

December 20, 1996

Mr. S. A. Patulski, Site Vice President
Point Beach Nuclear Plant
6610 Nuclear Road
Two Rivers, Wisconsin 54241

SUBJECT: POINT BEACH NRC INSPECTION REPORT
NO. 50-266/96013(DRP); 50-301/96013(DRP)

Dear Mr. Patulski:

This refers to the special inspection conducted by Mr. J. A. Gavula and others of this office from October 3 through November 15, 1996, at the Point Beach Nuclear Plant Units 1 and 2. This inspection included reviews of interim operability determinations for selected pumps and portions of related design basis calculations. At the conclusion of the inspection, the inspection results were discussed with those members of your staff identified in the enclosed report.

From our inspection, we determined that your interim operability determinations provided reasonable assurance that the selected pumps would perform within the required design bases. However, several issues were identified during this inspection that are of significant concern to us. First, your preliminary reviews of potentially degraded equipment were poorly defined and were not formalized. During the Enforcement Conference on September 12, 1996, your staff stated that preliminary reviews of safety related pumps had been completed to ensure design requirements were incorporated when establishing acceptance criteria for inservice testing. Only after requesting copies of the reviews did the NRC later determine that these preliminary reviews had never been formalized. Extensive discussions with your staff revealed weaknesses in your preliminary reviews necessitating this inspection. A well defined basis for the operability of potentially degraded equipment is a fundamental concept of a sound corrective action program to ensure there is a clear understanding of the basis for operability. Even after the NRC staff identified the lack of formal documentation, your staff still questioned the need to document operability determinations. It also became apparent that the design bases of the plant are not well documented, nor well understood, based on the number of design basis questions that need to be answered for the service water system. These questions were identified as an inspector followup item and were forwarded to NRR for review and resolution with your staff.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and the enclosures will be placed in the NRC Public Document Room.

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S. A. Patulski

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We will gladly discuss any questions you have concerning this inspection.
Your cooperation with us is appreciated.

Sincerely,

/s/John A. Grobe

John A. Grobe, Deputy Director
Division of Reactor Projects

Docket No. 50-265

Docket No. 50-301

Enclosure: Inspection Report
No. 50-266/96013(DRS);
No. 50-301/96013(DRS)

cc w/encl: R. R. Grigg, President and Chief
Operating Officer, WEPCO
A. J. Cayia, Plant Manager
Virgil Kanable, Chief, Boiler Section
Cheryl L. Parrino, Chairman,
Wisconsin Public Service Commission
State Liaison Officer

Docket File w/encl
PUBLIC IE-01 w/encl
A. B. Beach, w/encl
W. L. Axelson, w/encl
PM, NRR, w/encl
Enf. Coordinator, RIII w/encl

SRI Point Beach w/encl
OC/LFDCB w/encl
B. L. Burgess, w/encl
CAA1 w/encl (E-mail)
DRP, w/encl

(See attached concurrence)

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DATE	12/ /96	12/ /96	12/20/96		12/20/96

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R. Link

-2-

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Sincerely,

Geoffrey E. Grant, Director
Division of Reactor Safety

Docket No. 50-266

Docket No. 50-301

Enclosure: Inspection Report
No. 50-266/96013(DRS);
No. 50-301/96013(DRS)

cc w/encl: S. A. Patulski, Site General Manager
A. J. Cayia, Plant Manager
Virgil Kanable, Chief, Boiler Section
Cheryl L. Parrino, Chairman,
Wisconsin Public Service Commission
State Liaison Officer

Distribution:

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DATE	11/18/96	11/19/96	11/ /96	11/ /96	11/ /96

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UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION III
801 WARRENVILLE ROAD
LISLE, ILLINOIS 60532-4351

December 20, 1996

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Point Beach Nuclear Plant
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Two Rivers, Wisconsin 54241

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S. A. Patulski

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Sincerely,



John A. Grobe, Deputy Director
Division of Reactor Projects

Docket No. 50-266

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