



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
1600 EAST LAMAR BLVD  
ARLINGTON, TEXAS 76011-4511

June 11, 2012

CAL 4-12-002

David J. Bannister, Vice President  
and Chief Nuclear Officer  
Omaha Public Power District  
Fort Calhoun Station FC-2-4  
P.O. Box 550  
Fort Calhoun, NE 68023-0550

SUBJECT: CONFIRMATORY ACTION LETTER – FORT CALHOUN STATION

Dear Mr. Bannister:

This letter confirms the actions Omaha Public Power District (OPPD) will take prior to the restart of Fort Calhoun Station. Enclosed is an NRC-developed list of actions that will be completed by the NRC prior to restart of Fort Calhoun Station. The purpose of the Restart Checklist is to verify that the issues that resulted in the prolonged performance decline at Fort Calhoun Station are resolved. The Restart Checklist includes an assessment of each of the key attributes described in NRC Inspection Procedure 95003, "Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs or One Red Input." The scope of the items in the Restart Checklist will ensure the facility can be safely operated if restart is approved. OPPD has committed to complete specific actions listed in the Restart Checklist.

On December 13, 2011, the NRC informed you via letter<sup>1</sup> that Fort Calhoun Station transitioned to IMC 0350, "Oversight of Reactor Facilities in a Shutdown Condition due to Significant Performance and/or Operational Concerns." The IMC 0350 process was implemented at Fort Calhoun Station when the entry conditions were met. These conditions included the plant being in an extended shutdown with significant performance problems, and a significant operational event involving a fire in safety-related electrical switchgear on June 7, 2011.

The NRC recognizes that OPPD initiated a comprehensive review at Fort Calhoun Station to identify the causes for performance issues, identify and review the extent of cause and extent of condition related to these performance issues to fully understand the breadth of performance issues at Fort Calhoun Station, and implement corrective actions to address these performance issues. In addition, OPPD continues to assess any long term flooding effects from the 2011 Missouri River flood on Fort Calhoun Station systems, structures, and components.

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<sup>1</sup> Agencywide Document Access and Management System (ADAMS) Accession No. ML113470721

On September 2, 2011, the NRC issued Confirmatory Action Letter (CAL) 4-11-003.<sup>2</sup> CAL 4-11-003 required OPPD to complete post-flooding recovery actions and other items important for restart of the facility. This CAL incorporates all the actions required by CAL 4-11-003. Additionally, this CAL expands the scope of required activities to resolve the underlying performance issues at the facility that were discovered after CAL 4-11-003 was issued. CAL 4-12-002 supersedes CAL 4-11-003, therefore CAL 4-11-003 is closed. These letters and other materials associated with IMC 0350 oversight of the Fort Calhoun Station are available at <http://www.nrc.gov/info-finder/reactor/fcs/special-oversight.html>.

The actions described in this CAL are based on commitments made through discussions between OPPD and NRC staff during public meetings, onsite inspections, and oversight activities. In a phone conversation on June 8, 2012, I confirmed with you the commitments described below. This CAL confirms that Fort Calhoun Station will not operate above Hot Shutdown Condition (Operating Mode 3), as defined by technical specifications, until the NRC has completed its review of your actions listed below:

1. OPPD will identify the causes and implement corrective actions to address the safety significant NRC inspection findings listed in Items 1.a through 1.d of the Restart Checklist.
2. OPPD will conduct a third-party safety culture assessment (Restart Checklist Item 1.e) and an integrated organizational effectiveness assessment (Restart Checklist Item 1.f) at Fort Calhoun Station and implement actions to address the results of these assessments.
3. OPPD will submit an updated Flood Recovery Plan to the NRC (Restart Checklist Item 2). That plan will include an assessment of the long term flooding at Fort Calhoun Station on plant systems, structures, and components and the basis for their readiness for restart.
4. OPPD will assess the Fort Calhoun Station programs and processes listed in Restart Checklist Item 3 to verify that they are adequate to support safe plant operation.
5. OPPD will submit the Integrated Performance Improvement Plan to the NRC (Restart Checklist Item 4). Additionally, OPPD will implement the Integrated Performance Improvement Plan and provide a schedule for completing the plan's actions.
6. OPPD will inform the NRC in writing of the results related to CAL actions 1 through 5 listed above.

This CAL will remain in effect until the NRC has (1) reviewed your response to the actions above, including responses to staff's questions and the results of your evaluations, and (2) provided written correspondence that the staff has concluded that OPPD has satisfactorily addressed the performance issues at the site.

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<sup>2</sup> ADAMS Accession No. ML112490164

Issuance of this CAL does not preclude the issuance of an order formalizing the above commitments or requiring other actions on the part of OPPD; nor does it preclude the NRC from taking enforcement actions for violations of NRC requirements that may have prompted the issuance of this letter. Failure to take the actions as described in this CAL may also result in an order if the NRC determines that failure to meet that action would result in a loss of reasonable assurance of adequate protection of public health and safety, and the environment.

Pursuant to Section 182 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2232), you are required to:

1. Notify me immediately if your understanding differs from that set forth above;
2. Notify me if for any reason you cannot complete the actions and your proposed alternatives; and
3. Notify me in writing when you have completed the actions addressed in this Confirmatory Action Letter.

In accordance with 10 CFR 2.390 of the NRC's regulations a copy of this letter, and any response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/readingrm/adams.html> (the Public Electronic Reading Room). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

Please contact Jeff Clark at (817) 200-1147 if you have any questions concerning this letter.

Sincerely,

*/RA/*

Elmo E. Collins  
Regional Administrator

D. Bannister

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Docket No. 50-285  
License No. DPR-40

Enclosure:  
U.S. NRC Manual Chapter 0350 Panel  
Fort Calhoun Station Restart Checklist

cc w/ encl: Electronic Distribution

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File located: R:\\_ REACTORS\ \_FCS\2012\CAL Restart

|  |   |                     |   |                     |     |
|--|---|---------------------|---|---------------------|-----|
| SUNSI Rev Comp                           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | ADAMS               | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Reviewer Initials   | RWD |
| Publicly Avail                           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Sensitive           | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Sens. Type Initials | RWD |
| KEYWORD: 0350 PANEL, FORT CALHON STATION |   |                     |   |                     |     |
| SPE:DRP/F                                | MC 0350 Panel   | C:ORA/ACES          | C:DRP/F   | MC 0350 Panel       |     |
| RDeese                                   | MBalazik  | HGepford            | JClark  | TBlount             |     |
| <b>RDeese</b>                            | <b>MBalazik – E</b>   | <b>HGepford – E</b> | <b>JClark – E</b>   | <b>TBlount – E</b>  |     |
| 5/25/2012                                | 5/30/2012   | 5/30/2012           | 5/29/2012   | 5/25/2012           |     |
| MC 0350 Panel                            | MC 0350 Panel   | MC 0350 Panel       | MC 0350 V. Chmn   | MC 0350 Chmn        |     |
| MMarkley                                 | JKirkland   | LWilkins            | JLubinski   | KKennedy            |     |
| <b>MMarkley – E</b>                      | <b>JKirkland – E</b>  | <b>LWilkins – E</b> | <b>JLubinski – E</b>  | <b>/RA/</b>         |     |
| 5/29/2012                                | 5/29/2012   | 5/30/2012           | 5/29/2012   | 6/6/12              |     |
| RA                                       | D:NRR   |                     |   |                     |     |
| ECollins                                 | ELeeds  |                     |   |                     |     |
| <b>/RA/</b>                              | <b>MBalazik – E</b>   |                     |   |                     |     |
| 6/11/12                                  | 5/31/2012   |                     |   |                     |     |

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# U.S. Nuclear Regulatory Commission Manual Chapter 0350 Panel Fort Calhoun Station Restart Checklist

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| Item Number | Description  | Closure Date |
|-------------|--|--------------|
| <b>1</b>    |  |              |
| 1           | <b>Causes of Significant Performance Deficiencies and Assessment of Organizational Effectiveness</b> |              |
| 1.a         | Flooding Issue – Yellow finding  |              |
| 1.b         | Reactor Protection System contact failure – White finding  |              |
| 1.c         | Electrical bus modification and maintenance – Red finding  |              |
| 1.d         | Security – Greater than green findings   |              |
| 1.e         | Third-Party Safety Culture Assessment  |              |
| 1.f         | Integrated Organizational Effectiveness Assessment   |              |
| <b>2</b>    |  |              |
| 2           | <b>Flood Restoration and Adequacy of Structures, Systems, and Components</b>                         |              |
| 2.a         | Flood Recovery Plan actions associated with facility and system restoration                          |              |
| 2.b         | System readiness for restart following extended plant shutdown                                       |              |
|             |  |              |

|     |   |  |
|-----|---|--|
| 3   | <b>Adequacy of Significant Programs and Processes</b>             |  |
| 3.a | Corrective Action Program   |  |
| 3.b | Equipment design qualifications                                   |  |
| 3.c | Design changes and modifications                                  |  |
| 3.d | Maintenance programs  |  |
| 3.e | Operability process   |  |
| 3.f | Quality assurance   |  |
|     |   |  |
| 4   | <b>Review of Integrated Performance Improvement Plan</b>          |  |
|     |   |  |
| 5   | <b>Assesment of NRC Inspection Procedure 95003 Key Attributes</b> |  |
| 5.a | Design  |  |
| 5.b | Human performance   |  |
| 5.c | Procedure quality   |  |
| 5.d | Equipment performance   |  |
| 5.e | Configuration control   |  |
| 5.f | Emergency response  |  |

|     |   |  |
|-----|---|--|
| 5.g | Occupational radiation safety   |  |
| 5.h | Public radiation safety   |  |
| 5.i | Security  |  |
|     |   |  |
| 6   | <b>Licensing Issue Resolution</b>   |  |
| 6.a | Review of necessary licensing amendments or actions   |  |
| 6.b | Review of licensing commitments necessary for restart   |  |
|     |   |  |
| 7   | <b>Readiness for Restart</b>  |  |
| 7.a | Operations organization ready for restart   |  |
| 7.b | Systems ready for restart and Mode restraints properly addressed                                  |  |
| 7.c | Final review of corrective actions program for restart items                                      |  |
|     |   |  |
| 8   | <b>Confirmatory Action Letter Resolution</b>  |  |
| 8.a | Verification that all restart-related Confirmatory Action Letter items are appropriately resolved |  |
| 8.b | Conduct public meeting regarding plant readiness for restart                                      |  |
|     |   |  |
| 9   | <b>Final Recommendation for Restart</b>   |  |



|     |   |  |
|-----|---|--|
| 9.a | Manual Chapter 0350 Panel recommends restart to Region IV Administrator. Region IV Administrator obtains concurrence for restart from the Deputy Executive Director for Reactor and Preparedness Programs and the Director of the Office of Nuclear Reactor Regulation. |  |
|-----|---|--|