



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
WASHINGTON, D.C. 20555-0001

October 21, 2009

Mr. Ashok Bhatnagar  
Senior Vice President  
Nuclear Generation Development  
and Construction  
6A Lookout Place  
1101 Market Street  
Chattanooga, TN 37402-2801

**SUBJECT: WATTS BAR NUCLEAR PLANT, UNITS 1 AND 2 – AUDIT OF THE  
LICENSEE'S MANAGEMENT OF REGULATORY COMMITMENTS  
(TAC NO. ME2291)**

Dear Mr. Bhatnagar:

In Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC [U. S. Nuclear Regulatory Commission] Staff," dated September 21, 2000, the 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 encourages 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 licensees' programs are consistent with the industry guidance in NEI 99-04, and that regulatory commitments are being effectively implemented.

An audit of Watts Bar's commitment management program was performed at the Watts Bar site during the period October 5 - 7, 2009. The NRC staff concludes, based on the audit, that (1) Watts Bar has implemented NRC commitments on a timely basis, and (2) has generally implemented an effective program for managing NRC commitment changes. Details of the audit are set forth in the enclosed audit report.

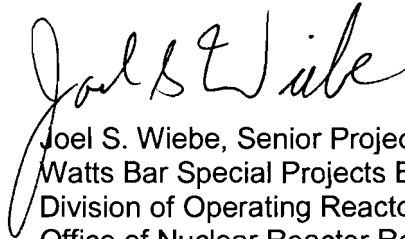
One example was found where the NRC was not notified of an implementation date change for a commitment to a Bulletin. When pointed out to your staff, a Problem Evaluation Report was issued.

A. Bhatnagar

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The NRC staff has no additional questions regarding this example.

Sincerely,

A handwritten signature in black ink, reading "Joel S. Wiebe". The signature is written in a cursive style with a large, looping initial "J".

Joel S. Wiebe, Senior Project Manager  
Watts Bar Special Projects Branch  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation

Docket Nos. 50-390 and 50-391

Enclosure: Audit Report

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AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION

LICENSEE MANAGEMENT OF REGULATORY COMMITMENTS

WATTS BAR NUCLEAR PLANT, UNIT NOS. 1 AND 2

DOCKET NOS. 50-390 AND 50-391

1.0 INTRODUCTION AND BACKGROUND

In Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC [U. S. Nuclear Regulatory Commission] Staff," dated September 21, 2000, the 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 encourages 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 licensees' programs are consistent with the industry guidance in NEI 99-04, and that 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, reliefs, 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 Watts Bar commitment management program was performed at the Watts Bar plant site during the period October 5 - 7, 2009. The audit reviewed commitments made since the previous audit on in May 2006. The previous audit only considered Unit 1 commitments. 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. It 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 for the licensee's submittals since the last audit and selected a representative sample for verification.

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, and Updated Final Safety Analysis Reports. 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 attached Audit Summary provides details of the audit and its results. The NRC staff sampled 11 commitments and all sampled commitments were identified in the licensee's commitment tracking system.

## 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 Watts Bar is contained in Standard Programs and Processes (SPP) 3.3, "NRC Commitment Management." 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 verifies that the licensee's commitment management system includes a mechanism to ensure traceability of commitments following initial implementation. This ensures that licensee 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

The attached Audit Summary also provides details of this portion of the audit and its results. The NRC staff found one example where the NRC was not notified of an implementation date change for a commitment to a Bulletin. When pointed out to your staff, a Problem Evaluation Report was issued. The NRC staff has no additional questions regarding this example. The NRC staff found that SPP-3.3 requirements are consistent with the guidance contained in NEI 99-04.

### 3.0 CONCLUSION

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

### 4.0 LICENSEE PERSONNEL CONTACTED FOR THIS AUDIT

Tom Metzler  
Gordon Arent

Principal Contributors: Joel Wiebe and Justin Heinley

Attachment: Summary of Audit Results

## AUDIT SUMMARY

### IMPLEMENTATION OF COMMITMENTS:

The following commitments were reviewed:

Description	Licensee No.	ADAMS Reference	Comments
<b>Unit 2</b>			
TVA has performed calculations of the safety significance evaluation that determined that complete penetration welds are not required for any of the welded ductwork installed. However, TVA has revised design drawings and other applicable documents to require full penetration welds for all future installations.	NCO-0870125013	None	Inspection Report Indicated Commitment was closed.  ML072610417
Change safety valve internals from water to steam.	NCO-850386002	None	Commitment remains open.
Nuclear Engineering Procedure NEP-3.3, "Internal Interface Control," issued to provide improved interface control among design organizations.	NCO-870125032	None	Inspection Report Indicated NEP-3.3 should provide improved interface control.  ML072530692
<b>Unit 1</b>			
The UFSAR will be revised to require the Emergency Diesel Generator jacket water heat exchangers to be cleaned once each spring.	NCO-060012001	ML061310178	Withdrawn by letter to NRC dated July 20, 2007.
TVA will perform a self-assessment on Access Authorization and adherence to Behavior Observation Program by the end of the 4 <sup>th</sup> quarter of 2008.	NCO-10092575	ML080440412	None. Commitment rescheduled without informing NRC. Problem Evaluation Report (PER) 203941 Issued.
A modification is planned to replace the affected cables with cables that minimize the temperature induced current phenomenon.	NCO-060018001	ML062190296	Closed to LER 2006-007

Attachment

Description	Licensee No.	ADAMS Reference	Comments
Volumetric examinations of WBN Unit 1 unmitigated pressurizer Alloy 600/82/182 butt welds will be performed at a frequency of no more than 4 years between exams until the welds have been mitigated.	NCO-070006001	ML070660025	Verified that examinations are scheduled.  Action #NCO-070006001-1
Details of the volumetric examination results including any corrective or mitigative actions taken for each unmitigated weld examined will be reported to the NRC within 60 days of WBN Unit 1 restart.	NCO-070010001	ML070660025	Verified that results were reported as required by letter to the NRC dated February 27, 2007.
The actions to replace the Min-K insulation and add additional restraint bands will be completed during the Unit 1 Cycle 8 Outage.	NCO-070015001	ML072150109	Verified completed by review of completed design change request.  DCN 52226-A
Sequoyah and Watts Bar will revise the back-up generator procedure(s) to include supplying one train of containment hydrogen igniters per unit, and train personnel to the procedure revision, by December 31, 2007.	NCO-070008001	ML070670149	Verified completed by review of procedure MA-1 Revision 3 and training materials 3-OT-B5b.
TVA intends to perform preliminary evaluations by October 11, 2008. These evaluations may identify confirmatory walkdowns that are best performed during prolonged outages.	NCO-080023001	ML081360101	Verified completed by review of letter to NRC dated October 11, 2008.

#### MANAGEMENT OF CHANGES TO REGULATORY COMMITMENTS:

During the audit, it was noted that the commitment to perform a self-assessment on Access Authorization and adherence to Behavior Observation Program by the end of the 4<sup>th</sup> quarter of 2008 was not performed as committed. The licensee had identified the failure to implement the commitment and had documented the failure with Problem Evaluation Report 159953. The auditor informed the licensee that procedure SPP-3.3 was not followed in that the NRC was not

informed of the rescheduled commitment. The licensee documented the failure to inform the NRC in a Problem Evaluation Report. The NRC staff has no further questions regarding this item.



A. Bhatnager

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The NRC staff has no additional questions regarding this example.

Sincerely,

/RA/

Joel S. Wiebe, Senior Project Manager  
Watts Bar Special Projects Branch  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation

Docket Nos. 50-390 and 50-391

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