

September 15, 1997

EA 97-347

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

SUBJECT: POINT BEACH NRC INSPECTION REPORT 50-266/97010(DRS);  
50-301/97010(DRS) AND NOTICE OF VIOLATION

Dear Mr. Patulski:

On June 13, 1997, the NRC completed an inspection at your Point Beach Units 1 and 2 reactor facilities. This special startup issues inspection was initiated following the identification of significant problems in operations, maintenance, and engineering support at Point Beach. The enclosed report presents the results of that inspection.

The purpose of this inspection was to examine and verify that Point Beach had thoroughly and effectively resolved a number of commitment items identified in a December 12, 1996 letter from R. R. Grigg, President and Chief Operating Officer, Wisconsin Electric, to A. B. Beach, Regional Administrator, and other startup issues. The inspectors performed an in-depth, multi-disciplinary review of operations, maintenance, testing and engineering issues. For the items reviewed, the inspectors found that, in general, Point Beach met its commitments. Improvements were noted in control room activities, such as in the areas of command and control, and communications, and in the 50.59 screening and safety evaluation processes. Overall, the condition report reviews appeared to be conservative and changes to the condition reporting system appeared to add appropriate guidance to ensure consistent and timely disposition of deficiencies.

Based on the results of this inspection, we identified two violations of NRC requirements that are being cited in the enclosed Notice of Violation. The first violation was for the failure to initiate a condition report when the G03 emergency diesel generator (EDG) voltage monitor relay was found in an out-of-calibration condition. This was of concern because the condition was not evaluated to determine the impact it may have had on past EDG operability. The second violation was for the failure to perform the steam generator girth weld with a qualified procedure. Although the weld procedure was subsequently qualified, this is of concern because unqualified welds could result in the subsequent degradation of related pressure boundaries. The circumstances surrounding these violations are described in detail in the enclosed report. Please note that you are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.



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In addition, four apparent violations were identified and are being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600. The apparent violations involve two Licensee Event Reports and associated condition reports that detail the Appendix R requirements that have not been met. The first apparent violation (item number 50-266/97010-04; 50-301/97010-04) identifies two conditions that do not meet 10 CFR 50, Appendix R, Section III.G.2, requirements (Inspection Report (IR) Section E2.5.b.2): (a) the lack of 125 Vdc breaker coordination which had the potential to cause the "yellow" safe shutdown instrument channels to be lost for a fire in the North auxiliary feedwater area; and (b) the lack of 125 Vdc breaker coordination which had the potential to cause the loss of all emergency diesel generators during a fire in the North auxiliary feedwater area. The second apparent violation (item number 50-266/97010-05; 50-301/97010-05) identifies two conditions that do not meet 10 CFR 50, Appendix R, Section III.L.1, requirements (IR Section E2.5.b.2): (a) the original safe shutdown analysis did not adequately document the capability of the G01/G02 emergency diesel generators to start and flash their fields with their output breaker closed and 480 volt loads connected; and (b) the original safe shutdown analysis did not adequately document the ventilation requirements for certain safe shutdown equipment. The third apparent violation (item number 50-266/97010-06; 50-301/97010-06) involves an inadequate safe shutdown procedure (IR Section E2.5.b.2). If performed, the procedure would have directed operators to isolate the wrong direct current power supplies. The fourth apparent violation (item number 50-266/97010-07; 50-301/97010-07) involves inadequate safe shutdown emergency lighting in the Circulating Water Pump House (IR Section E2.5.b.4). Emergency lighting was not provided, as required by 10 CFR 50, Appendix R, Section III.J, in several locations where operators may have to manually operate safe shutdown equipment.

We recognize that these apparent violations were identified by Wisconsin Electric staff and appropriately reported to the NRC. The circumstances surrounding the apparent violations, the significance of the issues, and Point Beach's corrective actions were discussed with members of your staff at the exit meeting on June 13, 1997. As a result, we do not believe that it is necessary to conduct a predecisional enforcement conference in order to enable the NRC to make an enforcement decision. However, a Notice of Violation is not presently being issued for the inspection findings. Before the NRC makes its enforcement decision, we are providing you an opportunity to either: (1) respond to the apparent violations addressed in this inspection report within 30 days of the date of this letter; or (2) request a predecisional enforcement conference. Please contact Mr. James W. McCormick-Barger at (630) 829-9872 within 7 days of the date of this letter to notify the NRC of your intended response.

Your response to the apparent violations (if you choose to provide one) should be clearly marked as a "Response to Apparent Violations in IR 50-266/97010(DRS); 50-301/97010(DRS)," and should include: (1) the reason for the apparent violations, or, if contested, the basis for disputing the apparent violations; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken to avoid further violations; and (4) the date when full compliance will be achieved.

Your response to the violations and apparent violations should be submitted under oath or affirmation and may reference or include previous docketed correspondence, if the

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correspondence adequately addresses the required response. If an adequate response is not received within the time specified or an extension of time has not been granted by the NRC, the NRC will proceed with its enforcement decision or schedule a predecisional enforcement conference.

In addition, please be advised that the characterization of the apparent violations described in the enclosed inspection reports may change as a result of further NRC review. You will be advised by separate correspondence of the results of our deliberations on this matter.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

Sincerely,

/s/ J. A. Grobe

John A. Grobe, Acting Director  
Division of Reactor Safety

Docket Nos. 50-266; 50-301  
License Nos. DPR-24; DPR-27

Enclosures: 1. Notice of Violation  
2. Inspection Report 50-266/97010(DRS); 50-301/97010(DRS)

cc w/encs: 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

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Sincerely,

John A. Grobe, Acting Director  
Division of Reactor Safety

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DATE	09/8/97		09/8/97		09/8/97	09/8/97	09/8/97

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