

July 14, 1986

Docket Nos.: 50-266  
and 50-301  
(10 CFR 2.206)

Mr. Stephen Proudman  
Wisconsin's Environmental Decade, Inc.  
114 North Carroll Street, Suite 208  
Madison, Wisconsin 53703

Dear Mr. Proudman:

On January 4, 1985, I informed you that the Office of Nuclear Reactor Regulation would consider pursuant to 10 CFR 2.206 alleged equipment qualification deficiencies at the Point Beach Nuclear Plant identified in your comments filed with the Nuclear Regulatory Commission on August 10, 1984. For the reasons stated in the enclosed "Director's Decision Under 10 CFR 2.206" (DD-86-09), I have determined that the alleged deficiencies have been satisfactorily addressed.

A copy of the Decision will be filed with the Office of the Secretary for the Commission's review in accordance with 10 CFR 2.206(c). As provided by this regulation, the Decision will constitute the final action of the Commission 25 days after the date of issuance of the Decision unless the Commission, on its own motion, institutes a review of the Decision within that time. Copies of this Decision also will be placed in the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C. 20555 and in the local public document room located at the Joseph P. Mann Public Library, 1516 Sixteenth Street, Two Rivers, Wisconsin.

A copy of the notice, which is being filed with the Office of the Federal Register for publication, also is enclosed.

Sincerely,

/s/

Harold R. Denton, Director  
Office of Nuclear Reactor Regulation

Enclosures:  
As Stated

Office:	LA/PAD#1	PM/PAD#1	EICSB	AD/PWR-A	PD/PAD#1
Surname:	PShuttleworth*	TColburn/tg*	FRosa*	ERossi*	GLear*
Date:	06/18/86	06/18/86	06/19/86	06/20/86	06/23/86
Office:	OELD *	ADD/PWR-A *	D/NRR	DD/NRR	
Surname:	07	TNovak	HDeaton	RVollmer	
Date:	06/08/86	06/02/86	06/14/86	07/14/86	

\*See previous page for concurrence.

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Docket (50-266/301) w/incoming

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V. Stello

SECY

OGC

OELD

ASLAB

ASLBP

ACRS (16)

J. Resner (2) (W-501)

Mr. C. W. Fay  
Wisconsin Electric Power Company

Point Beach Nuclear Plant  
Units 1 and 2

cc:  
Mr. Bruce Churchill, Esq.  
Shaw, Pittman, Potts and Trowbridge  
1800 M Street, N.W.  
Washington, DC 20036

Mr. James J. Zach, Manager  
Point Beach Nuclear Plant  
Wisconsin Electric Power Company  
6610 Nuclear Road  
Two Rivers, Wisconsin 54241

Mr. Gordon Blaha  
Town Chairman  
Town of Two Creeks  
Route 3  
Two Rivers, Wisconsin 54241

Chairman  
Public Service Commission  
of Wisconsin  
Hills Farms State Office Building  
Madison, Wisconsin 53702

Regional Administrator, Region III  
U.S. Nuclear Regulatory Commission  
Office of Executive Director  
for Operations  
799 Roosevelt Road  
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Resident Inspector's Office  
U.S. Nuclear Regulatory Commission  
6612 Nuclear Road  
Two Rivers, Wisconsin 54241

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

OFFICE OF NUCLEAR REACTOR REGULATION  
HAROLD R. DENTON, DIRECTOR

In the Matter of	}	
WISCONSIN ELECTRIC POWER COMPANY	}	Docket Nos. 50-266
	}	and 50-301
(Point Beach Nuclear Plant	}	
Units 1 and 2	}	(10 CFR 2.206)

DIRECTOR'S DECISION UNDER 10 CFR 2.206

INTRODUCTION

On November 19, 1984, the Nuclear Regulatory Commission (NRC) promulgated its final rule on environmental qualification of electric equipment (49 FR 45571). The rule requires licensees of operating power plants to meet the schedule for environmental qualification set out in the rule, specifically in 10 CFR 50.49(g). In adopting the final rule, the Commission directed the Director of the Office of Nuclear Reactor Regulation to consider, pursuant to 10 CFR 2.206, four comments filed in response to the Notice of Proposed Rulemaking issued on March 7, 1984 (49 FR 8445). Each of the four comments alleged equipment qualification deficiencies at specific plants. The Commission's action had the effect of requiring the Director of the Office of Nuclear Reactor Regulation to issue a formal decision pursuant to 10 CFR 2.206 considering the plant-specific comments filed in the rulemaking noted above. The comments filed by Wisconsin's Environmental Decade, Inc., (hereinafter referred to as Petitioner) dated August 10, 1984 were among those identified by the Commission for consideration. On January 4, 1985, I advised the Petitioner by letter that I would issue a formal decision regarding the

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r/p

Petitioner's comments concerning the Point Beach Nuclear Plant, Units 1 and 2. My decision in this matter follows.

#### DISCUSSION

Petitioner's comments mainly relate to alleged inadequacies in a number of equipment qualification items identified by the Franklin Research Center (FRC) and set out in its Technical Evaluation Report (TER) for the Point Beach Nuclear Plant, Units 1 and 2 (PBNP) of the Wisconsin Electric Power Company (licensee). It is important to recognize that the FRC study to which the Petitioner refers was one initiated by the Nuclear Regulatory Commission itself to assist it in assessing the adequacy of the licensee's equipment qualification program for the PBNP. The TER provided by FRC has been available to the NRC staff since September 28, 1982 and has been specifically addressed by both the licensee and the NRC staff. <sup>1/</sup>

On February 8, 1979, the NRC Office of Inspection and Enforcement issued IE Bulletin 79-01, "Environmental Qualification of Class IE Equipment." This Bulletin, together with IE Circular 78-08 (issued on May 31, 1978) requested affected licensees to perform reviews to assess the adequacy of their environmental qualification programs. The NRC staff's review of this area is discussed in a Safety Evaluation (SE) dated May 21, 1981 and resulted in further requests for information from the licensee. Following submittal by the licensee of additional information on September 11 and October 8, 1981 and

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<sup>1/</sup> The background associated with the NRC staff's review of the licensee's equipment qualification program for the Point Beach Nuclear Plant, Units 1 and 2, is provided in Attachment 1, Safety Evaluation By The Office of Nuclear Reactor Regulation, Point Beach Nuclear Plant, Units 1 and 2, Docket Nos. 50-266 and 50-301, issued August 30, 1984, as amended November 28, 1984 (hereinafter referred to as the PBNP SE).

January 29, and February 22, 1982, the NRC staff asked FRC to evaluate that information in order to (1) identify all cases where the licensee's response did not resolve the significant qualification issues, (2) evaluate the licensee's qualification documentation in accordance with established criteria to determine which equipment had adequate documentation and which did not, and (3) evaluate the licensee's qualification documentation for safety-related electrical equipment located in harsh environments consistent with TMI "Lessons Learned" implementation. A TER was issued by FRC on September 28, 1982 to document its evaluation. It is this document to which the Petition makes reference. A second SE was subsequently prepared by the NRC staff and issued to the licensee December 22, 1982 with the FRC TER as an attachment. <sup>2/</sup>

This TER identified a number of electrical equipment environmental qualification deficiencies and the SE concurred with the bases and findings of the TER. Based on these findings, the staff requested the licensee to provide its plans for qualification or replacement of certain items and justification for continued operation in the near term.

A meeting was held on October 13, 1983 to discuss the licensee's proposed method to resolve the environmental qualification deficiencies identified in the 1982 Safety Evaluation and the FRC TER. During the 1983 meeting with the licensee, the NRC staff discussed a proposed resolution for each deficiency

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<sup>2/</sup> Safety Evaluation for Environmental Qualification of Safety-Related Electrical Equipment, Docket Nos. 50-266 and 50-301, December 22, 1982, with Technical Evaluation Report entitled "Review of Licensee's Resolution of Outstanding Issues from NRC Equipment Environmental Qualification Safety Evaluation Reports (F-11 and B-60)," Wisconsin Electric Power Company, Point Beach Nuclear Plant Units 1 and 2, Franklin Research Center, September 28, 1982.

identified in the FRC TER and found the licensee's approach for resolving the identified environmental qualification deficiencies acceptable. The approach described by the licensee for addressing and resolving the identified deficiencies includes replacing equipment, performing additional analyses, utilizing additional qualification documentation beyond that reviewed by FRC, obtaining additional qualification documentation, or determining that some equipment is outside the scope of 10 CFR 50.49 and, therefore, not required to be environmentally qualified e.g., that which is located in a mild environment. We discussed the proposed resolutions in detail on an item by item basis with the licensee during the meeting of October 13, 1983. Replacing or exempting equipment, for an acceptable reason, is clearly an acceptable method for resolving environmental qualification deficiencies. The more lengthy discussions with the licensee concerned the use of additional analyses or documentation. Discussions also included the licensee's general methodology for compliance with 10 CFR 50.49, and justification for continued operation for those equipment items for which environmental qualification was not yet complete. <sup>3/</sup>

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<sup>3/</sup> The final rule on environmental qualification of electric equipment important to safety became effective on February 22, 1983 (48 FR 2729). This rule, 10 CFR 50.49, specifies the requirements of electrical equipment important to safety in a harsh environment. Effective November 19, 1984, this rule was amended to remove the June 30, 1982, deadline for environmental qualification of electric equipment imposed by previous Commission Order and established a new date for final environmental qualification of electrical equipment (49 FR 45571). Accordingly, March 31, 1985 was established as the new deadline for equipment qualification absent a request for extension. The licensee was granted extensions for certain items of equipment. Presently, no extensions are outstanding and the licensee considers all equipment qualified.

Subsequent to the October 13, 1983 meeting, the licensee provided further information for resolution of the identified deficiencies by its letter of November 23, 1983. With its review of this submittal, the NRC staff completed its evaluation of the acceptability of the licensee's electrical equipment environmental qualification program. The staff's findings are found in the attached PBNP SE dated August 30, 1984, as amended November 28, 1984. The staff's review included explicit consideration of each of the items raised in the FRC TER for the Point Beach Nuclear Plant, Units 1 and 2 and referred to by the Petitioner in its comments. The resolution of Petitioner's comments for specific items of equipment identified by FRC and discussed in the TER is contained in Attachment 2. Resolution is complete for all items identified in the FRC TER. Therefore, justifications for continued operation (JCOs) are not required for any TER items.

The licensee's equipment environmental qualification files were inspected by the staff on July 22-26, 1985. Followup inspections will be performed by Region 3, with assistance from IE Headquarters and NRR staff, as necessary. Since a significant amount of documentation had already been reviewed by the staff and Franklin Research Center, the primary objective of the inspection was to verify that the files contain the appropriate analyses and other necessary documentation to support the licensee's conclusion that the equipment is qualified. The inspection included evaluations of the implementation of equipment qualification commitments made as a result of the December 22, 1982 SE and September 28, 1982 TER. The staff also verified the adequacy and accuracy of the licensee's equipment list, definitions of mild and harsh environments, corporate and site policies, and procedures for establishing

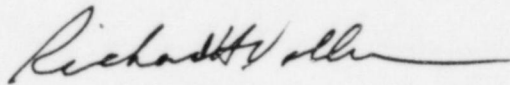
and maintaining the environmental qualification of safety-related electrical equipment. Physical inspection of selected equipment was also conducted. The staff reviewed the adequacy of the licensee's program for surveillance and maintenance of environmentally qualified equipment to assure that this equipment is maintained in the as-analyzed or tested condition. The method used for tracking periodic replacement parts and implementation of commitments, e.g., regarding replacement of equipment, also was reviewed. The results of the inspection were issued in Inspection Report Nos. 50-266/85013; 50-301/85013 on November 1, 1985. Some deficiencies were noted. A Notice of Violation was issued to the licensee on May 14, 1986 for two of the deficiencies significant enough to warrant enforcement action. Nonetheless, the staff concluded, as a result of the inspection, that the licensee has implemented a program that meets the requirements of 10 CFR 50.49 and the corrective action commitments relative to SE/TER deficiencies. The licensee has informed the NRC that corrective action for all deficiencies identified in the November 1, 1985 Inspection Report has been completed. A followup inspection will determine whether these corrective actions have been adequately completed.

#### CONCLUSION

In summary, the NRC staff has reviewed each one of the specific items raised by the Petitioner in its comments. A variety of resolutions with respect to the deficiencies identified by FRC have been offered by the licensee and found to be acceptable by the NRC staff. The PBNP SE documents the staff

review which concludes that the licensee's electrical equipment qualification program complies with the requirements of 10 CFR 50.49 and that the proposed resolutions for each of the environmental qualifications deficiencies identified in the FRC TER are acceptable. The licensee has completed implementation of its program and follow-up inspections have confirmed the staff findings. Consequently, I conclude that the overall state of equipment qualification at the Point Beach Nuclear Plant, Units 1 and 2, is adequate to assure public health and safety. Accordingly, I decline to take any action based upon the comments filed by the Petitioner.

A copy of this decision will be filed with the Secretary for the Commission's review in accordance with 10 CFR 2.206(c). As provided in 10 CFR 2.206(c), this decision will become the final action of the Commission twenty-five (25) days after issuance, unless the Commission elects to review this decision on its own motion within that time.



Richard H. Vollmer, Acting Director  
Office of Nuclear Reactor Regulation

Dated in Bethesda, Maryland, this 14th day of July 1986.

Attachments:

- 1) Safety Evaluation of August 30, 1984 as amended  
November 28, 1984
- 2) Resolution of Petitioner's Comments



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

August 30, 1984

Docket Nos. 50-266  
and 50-301

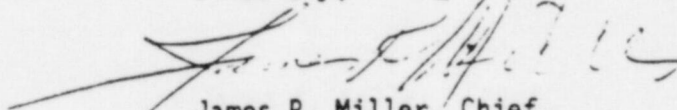
Mr. C. W. Fay, Vice President  
Nuclear Power Department  
Wisconsin Electric Power Company  
231 West Michigan Street Room 308  
Milwaukee, Wisconsin 53201

Dear Mr. Fay:

We have completed our review of your submittals concerning Environmental Qualification of Safety Related Electrical Equipment for the Point Beach Nuclear Plant Units 1 and 2. The details of our review are contained in the enclosed Safety Evaluations.

Based upon our review, we conclude that Wisconsin Electric Power Company's Equipment Qualification program for the Point Beach Nuclear Plant Units 1 and 2 is in compliance with the requirements of 10 CFR 50.49, that the proposed resolution for each of the environmental qualification deficiencies identified for Point Beach Units 1 and 2 is acceptable, and that the continued operation of Point Beach Units 1 and 2 will not present undue risk to the public health and safety.

Sincerely,



James R. Miller, Chief  
Operating Reactors Branch #3  
Division of Licensing

Enclosure:

1. Safety Evaluation - Point Beach Unit 1
2. Safety Evaluation - Point Beach Unit 2

cc: See next page

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