



UNITED STATES
NUCLEAR REGULATORY COMMISSION
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October 29, 2009

Mr. Mark J. Ajluni
Manager, Nuclear Licensing
Southern Nuclear Operating Company, Inc.
40 Inverness Center Parkway
P.O. Box 1295
Birmingham, Alabama 35201

SUBJECT: EDWIN I. HATCH NUCLEAR PLANT, UNIT NOS. 1 AND 2 - AUDIT OF
SOUTHERN NUCLEAR OPERATING COMPANY, INC.'S (SNC),
MANAGEMENT OF REGULATORY COMMITMENTS (TAC NOS. ME1630 AND
ME1631)

Dear Mr. Ajluni:

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 licensees' programs are consistent with the industry guidance in NEI 99-04, and that regulatory commitments are being effectively implemented.

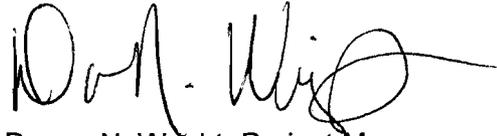
An audit of the Edwin I. Hatch Nuclear Plant, Units 1 and 2 (Hatch), commitment management program was performed at the plant site during the period of July 14 -16, 2009. The NRC staff concludes, based on the audit, SNC had implemented NRC commitments on a timely basis.

M. Ajluni

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However, the NRC staff also identified that SNC's process to document and manage NRC regulatory commitment changes could better align with the guidance contained in NEI 99-04. Details of the audit are set forth in the enclosed audit report.

Sincerely,

A handwritten signature in black ink, appearing to read "Donna N. Wright". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Donna N. Wright, Project Manager
Plant Licensing Branch II-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-321 and 50-366

Enclosure: Audit Report

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AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION

LICENSEE MANAGEMENT OF REGULATORY COMMITMENTS

EDWIN I. HATCH NUCLEAR PLANT UNITS 1 AND 2

DOCKET NOS. 50-321 AND 50-366

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 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 Edwin I. Hatch Nuclear Plant, Units 1 and 2 (Hatch), commitment management program was performed at the plant site during the period of July 14 -16, 2009. The audit reviewed commitments made since the previous audit on March 23, 2006. 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.

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.

Enclosure

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.). Before the audit, the NRC staff searched ADAMS 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 (TSs), 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 reviewed documents generated by the licensee for the commitments listed in Table 1. After identification, most commitments were managed through the action item process. The NRC staff found that SNC was able to identify the regulatory commitments contained within the licensing actions selected for this audit and provided documentation of the status of the commitment implementation.

While the NRC staff's audit of SNC's commitment management program for Hatch did not identify any regulatory commitments that were not satisfied, the NRC staff identified limitations in the process used to manage regulatory commitments. The licensee indicated that it does not enter the commitments until the licensee's request is approved by the NRC staff, such as issuance of an amendment, approval of the relief request, or exemptions, etc. The NRC staff recommends that the licensee enter all commitments into the system when they are submitted to the NRC, and close them either because they have been implemented, withdrawn, or the licensing request was not approved by the NRC. This action would ensure that commitments not yet implemented have been captured in an effective program for future implementation.

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 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 process used at Hatch is contained in procedure 00AC-REG-002-0, "Commitment Identification and Tracking System." Although the NRC staff did not identify any major deficiencies in commitments that were modified or deleted, the licensee's procedure did not detail the threshold of when prior NRC approval is needed for making changes (i.e., modifications, deletions) to regulatory commitments. The licensee did not have a dedicated record that included changes that were or will be reported to the NRC, nor changes that were not or will not be reported to the NRC. The licensee's procedure did not detail the justification for either path. When determining prior approval and reporting options, the licensee should evaluate the commitments in terms of safety and regulatory significance. For those commitments that are reported to the NRC, the licensee's procedure did not discuss the frequency at which changes are reported (e.g., individually, annually, or with the FSAR update submittals). The licensee stated that they are currently developing a fleet-wide procedure for commitment management, and that the resulting revision to the commitment management process would consider and better align with the guidance in NEI 99-04.

Condition Report 2009109184 was written to document the weaknesses discussed with the licensee regarding the commitment change considerations and the tracking and implementation improvements needed. Planned corrective actions involve a change to the commitment management procedure, 00AC-REG-002, as an interim measure until the SNC fleet procedure can be developed and implemented.

3.0 CONCLUSION

The NRC staff concludes that, based on the above findings, (1) SNC identified the regulatory commitments contained within the licensing actions selected for this audit and was able to document the status of the commitment implementation; (2) SNC's commitment management program could be improved in the area of tracking commitments with future implementation; (3) the NRC staff could not confirm that SNC has established a well-defined process for managing commitment changes.

4.0 LICENSEE PERSONNEL CONTACTED FOR THIS AUDIT

E. Perkins
S. Tipps

Principal Contributors: D. Wright, NRR
J. Arce, NRR

Attachment: Summary of Audit Results

AUDIT SUMMARY

Sample Commitments for Hatch 1 & 2 - July 2009

SNC'S Submittal	Regulatory Issue	Commitment	Scheduled Completion Date (Type)	Status
2/17/06 NL-05-1699 ML060520069	Application for Technical Specification Amendment to Add LCO 3.0.8 on the Inoperability of Snubbers Using the Consolidated Line Item Improvement Process	SNC will establish the Technical Specification Bases for LCO 3.0.8 (and renumber existing LCO 3.0.8 to LCO 3.0.9 for VEGP) as adopted with the applicable license amendments for HNP.	90 days following NRC approval of LAR	Closed
8/29/06 NL-06-1637 ML062490239 ML062490255	Request to Implement an Alternative Source Term	1) Cable spreading room fan logic will be modified to automatically trip supply and exhaust fans on initiation of pressurization mode in the main control room. 2) Units 1 and 2 Turbine Building MCCs credited in the analyses will be walked down to validate their seismic characteristics.	1) 12/31/07 2) 5/31/08 (one-time actions)	Closed
6/5/07 NL-07-0731 ML071560598	Application for Technical Specification Improvement to Revise Control Rod Scram Time Testing Frequency	Plant Hatch will incorporate the revised slow control rod acceptance criteria of 7.5 percent into the TS Bases. This change will be incorporated in accordance with the Bases Control Program described in TS section 5.5.14.	Upon implementation of the TS change (Continuing)	Closed
8/14/07 NL-07-1155 ML072280298 ML072280301	Proposed Modification of the Unit 1 Core Shroud Stabilizer Assemblies	Perform a post-modification inspection prior to RPV reassembly, including a general post-maintenance visual inspection and recording of the fit of the shroud hardware onto the shroud to confirm that there are no interferences at the support locations and that the installation is in accordance with the requirements of the modification drawings and the GE installation specification 26A7163. This inspection shall include, as a minimum, those inspections described in Section 7.2.1 (items a through f).	Following the modification during the 1RF023 outage scheduled for February 2008.	Closed

<p>10/3/2007 NL-07-1709 ML072820527</p>	<p>Technical Specifications Revision Request to Adopt TSTF-476 Improved BPWS Control Rod Insertion Process</p>	<p>1) Changes will be made to operational procedures to ensure that before reducing power to the low power setpoint (LPSP), operators shall confirm control rod coupling integrity for all rods that are fully withdrawn. Control rods that have not been confirmed coupled and are in intermediate positions must be fully inserted prior to power reduction to the LPSP. If shutdown is required and all rods which are not confirmed coupled cannot be fully inserted prior to the power dropping below the LPSP, then the original standard BPWS must be adhered to.</p> <p>2) Changes will be made to operational procedures to ensure that after power drops below the LPSP, rods may be inserted from notch position 48 to notch position 00 without stopping at intermediate positions. However, it is recommended that control rods be inserted in the same order as specified for the original/standard BPWS as much as possible. When in the process of shutting down following improved BPWS with the power below the LPSP, no control rod shall be withdrawn unless the control rod pattern is in compliance with standard BPWS requirements.</p>	<p>Before Implementation (Continuing)</p>	<p>Closed</p>
<p>10/18/07 NL-07-0894 ML072910399</p>	<p>Request to Implement an Alternative Source Term Response to RAI Regarding the Power Sources for the Turbine Building Ventilation System</p>	<p>Provide alternate safety related power supply to HNP Units 1 and 2 TB ventilation exhaust systems with a manual switchover.</p>	<p>4/30/2010 (One-time)</p>	<p>Closed</p>
<p>2/26/08 NL-08-0280 ML080570570</p>	<p>Application of a Dissimilar Metal Weld Full-Structural Weld Overlay</p>	<p>1) SNC will report to the NRC (1) the examination results of the weld overlay and (2) a discussion of any repairs to the overlay material and/or base metal and the reason for repair.</p> <p>2) SNC will report to the NRC the results of the stress analysis report, which will include results showing that the requirements of Subarticles NB-3200 and NB-3600 of the ASME Code, Section III are satisfied. The stress analysis will also include results showing that the requirements of IWB-3000 of the ASME Code, Section XI, are satisfied. The results will show that the postulated crack including its growth in the nozzles would not adversely affect the integrity of the overlaid welds.</p>	<p>1) Within 14 days after ultrasonic examination of weld overlay installations</p> <p>2) Within 90 calendar days of the completion of the refueling outage</p> <p>(one-time)</p>	<p>Closed</p>

M. Ajluni

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However, the NRC staff also identified that SNC's process to document and manage NRC regulatory commitment changes could better align with the guidance contained in NEI 99-04. Details of the audit are set forth in the enclosed audit report.

Sincerely,

/RA/

Donna N. Wright, Project Manager
Plant Licensing Branch II-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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NRR-106

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