



Wisconsin Electric POWER COMPANY
231 W. MICHIGAN, P.O. BOX 2046, MILWAUKEE, WI 53201

March 31, 1983

Mr. Harold R. Denton, Director
Office of Nuclear Reactor Regulation
U. S. NUCLEAR REGULATORY COMMISSION
Washington, D. C. 20555

Dear Mr. Denton:

DOCKETS 50-266 AND 50-301
POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2
PETITION OF WISCONSIN'S ENVIRONMENTAL DECADE
PURSUANT TO 10 C.F.R. SECTION 2.206

On February 14, 1983, Wisconsin's Environmental Decade ("WED") filed a petition under 10 C.F.R. 2.206 asking you to issue an order to Wisconsin Electric Power Company ("Licensee"), pursuant to 10 C.F.R. 2.202, to show cause why the operating licenses for the Point Beach Nuclear Plant should not be modified, suspended, or revoked. As the basis for its petition, WED alleges "serious deterioration of operator performance at the facility."

Section 2.206 provides that a person may request the Director of Nuclear Reactor Regulation to institute a Section 2.202 proceeding to modify, suspend, or revoke a license. An order to show cause pursuant to Section 2.202 must allege the "violations with which the licensee is charged, or the potentially hazardous conditions or other facts" which would support the proposed action. WED's petition alleges no new or outstanding violations by Licensee, and does not present or support the existence of any potentially hazardous conditions or other facts which would justify the modification, suspension, or revocation of the Point Beach licenses. There being no basis for the institution of a Section 2.202 proceeding, WED's petition must be denied.

In support of its petition, WED relies primarily on reference to certain findings reported in inspection reports issued by NRC's Office of Inspection and Enforcement. These occurrences are not of major significance, and fall far short of justifying the actions proposed by WED; they certainly do not indicate evidence of "serious deterioration of operator performance." There are several observations which can be made to show how WED has misleadingly reported facts out of context.

YE03

8304050529 830331
PDR ADOCK 05000266
P PDR

The cited occurrences are very small in number when one considers the time period in which they occurred, the magnitude of the total NRC inspection efforts within that time period, and the unusually high level of operational, maintenance, and backfitting activities which were going on during that time. The cited instances occurred between June 1981 and November 1982, a period of about seventeen months. During that period there were two NRC Resident Inspectors assigned to the Point Beach Nuclear Plant. Thirty inspection reports were issued by the NRC, involving more than 3,500 on-site inspector hours. Over 500 items had been inspected during that period, involving all aspects of plant operations.

During the seventeen-month period approximately 900,000 man-hours were expended by Point Beach and contractor personnel for day-to-day routine and specialized operations, maintenance, and backfitting. Also during this time period, Point Beach underwent three refueling and steam generator maintenance outages, one mid-cycle steam generator inspection and maintenance outage, and the Point Beach Unit 1 steam generator sleeving demonstration program.

Against this background of extensive inspection and Licensee activities, WED has referred to fourteen occurrences in the inspection reports. When evaluated by the Office of Inspection and Enforcement, in accordance with NRC Enforcement Policy, 10 C.F.R. Part 2, App. C, only nine were determined to be items of non-compliance. Moreover, all of the nine items of non-compliance were either Severity Level IV or V, the two lowest levels of violation. 1/ All of the occurrences cited by WED have been resolved, with positive corrective action taken to NRC's satisfaction.

The crux of WED's petition is an allegation of serious deterioration of operator performance which, WED alleges, is of concern because of the need for correct and timely reactor operator response to accident conditions. Of the fourteen occurrences cited by WED in support of its petition, however, very few even involve actions of reactor operators, and none bears any relationship whatsoever to the abilities of the Point Beach Nuclear Plant reactor operators to respond appropriately in an accident situation.

1/ The fourteen occurrences are cited in Section I of WED's petition. The occurrences identified in Paragraphs 1, 2, 4, and 10, two of the occurrences in Paragraph 6, and one of the occurrences in Paragraph 7 resulted in violations of Severity Level IV. The occurrence in Paragraph 3 and one of the occurrences in Paragraph 6 (which is the same occurrence as one listed in Paragraph 7) resulted in Severity Level V violations. The remaining five occurrences cited (Paragraphs 5, 8, 11, 12, and 13) did not result in notices of violation.

We are by no means attempting to minimize the citations for non-compliance which have occurred, nor are we suggesting that Licensee takes such citations lightly. We have always taken NRC inspection findings very seriously, no matter how minor, and irrespective of which types of plant personnel may have been involved. We have consistently placed primary importance on correcting any non-complying situations and taking steps to prevent their recurrence. This has contributed to the reputation we have traditionally enjoyed of having one of the better operated nuclear plants in the country. We cannot, however, ignore the fact that the items cited by WED are not, in fact, of major significance and do not reflect errors in reactor operator performance which place their competence into question.

In September 1982 the NRC issued its assessment of Licensee's regulatory performance following a comprehensive evaluation conducted under the NRC's Systematic Assessment of Licensee Performance (SALP) Program. The NRC assessment covered the period from November 1, 1980 through March 31, 1982. In the functional area of plant operations, the NRC gave Point Beach a rating of Category 2, 2/ stating at Page 6 of SALP report that:

"The non-compliances were isolated and not indicative of programmatic breakdown. Corrective actions were generally timely and effective."

In the September 9, 1982 letter by which James G. Keppler, the Region III Regional Administrator, transmitted the SALP report to Licensee, the NRC stated that "...the Regional SALP Board views the Category 2 rating as the rating which it anticipated most licensees will achieve." Mr. Keppler went on to state that:

"In my view the overall regulatory performance of the Wisconsin Electric Power Company at the Point Beach Nuclear Plant was satisfactory during the SALP period. The licensee has continued to run an effective and reliable operation although there has been a discernable decline in the higher than average performance that had come to be expected of this utility."

2/ The definition of a Category 2 rating, as stated at Page 2 of the SALP report, is as follows: "NRC attention should be maintained at normal levels. Licensee management attention and involvement are evident and are concerned with nuclear safety; licensee resources are adequate and are reasonably effective such that satisfactory performance with respect to operational safety or construction is being achieved."

The points raised by WED in Section II of its petition with respect to numbers of items of non-compliance and attrition of personnel were specifically addressed by the NRC in the SALP report. In fact, WED's statements are simply quotations from the SALP report (without dwelling on the overall positive conclusions). Moreover, most of the occurrences cited by WED in Section I of its brief took place during the SALP review period and were, therefore, taken into consideration by the NRC in arriving at its conclusions of overall satisfactory performance. Of the items which did not take place during the SALP review period-- the four occurrences cited in Paragraphs 10 through 13-- only the one referenced in Paragraph 10 resulted in a citation for non-compliance, a Severity Level IV violation. None of the four occurrences involved actions by reactor operators.

Thus, WED has presented no relevant information in support of its position beyond that which was taken into account by the NRC in assessing the Point Beach program as an "effective and reliable operation."

The NRC's SALP conclusions were corroborated by two independent evaluations of the Point Beach facility by the Institute of Nuclear Power Operations (INPO) during the period covered by WED's petition. One of the purposes of the INPO assessment is to conduct an evaluation of site activities to make an overall determination of plant safety. The scope of the evaluation includes an examination of station organization and administration, operations, maintenance, technical support, training and qualification, radiological protection, and chemistry. Evaluations in August 1981 and August 1982 (INPO reports dated November 1982 and December 1982, respectively) each resulted in the INPO conclusion that "[w]ithin the scope of this evaluation, the team determined that the plant is in very good material condition and is being operated in a safe manner by well qualified personnel."

In summary, Licensee continues to operate the Point Beach facility safely and efficiently, as it has been doing for the past thirteen years. WED's petition has presented no significant information bearing on operator performance at Point Beach which can even suggest, let alone support, WED's allegation of "deterioration of operator performance". WED has presented no information which is not already before the NRC in public records. Both the NRC and INPO have extensively evaluated licensee's performance with positive results. WED has presented no information related to reactor operator performance which the NRC had not addressed and taken into account in its determination that Point Beach operations were "effective and reliable", and WED has not taken issue with the INPO determinations that "the plant is being operated in a

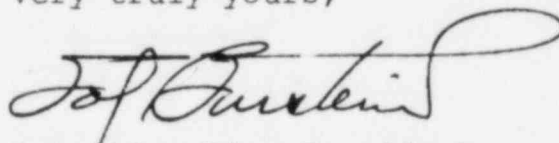
Mr. Harold R. Denton

-5-

March 31, 1983

safe manner by well-qualified personnel." Accordingly, the WED petition does not support the requested issuance of an order to show cause why the Point Beach operating licenses should not be modified, suspended, or revoked and should, therefore, be denied.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Sol Burstein". The signature is written in dark ink and is positioned above the printed name.

Executive Vice President

Sol Burstein