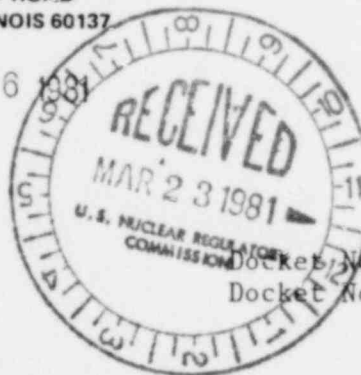




UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

MAR 16 1981



Wisconsin Electric Power Company
ATTN: Mr. Sol Burstein
Executive Vice President
Power Plants
231 West Michigan
Milwaukee, WI 53201

Gentlemen:

This refers to the routine safeguards inspection conducted by Messrs. J. R. Creed and T. J. Madeda of this office on February 10-13, 1981, of activities at the Point Beach Nuclear Plant, Units 1 and 2 authorized by NRC Operating Licenses No. DPR-24 and DPR-27 and to the discussion of our findings with Mr. G. A. Reed and other members of your staff at the conclusion of the inspection.

The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, and interviews with personnel.

During this inspection, certain of your activities appeared to be in noncompliance with NRC requirements, as described in the enclosed Appendix A, and a written response is required. The inspection showed that action has been taken to correct Item 1, which should prevent recurrence. Consequently, no reply is necessary for that item. However, a response is requested for the remaining items.

Areas examined during this inspection concern a subject matter which is exempt from disclosure according to Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Consequently, the enclosure to this letter, our report of this inspection, and your response to the noncompliance identified in the enclosure to this letter will not be placed in the Public Document Room. Therefore, your statement of corrective action regarding the noncompliance identified in the enclosure should be submitted as a separate enclosure to your transmittal letter.

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ATTACHMENT CONTAINS
TO GCR 2.790 INFORMATION

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

C. E. Norelius

C. E. Norelius, Acting Chief
Division of Engineering and
Technical Inspection

Enclosures:

1. Appendix A, Notice of Violation
2. IE Inspection Report No.
50-206/81-03; No. 50-301/81-03
(Part 2.790(d) Information)

cc w/encls:

Mr. G. A. Reed, Manager
Central Files
Reproduction Unit NRC 20b
AEOD
Resident Inspector, RIII

cc w/encls w/o Part 2.790(d)
Information:

PDR
Local PDR
NSIC
TIC
Mr. John J. Duffy, Chief
Boiler Inspector
Mr. Peter Anderson, Wisconsin's
Environmental Decade
Mr. Stanley York, Chairman
Public Service Commission