



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

March 19, 2015

Mr. Bryan C. Hanson
Senior Vice President
Exelon Generation Company, LLC
President and Chief Nuclear Officer
Exelon Nuclear
4300 Winfield Road
Warrenville, IL 60555

**SUBJECT: DRESDEN NUCLEAR POWER STATION, UNITS 2 AND 3 - AUDIT OF THE
LICENSEE'S MANAGEMENT OF REGULATORY COMMITMENTS
(TAC NOS. MF5359 AND MF5360)**

Dear Mr. Hanson:

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. The guidance encouraged licensees to use the NEI guidance or similar administrative controls to ensure that regulatory commitments are implemented and changes to the regulatory commitments are evaluated and, when appropriate, reported to the NRC.

The NRC's 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 regulatory commitments are being effectively implemented.

An audit of Dresden Nuclear Power Station's (DNPS's), Units 2 and 3, Commitment Management Program was performed at NRC Headquarters on a part-time basis during the period spanning December 18, 2014, to January 26, 2015. The NRC staff concludes, based on the audit, that (1) DNPS has generally implemented NRC commitments on a timely basis, and (2) has implemented an effective program for managing NRC commitment changes.

B. Hanson

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The details of the audit are set forth in the enclosed audit report.

Sincerely,

A handwritten signature in cursive script that reads "Brenda Mozafari".

Brenda Mozafari, Senior Project Manager
Plant Licensing III-2 and
Planning and Analysis Branch
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-237 and 50-249

Enclosures:

1. Commitment Management Audit Report
2. Audit Summary

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AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION

LICENSEE MANAGEMENT OF REGULATORY COMMITMENTS

DRESDEN NUCLEAR POWER STATION, UNIT NOS. 2 AND 3

DOCKET NOS. 50-237 AND 50-249

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. The guidance encouraged licensees to use the NEI 99-04 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.

Guidance in 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. The Office of Nuclear Reactor Regulation (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 Dresden Nuclear Power Station (DNPS), Units 2 and 3, Commitment Management Program was performed at NRC Headquarters on a part-time basis during the period from December 18, 2014, to January 26, 2015. The audit reviewed commitments made since the previous audit in December of 2011. 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.

2.1.1 Audit Scope

The audit addressed a sample of commitments made during the review period and 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. The NRC staff searched Agencywide Documents Access and Management System (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. As part of this audit, the NRC staff did not do an in-depth verification of commitments concerning Fukushima-related activities. These commitments and their implementation will be inspected and verified in detail by other Agency initiatives.

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 DNPS is contained in Procedure LS-AA-110, Revision 10. 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 enclosed Audit Summary also provides details of the audit results of the licensee's program for managing NRC commitment changes. The NRC staff found that Procedure LS-AA-110, Revision 8, was consistent with the guidance found acceptable in NEI 99-04. The NRC staff found that the licensee followed the process in their procedure.

3.0 CONCLUSION

The NRC staff concludes based on the above audit, that DNPS has implemented NRC commitments on a timely basis. The audit did not identify any instances in which the commitments were not implemented, and the commitments appear to be properly closed.

The NRC staff offers one observation concerning Fukushima-related commitments and activities. The NRC staff found it difficult to account for all of the Fukushima-related commitments due to some being classified as Fleet-wide for Exelon and others being classified as site-specific. In some cases the information included with the site-specific commitments made mention that the commitment was also being tracked as a corporate commitment. The NRC staff sees a small potential that some of the Fukushima-Related commitments could be overlooked given the current classification practice did not appear to be prescriptive on how those types of commitments should be classified.

4.0 LICENSEE PERSONNEL CONTACTED FOR THIS AUDIT

Thomas Griffith
Mitchel Matthews

Principal Contributor: Anthony Minarik

Enclosure: Summary of Audit Results

AUDIT SUMMARY

REVIEW OF COMMENTS FROM PREVIOUS AUDIT

The U.S. Nuclear Regulatory Commission (NRC) staff asked the licensee to provide documentation and reasoning that completed the licensee's evaluation of the staff's comments during the previous audit period. The staff reviewed Issue Report 01303907 that documented the licensee's review of the staff's comment related to the implementation of Commitment CM-1. The licensee's review and conclusion made minor revisions to the procedures to address the staff's comment and concludes that these steps were adequate to resolve the issue.

Additionally, the NRC staff made a comment about the completion dates being set to dates well into the future (e.g., 2029 and 2031). The licensee reviewed this practice and determined it is still appropriate for specific programmatic commitments due to the nature of the tracking software. This allows them to update procedure revisions and other pieces used to implement the commitment without being forced to create new commitments or change the original origination date.

CAPTURING OF NEW COMMITMENTS DURING THE REVIEWED TIMEFRAME:

The NRC staff reviewed a sample of all correspondence between the licensee and the NRC for any commitments that were made but not captured by the licensee. The staff did not find any commitments or correspondence that was not accounted for in the licensee's tracking system. The staff also did not find any modifications to commitments that were agreed to and not properly reported in the licensee submittals communicating commitment revisions or the licensee's tracking system. The staff confirms that for the audit period between 2012 and 2014, the licensee was able to properly track and implement new commitments using their system and existing procedures.

COMMITMENT CHANGES DURING THE REVIEWED TIMEFRAME:

During the reviewed timeframe ending in 2014, the licensee made no changes to any regulatory commitments. The NRC staff reviewed all correspondence and found that no commitments were changed via correspondence that the licensee failed to track.

PROCEDURAL MANAGEMENT OF CHANGES TO THE REGULATORY COMMITMENTS:

Procedure LS-AA-110, "Commitment Management" Revision 10, was reviewed and found to be consistent with the guidance found acceptable in Nuclear Energy Institute (NEI) 99-04.

MANAGEMENT OF COMMITMENTS RELATED TO THE SPECIAL TOPICS:

During the timeframe under review two special topics were addressed by the NRC. First, cyber security programs and implementation milestones were agreed to, and second, the Fukushima Orders were issued and licensee responses received and reviewed. The NRC staff documents this as part of the audit because of the unique challenges these events placed on tracking commitments.

Enclosure 2

In the area of cyber security, the NRC staff informed the licensee as part of its safety conclusions of the Cyber Security Program that the implementation dates were not commitments but could only be changed via license amendments. However, the licensee still utilized its commitment tracking program to track the implementation of these milestone dates. The licensee also clarified in the entry itself that these committed dates could only be changed via license amendment.

LIST OF SPECIFIC DOCUMENTS REVIEWED AND THE COMMITMENT DESCRIPTIONS:

The NRC staff reviewed brief descriptions and correspondence for all of the commitments opened and/or completed during the reviewed timeframe. In addition, the staff looked in detail at the closure documents for three particular commitments and their implementation:

- 1) Passport Commitment Tracking No. 014271546400
Description: Tracking of Commitments Related to Near-term Task Force, Recommendation 2.3, Walkdowns

Other Documents Reviewed: Work Order 1587264

The NRC staff reviewed an overview of the work order to ensure that all aspects of the seismic walkdowns were covered, but because these items will be inspected individually the audit did not go into great detail.

- 2) Passport Commitment Tracking No. 012519380100
Description: Fire Protection Commitments

Other Documents Reviewed: Dresden Fire Protection System (DFPS) 4123-04, Revision 36 and DFPS 4114-06, Revision 45.

During the review of the opened commitments the NRC staff noticed that this commitment was developed by the licensee to address what they determined were previously untracked commitments related to fire protection. While the commitments weren't tracked properly in the tracking management database it is clear from the reviewed procedures that the intent of the commitment was met and implemented by the licensee.

- 3) Passport Commitment Tracking No. 015686770100
Description: Commitment to Walkdown Essential Switchgear after Re-Fueling

Other Documents Reviewed: DOS 6700-04, Revision 01

The licensee committed to inspecting the essential switchgear during refueling outages. The NRC staff reviewed the licensee's procedures to implement this commitment and found them to meet the intent of the commitment. Because this commitment is an ongoing commitment, the completion date is given far into the future and this approach is acceptable to the NRC staff.

B. Hanson

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Sincerely,

/RA/

Brenda Mozafari, Senior Project Manager
Plant Licensing III-2 and
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