

2.3.1 Change Control Procedure Verification

The NRC staff reviewed the licensee's procedure NP 5.1.7 against NEI 99-04, Revision 2. Regulatory Commitment Changes are processed and tracked by Regulatory Affairs Department and are approved by the site management. The evaluation of any commitment changes is to be done by filling out a CCE form. The NRC staff reviewed this form and found it to be consistent with the Commitment Change Process described in NEI 99-04 with a minor difference. PBNP form CCE has broken out the three questions from the NEI 99-04 form into four questions for determination of significant hazards, thus achieving the same results.

The NRC staff found that the licensee's procedures for handling the commitment change are in general, consistent with the guidance in NEI 99-04.

2.3.2 Assessment of Procedure Implementation

2.3.2.1 Commitment Changes Reported to the NRC

The NRC staff reviewed documentation from the licensee related to the sample items listed in the attached table that involved changes to commitments. The NRC staff found that the licensee had properly addressed each regulatory commitment change selected for this audit and that the licensee had implemented an effective program to manage commitment changes.

The NRC staff observations and suggestions are described in Section 2.4.

2.3.2.2 Commitment Changes Not Reported to the NRC

The licensee indicated that if a change to a commitment is needed, then the change is evaluated in accordance with procedure NP 5.1.7. The procedure directs the individual to determine if the change requires prior NRC notification. If prior NRC notification is not required, then the change is documented in the commitment and the CAP database is updated.

2.3.2.3 Notifications to the NRC of Commitment Changes

Changes in audit sample were reviewed and the staff determined that the proper notification process was followed.

2.3.2.4 Traceability of Commitments

Although not specifically stated in the guidance from NEI 99-04, traceability of the commitments is advantageous for the licensee's control of NRC Commitments. The licensee's Procedure Writer's Guide, Revision 10, step 3.10, requires that commitments be footnoted and the bases section of the procedure provides a description of the commitment including the commitment identification numbers. The NRC staff reviewed the samples and found that to be the case. The commitment numbers were identified in the procedures and thus provided the cross reference. NP 5.1.7 Section 7.0, Commitment Change Evaluation, requires the following to be described:

1. Verbatim description of the original commitment to be changed.
2. Identification of the implementing document(s) for the existing commitment.
3. Identification of the source document of the commitment.
4. A detailed description of the proposed change to the commitment to be evaluated. The change may be a revision to the commitment or cancellation of the commitment. If revised, include the exact wording of the proposed revised commitment.
5. Identification of the implementing documents for the proposed revised commitment, if different than the implementing documents for the original commitment.
6. Annotation of the CAP or procedure change request (PCR) that has been initiated to revise the commitment.
7. A detailed justification of the change sufficient for an independent reviewer to determine its acceptability.

8. A validation package that contains the source documents and the implementing documents affected by the commitment.

Procedural steps do provide traceability of the commitments to the procedures and vice versa. Procedure revisions are handled in accordance with Fleet Procedure FP-G-DOC-04, Rev. 4, titled "Procedure Processing." The procedure prompts the user to answer the question if the change is due to a commitment. Thus, traceability between commitments and procedural changes are maintained.

2.4 Audit Observations

1. The systems do not automatically generate reminders to the responsible departments for upcoming due dates. However, management oversight does provide the control to ensure due dates are tracked.

2. Linkage of the commitment documents in the commitment database is a positive aspect of the commitment management system and aids tracking and verifying closure of commitments.

3. Use of dual commitment tracking systems provides backup for the data during systems changes.

3.0 CONCLUSION

The NRC staff concludes that, based on the above audit, (1) the licensee has established an effective commitment management program, (2) Entergy has implemented NRC commitments on a timely basis, and (3) with some minor inconsistencies, which were discussed with the licensee during the exit meeting on May 1, 2008, FPL Energy Point Beach, LLC Entergy has implemented an effective program for managing NRC commitment changes.

4.0 LICENSEE PERSONNEL CONTACTED FOR THIS AUDIT

Fritzie Flentje	Acting Regulatory Affairs Manager
Kim Locke	Regulatory Analyst
Jim Schweitzer	Manager Projects
Tom Kendall	Senior technical Advisor

Principal Contributor: Jack Cushing

TABLE 1

LIST OF COMMITMENTS INCLUDED IN THE AUDIT

Item No.	Category	RIS ID Number	Commitment Letter/Date	Description of Commitment	Status	ADAMS COMPLETION ACCESSION NO.
1	Amendment (220, 226) Heavy Loads	14144	1/12/2006	Reactor vessel head (RVH) lifting activities will not commence until the reactor has been shut down greater than 100 hours. Technical Requirements Manual (TRM) 3.9.4 updated.	Complete	ML052850005
2	Amendment (220, 226) Heavy Loads	14127	1/12/2006	A senior Reactor Operator will be stationed in containment during RVH lift activities and will have communications capabilities with the control room. TRM 3.9.4 updated.	Complete	ML052850005
3	Amendment (220,226) Heavy Loads	14132	1/12/2006	The containment sump screen shall be installed and the flowpath for aligning RHR [residual heat removal] system to the containment sump is available. TRM 3.9.4 updated.	Complete	ML052850005
4	Amendment (220,226) Heavy Loads	14130	1/12/2006	A minimum borated water volume of 243,000 gallons shall be available for sump recirculation. TRM 3.9.4 updated.	Complete	ML052850005
5	Amendment (220, 226) Heavy Loads	14134	1/12/2006	The containment equipment will be on and bolted. Both personnel airlock door interlocks will be functional to ensure one door in each airlock is closed.	Complete	ML052850005

Item No.	Category	RIS ID Number	Commitment Letter/Date	Description of Commitment	Status	ADAMS COMPLETION ACCESSION NO.
				TRM 3.9.4 updated.		
6	Amendment (220, 266) Heavy Loads	14127	1/12/2006	<p>Containment purge supply and exhaust fans are off and associated containment isolation valves are closed when the reactor vessel head is suspended greater than 24 inches over the reactor vessel flange.</p> <p>The commitment was completed when the Final Safety Analysis Report (FSAR) and TRM were updated. However, under the provisions of 10 CFR 50.59 blind flanges were installed to isolate the containment purge penetration and the FSAR and TRM were not updated. When informed by the auditor, the licensee immediately wrote corrective actions (AR#01127041 and AR#01127042) to address the issue.</p> <p>TRM 3.9.4 updated.</p>	Complete	ML052850005
7	Amendment (220, 226) Heavy Loads	14149	1/12/2006	<p>Other containment penetrations that allow containment atmosphere to communicate with the environment or the Primary Auxiliary Building atmosphere shall be closed.</p> <p>TRM 3.9.4 updated.</p>	Complete	ML052850005

Item No.	Category	RIS ID Number	Commitment Letter/Date	Description of Commitment	Status	ADAMS COMPLETION ACCESSION NO.
8	Amendment (220, 226) Heavy Loads	14135	1/12/2006	The maximum allowable lift height for the RVH (i.e., 26.4 feet above the reactor vessel flange when over fuel) shall not be exceeded. TRM 3.9.4 updated.	Complete	ML052850005
9	Amendment (220, 226) Heavy Loads	14128	1/12/2006	Both SI [safety injection] trains shall be available. TRM 3.9.4 updated.	Complete	ML052850005
10	Amendment (220, 226) Heavy Loads	14129	1/12/2006	Both RHR trains shall be operable. TRM 3.9.4 was updated.	Complete	ML052850005
11	Amendment (220, 226) Heavy Loads	14131	1/12/2006	Technical specification limiting condition for operation (LCO) 3.7.9. "Control Room Emergency Filtration System (CREFS) and LCO 3.3.5 CREFS Actuation Instrumentation," shall be met. TRM 3.9.4 updated.	Complete	ML052850005
12	Amendment (220, 226) Heavy Loads	14133	1/12/2006	One standby emergency power source capable of supplying each 4.16 kV /480V Class 1E safeguards bus on PBNP, Units 1 and 2 shall be operable. TRM 3.9.4 updated.	Complete	ML052850005

Item No.	Category	RIS ID Number	Commitment Letter/Date	Description of Commitment	Status	ADAMS COMPLETION ACCESSION NO.
13	Amendment (220, 226) Heavy Loads	14124	1/12/2006	The license shall incorporate an analysis of the RVH drop into the PBNP FSAR. FSAR Section 14.3.6 updated.	Complete	ML052850005
14	Amendment (220, 226) Heavy Loads	14126	1/12/2006	The licensee will incorporate the PBNP method of NUREG-0612 Phase I compliance into the PBNP FSAR. FSAR Section 14.3.6 updated.	Complete	ML052850005
15	Amendment (220, 226) Heavy Loads	14157	1/12/2006	The programmed and remote reactor vessel inservice inspection device will not be lifted over a core containing fuel assemblies. Procedure "Safe Load Path" Rev 16 was updated.	Complete	ML052850005
16	Amendment (225, 231)	14227	11/22/2005	The licensee will submit a license amendment to revise the 4.16 kV degraded allowed value time delay in technical specification (TS) surveillance requirement (SR) 3.3.4.3 b. Licensee submitted a license amendment and received approval on March 21, 2007.	Complete	ML070600608

Item No.	Category	RIS ID Number	Commitment Letter/Date	Description of Commitment	Status	ADAMS COMPLETION ACCESSION NO.
17	Amendment	14349	11/16/2006	Licensee will submit a license amendment to revise the non-conservative allowed values in TS 3.3.1 and TS 3.3.2 by 12/17/07. Commitment revised by letter dated 8/8/07 to be within 60 days of the notice of availability for Technical Specification Task Force Traveler (TSTF) 493.	Pending	N/A
18	Amendment	14367-14386	12/29/2007	The licensee made 20 commitments in a license amendment request dated 12/29/07. The commitments were made to support an extension of TS3.7.5 completion time, so that the motor-driven auxiliary feedwater pumps could be upgraded. The license amendment is currently under review.	Pending	N/A
19	Bulletin 2003-01	10420		BL-2003-01, Potential Impact of Debris Blockage on Emergency Sump Recirculation at Pressurized Water Reactors. Provide more aggressive cooldown and depressurization following a small-break loss-of-coolant accident (LOCA). The licensee updated Emergency Operating Procedure (EOP) 1.2.	Complete	ML060760116

Item No.	Category	RIS ID Number	Commitment Letter/Date	Description of Commitment	Status	ADAMS COMPLETION ACCESSION NO.
20	Bulletin 2003-01	14231 14232		The licensee will implement the following candidate operator actions: (COA) 5, Refill the refueling water storage tank (RWST) and COA 6, Inject more than one RWST volume. Procedures EOP 1.3 and 1.4, ECA 1.4 updated.	Completed	ML060760116
21	Generic Letter GL 2003-01 Control room Habitability	14353	1/14/08 1/30/08	The licensee will submit a license amendment request to the NRC revising the current accident analysis for PBNP to demonstrate compliance with the dose limits of 10 CFR Part 50 Appendix A, GDC 19 using the alternative source term by August 31, 2007. As part of the submittal the post accident reliance on KI will be addressed. By letter dated 1/30/08 the commitment was changed to the first quarter of 2009 (ML080310556).	Pending	N/A
22	GL 2004-01 Require for Steam generator Tube Inspection		8/30/04	GL-2004-01 required licensees to respond to the staff's request for information to determine whether the licensee's tube inspection program complied with the requirements. The licensee responded by letter dated 10/29/04. By letter dated 7/27/05 the NRC closed out GL 2004-01.	Complete	ML051940594
23	QA Topical report	14390	4/15/08	The FPL QATR will be adopted and implemented at Point Beach Nuclear Plant by August 22, 2208.	Pending	N/A

Point Beach Nuclear Plant, Units 1 and 2

cc:

Licensing Manager
FPL Energy Point Beach, LLC
6610 Nuclear Road
Two Rivers, WI 54241

Mr. Ken Duveneck
Town Chairman
Town of Two Creeks
13017 State Highway 42
Mishicot, WI 54228

Resident Inspector's Office
U.S. Nuclear Regulatory Commission
6612 Nuclear Road
Two Rivers, WI 54241

Chairman
Public Service Commission of Wisconsin
P.O. Box 7854
Madison, WI 53707-7854

Mr. J. A. Stall
Senior Vice President and
Chief Nuclear Officer
FPL Group
P. O. Box 14000
Juno Beach, FL 33408-0420

Mr. Antonio Fernandez
Senior Attorney
FPL Energy, LLC
P. O. Box 14000
Juno Beach, FL 33408-0420

Mr. Mano Nazar
Senior Vice President and
Nuclear Chief Operating Officer
FPL Energy, LLC
P. O. Box 14000
Juno Beach, FL 33408-0420

Mr. R. S. Kundalkar
Vice President
Nuclear Technical Services
FPL Energy, LLC
P. O. Box 14000
Juno Beach, FL 33408-0420

J. Kitsemel
Electric Division
Public Service Commission of Wisconsin
P. O. Box 7854
Madison, WI 53707-7854

Mr. M. S. Ross
Managing Attorney
FPL Energy, LLC
P. O. Box 14000
Juno Beach, FL 33408-0420

December 2007