July 29, 2008

Chris L. Burton, Vice President
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Post Office Box 165, Mail Code: Zone 1
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SUBJECT: SHEARON HARRIS NUCLEAR POWER PLANT, UNIT 1 — AUDIT OF THE LICENSEE'S MANAGEMENT OF REGULATORY COMMITMENTS (TAC NO. MD8759)

Dear Mr. Burton:

In Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," dated September 21, 2000, the U.S. Nuclear Regulatory Commission (NRC) informed licensees that the Nuclear Energy Institute (NEI) document NEI 99-04, "Guidelines for Managing NRC Commitment Changes," contains acceptable guidance for controlling regulatory commitments, and encouraged licensees to use the NEI guidance or similar administrative controls to ensure that regulatory commitments are implemented and that changes to the regulatory commitments are evaluated and, when appropriate, reported to the NRC.

The NRC Office of Nuclear Reactor Regulation has instructed its staff to perform an audit of licensees' commitment management programs once every 3 years to determine whether the programs are consistent with the industry guidance in NEI 99-04, and to ensure that the regulatory commitments are being effectively implemented.

An audit of the Shearon Harris Nuclear Power Plant, Unit 1 (HNP), commitment management program was performed at the plant site in New Hill, North Carolina, between June 9, 2008, and June 11, 2008. The NRC staff concludes, based on the audit, that HNP (1) 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. Please contact me at (301) 415-3178 if you have questions.

Sincerely,

/RA/

Marlayna Vaaler, Project Manager
Plant Licensing Branch II-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-400

Enclosure: Audit Report

cc w/enclosure: See next page

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AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION

LICENSEE MANAGEMENT OF REGULATORY COMMITMENTS

SHEARON HARRIS NUCLEAR POWER PLANT, UNIT 1

DOCKET NO. 50-400

1.0 INTRODUCTION AND BACKGROUND

In Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," dated September 21, 2000, the U.S. Nuclear Regulatory Commission (NRC) informed licensees that the Nuclear Energy Institute (NEI) document NEI 99-04, "Guidelines for Managing NRC Commitment Changes," contains acceptable guidance for controlling regulatory commitments, and encouraged licensees to use the NEI guidance, or similar administrative controls, to ensure that regulatory commitments are implemented and that changes to the regulatory commitments are evaluated and, when appropriate, reported to the NRC.

The NRC Office of Nuclear Reactor Regulation (NRR) has instructed its staff to perform an audit of licensees' commitment management programs once every 3 years to determine whether the programs are consistent with the industry guidance in NEI 99-04, and to ensure that the regulatory commitments are being effectively implemented.

NEI 99-04 defines a "regulatory commitment" as 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. NRR guidelines direct the NRR Project Manager 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, relief requests, exemptions, etc.) and activities (bulletins, generic letters, etc.). The audit is to be performed every 3 years.

2.0 AUDIT PROCEDURE AND RESULTS

An audit of the Shearon Harris Nuclear Power Plant, Unit 1 (HNP), commitment management program was performed at the plant site in New Hill, North Carolina, between June 9, 2008, and June 11, 2008. The audit reviewed commitments made since the last regulatory commitment audit, which took place in Spring 2004. The audit consisted of two major parts: (1) verification of the licensee's implementation of NRC commitments that have been completed and (2) verification of the licensee's program for managing changes to NRC commitments.

Enclosure

2.1 Verification of Licensee's Implementation of NRC Commitments

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

2.1.1 Audit Scope

The audit addressed a sample of commitments made during the review period. The audit focused on regulatory commitments (as defined above) made in writing to the NRC as a result of past licensing actions (amendments, exemptions, etc.) or licensing activities (bulletins, generic letters, etc.). Commitments made in Licensee Event Reports or in response to Notices of Violation may be included in the sample, but the review will be limited to verification of restoration of compliance, not the specific methods used. Before the audit, the NRC staff searched the Agencywide Documents Access and Management System (ADAMS) for the licensee's submittals during in the last several years and selected a representative sample for verification. The selection of the sample list covered a variety of systems, disciplines and licensing actions important to the NRC staff's decision-making process. This list also included commitment changes.

The licensee was asked to provide a list of regulatory commitments related to licensing actions from its commitment management system. The NRC staff again ensured that the selected sample 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, engineering changes, or other plant documents). The Audit Summary table lists the commitments selected for this audit.

The audit excluded the following types of commitments that are internal to licensee processes:

(1) Commitments made on the licensee's own initiative among internal organizational components.

(2) Commitments that pertain to milestones of licensing actions/activities (e.g., respond to an NRC request for additional information by a certain date). Fulfillment of these commitments was indicated by the fact that the subject licensing action/activity was completed.

(3) Commitments made as an internal reminder to take actions to comply with existing regulatory requirements such as regulations, technical specifications (TSs), and updated final safety analysis reports (UFSARs). Fulfillment of these commitments was indicated by the licensee having taken timely action in accordance with the subject requirements.

2.1.2 Audit Results

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, in order to assess the implementation of the regulatory commitment, including the completion status. For the sample of commitments selected for the audit, the NRC staff found that the licensee had adequately captured all of the regulatory commitments in their PassPort© system, which is a data management and tracking tool. The review of the sample commitments in the PassPort© database reflected their status consistent with the commitment program. The attached Audit Summary table provides details of the audit and its results.

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

The primary focus of this part of the audit is to verify that the licensee has established administrative controls for modifying or deleting commitments made to the NRC. The NRC staff compared the licensee's process for controlling regulatory commitments to the guidelines in NEI 99-04, which the NRC has found to be an acceptable guide for licensees to follow for managing and changing commitments. The process used at HNP is contained in REG-NGGC-0110, "Regulatory Commitments."

The audit reviewed a sample of commitment changes that included changes that were or will be reported to the NRC, and changes that were not or will not be reported to the NRC. The audit also verified that HNP's commitment management system includes a mechanism to ensure traceability of commitments following initial implementation. This ensures that licensee staff personnel are able to recognize that future proposed changes to the affected design features or operating practices require evaluation in accordance with the commitment change control process.

2.2.1 Audit Results

REG-NGGC-0110 includes the following statements, which provide guidance to the licensee that is consistent with the intent of NEI 99-04, and ensure that HNP is appropriately implementing regulatory commitments, as well as tracking changes to the commitments:

> In the case where a third party (e.g., NEI, an owners group, or another organization) has been authorized to make Regulatory Commitments on behalf of the Licensee, the affected Licensee shall ensure that statements represented as Regulatory Commitments are appropriately documented and are subsequently managed in accordance with REG-NGGC-0110.
>
> Docketed correspondence containing action items shall also contain an explicit statement concerning the existence of any Regulatory Commitment.
>
> Once made, Regulatory Commitments shall be considered non-discretionary and shall be changed only as described in REG-NGGC-0110.
>
> Each Regulatory Commitment shall be captured in a PassPort© Action Request (AR).

Appropriate actions to implement Regulatory Commitments shall be captured in a PassPort© Action Tracking Assignment.

Once accepted, any action inherent to the successful implementation of a Regulatory Commitment shall be considered non-discretionary and shall only be changed as described in REG-NGGC-0110.

The Responsible Licensing Supervisor, or designee, shall ensure the accuracy of any implicit or explicit re-statement of a Regulatory Commitment in docketed correspondence received from the NRC to ensure that written or oral communication has not been misconstrued.

Except for “discretionary enforcement” situations, advise the NRC that an oral statement to take a certain action represents an intent to make a Regulatory Commitment but does not constitute a Regulatory Commitment until submitted by the Licensee in writing on the docket.

An Assignment associated with a Regulatory Commitment must include appropriate reference to implementing documentation to provide traceability for the Regulatory Commitment.

The Responsible Licensing Supervisor, or designee, shall consider the need to incorporate the Regulatory Commitment into an NRC mandated licensing basis document such as the UFSAR, Quality Assurance Program, Emergency Plan, Security Plan, Fire Protection Program, etc.

If it becomes apparent that an Assignment cannot be implemented as described by the due date, the responsible individual/group shall promptly contact the Responsible Licensing Supervisor, or designee, with a proposed revision.

If a Regulatory Commitment is not implemented as described by the due date or if non-compliance with Regulatory Commitment occurs, the Responsible Licensing Supervisor, or designee, shall initiate a Nuclear Condition Report, and, if necessary, notify the NRC.

When notified of the need to change a Regulatory Commitment, the Responsible Licensing Supervisor, or designee, shall ensure an Assignment is initiated to the individual/group that includes a Regulatory Commitment Change Evaluation,

The Responsible Licensing Supervisor, or designee, shall review the Regulatory Commitment Change Evaluation, including any necessary supporting documents, and verify the actions that need to be taken based on the results.

As appropriate, the Responsible Licensing Supervisor, or designee, shall record the basis for authorizing or not authorizing the change, as well as submit docketed correspondence and capture the revised Regulatory Commitment.

The Responsible Licensing Supervisor, or designee, may also authorize revision of the scope or committed date for a Regulatory Commitment based on related correspondence submitted to the NRC.

It may be appropriate to track the reporting of the Regulatory Commitment change(s) consistent with the frequency of the next UFSAR update or biennially.

The Responsible Licensing Supervisor, or designee, shall ensure that any revised Regulatory Commitment, that satisfies the criteria for reportability to the NRC in the Regulatory Commitment Change Evaluation, is included on a summary report of Regulatory Commitment changes which is submitted on a frequency consistent with 10 CFR 50.71(e) UFSAR updates or biennially.

When making changes to procedures or other documents used to implement a Regulatory Commitment, the responsible organization ensures that the changes do not invalidate compliance with the applicable Regulatory Commitment.

When canceling procedures or other documents used to implement a Regulatory Commitment, the responsible organization ensures that the Regulatory Commitment is still being met and is properly referenced in another appropriate document to ensure continued implementation of the Regulatory Commitment.

If the Regulatory Commitment is no longer needed and a change is warranted, the responsible organization may request a change per the guidance in REG-NGGC-0110

In addition, 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 properly addressed each regulatory commitment change selected for this audit and has implemented an effective program to manage commitment changes.

The NRC staff found that REG-NGGC-0110 adequately conforms to the guidance and intent of NEI 99-04 for commitment tracking, the commitment change process, traceability of commitments, and reporting requirements. Discussions with HNP staff confirmed that REG-NGGC-0110 is being implemented in its entirely at the plant, which further supports the NRC staff's conclusion that regulatory commitments are being handled in accordance with the guidance contained in NEI 99-04.

3.0 CONCLUSION

The NRC staff concludes, based on the above audit, that HBRSEP (1) has implemented NRC commitments on a timely basis, and (2) has implemented an effective program for managing NRC commitment changes.

4.0 LICENSEE PERSONNEL CONTACTED FOR THIS AUDIT

Dave Corlett	Supervisor - Licensing and Regulatory Programs
Kara Stacy	Licensing Engineer
Tony Zimmerman	Licensing Engineer
Mike Wallace	Licensing Engineer

Principal Contributor: Marlayna Vaaler

Attachment: Summary of Audit Results

AUDIT OF CAROLINA POWER AND LIGHT COMPANY

MANAGEMENT OF REGULATORY COMMITMENTS

AT THE SHEARON HARRIS NUCLEAR POWER PLANT, UNIT 1

PERFORMED JUNE 9 - 11, 2008

LIST OF COMMITMENTS INCLUDED IN THE AUDIT

No.	Category	Action Request No.	Letter No.	Letter Date & Completion Date	Commitment	Completion Notes
1	Regulatory Correspondence on Generic Letter 2003-01	112605	HNP 04-148	10/29/2004 12/31/2004	HNP will resolve the degraded condition [related to control room habitability] in accordance with GL 1991-18, Revision 1 by December 31, 2004	EC 56215 was implemented to correct the condition and fulfill the commitment; subsequently cancelled due to being superseded by preparations for TSTF-448
2	Regulatory Correspondence on Generic Letter 2003-01	112605	HNP 07-103	7/26/2007 1/16/2008	HNP will submit a LAR that will include a new TS SR to determine inleakage in accordance with an CRE Integrity Program; a new section will be added to TS Section 6.8 that will specify the scope of the program, which will rely on the use of tracer gas inleakage testing	The original commitment was made in the original GL 2003-01 response; committed date was changed using the appropriate procedure and screening method; LAR for TST-448 was submitted by the revised committed date and is under NRC review
3	Licensee Event Report 2005-01	149472	HNP 05-037	3/28/2005 5/15/2006	Implement an engineering change to eliminate the single failure vulnerability [in the RABEES] by the end of Refueling Outage 13	Procedure OP-172, Revision 31 was changed to correct the single failure vulnerability; HNP also completed a Significant Adverse Condition Investigation Report and a Reportability / Past Operability Determination

Attachment

No.	Category	Action Request No.	Letter No.	Letter Date & Completion Date	Commitment	Completion Notes
4 - 6	Licensee Event Report 2002-04	80340	N/A – LER discusses unanalyzed conditions due to inadequate separation of circuits	Multiple revisions of LER and committed dates	Complete a validation of the HNP safe shutdown analysis by 6/30/2006 Restore the conditions identified in Matrix 1 to compliance by design changes or other NRC approved methods by 5/13/2006 Restore the conditions identified in Matrix 2 to compliance by design changes or other NRC approved methods by the end of Refueling Outage 16	The committed actions were completed within the agreed upon timeframe The actions identified in Matrix 2 are still underway and are being tracked accordingly HNP has also completed a Significant Adverse Condition Investigation Report and a Reportability / Past Operability Determination for the majority of conditions
7-10	Regulatory Correspondence on Mitigating Alloy 82/182 Issues	204826	HNP 07-026	2/27/2007 Various	Mitigate Alloy 82/182 welds with overlays Monitor RCS leakage on an enhanced basis in the interim Commitment to take various actions if RCS leakage increases Report any actions taken to NRC	Procedure OPT-9002T, “Enhanced Leakage Monitoring,” was put in place to address two of these commitments The remaining commitments were addressed by a subsequent relief request that allowed an alternative to ASME requirements for weld overlay repairs, verification by inspection that the weld overlays were successful, and CAL closure

No.	Category	Action Request No.	Letter No.	Letter Date & Completion Date	Commitment	Completion Notes
11 & 12	Relief Request for Alternative Requirements for Weld Overlay Repairs	N/A	HNP 07-041	5/14/2007 Various	HNP will submit the following information to the NRC within 14 days of completing the final ultrasonic examinations of the completed weld overlays: 1) exam results, 2) disposition of all indications, and 3) a discussion of any repairs to the weld overlay HNP will submit to the NRC a stress analysis summary demonstrating that the pressurizer nozzles will perform their intended design function prior to startup from RFO-14	Both sets of information were completed and submitted to the NRC within the committed timeframe, successfully closing the commitment
13	Licensee Event Report 2007-02	225187	HNP 07-110	8/13/2007 8/23/2007 & Ongoing Tracking	Establish a structured program of card replacements and ensure the appropriate equivalency evaluations are completed; ensure PM is implemented on appropriate cards	The card replacement schedule was established and followed – repairs completed by 8/23/2007; tracking of PM implementation is in progress and will be completed by Refueling Outage 16 NOTE – it was discovered that this was an internal commitment, marked incorrectly in the LER
14 & 15	Regulatory Correspondence on Generic Letter 2008-01	270886	HNP 08-047	5/9/2008 Pending Completion	HNP will complete walkdowns and ultrasonic examinations of inaccessible piping at locations potentially susceptible to gas accumulation for systems within the scope of GL 2008-01 HNP will submit a supplemental response within 90 days following completion of RFO-15	Both actions have been entered and are being tracked in the PassPort system under the AR 270886 series of assignments and have been given appropriate due dates consistent with the intent/scope of GL 2008-01