April 1, 1998

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

SUBJECT: N

NRC INSPECTION REPORT 50-266/98010(DRS); 50-301/98010(DRS) AND

NOTICE OF VIOLATION

Dear Mr. Patulski:

On March 18, 1998, the NRC completed an inspection at your Point Beach Nuclear Power Plant. The purpose of the inspection was to review measuring and test equipment (M&TE) procedures and the control of M&TE. The results of the inspection are presented in the enclosed report.

As a result of the inspection, we determined that your staff was effective in controlling M&TE. Several initiatives implemented by the maintenance and instrumentation and controls departments have improved the controls in this area. However, we found that the M&TE procedures were weak. One violation of NRC requirements occurred. This violation involved the failure to perform adequate out-of-tolerance evaluations for damaged or lost M&TE.

The violation is cited in the enclosed Notice of Violation (Notice), and the circumstances surrounding the violations are described 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.

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.

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

Sincerely,

Original Signed by Melvyn Leach (for)

John A. Grobe, Director Division of Reactor Safety

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

Enclosures:

Notice of Violation
 Inspection Report

50-266/98010(DRS); 50-301/98010(DRS)

cc w/encls:

R. R. Grigg, President and Chief

Operating Officer, WEPCO
A. J. Cayia, Plant Manager
B. D. Burks, P.E., Director
Bureau of Field Operations
Cheryl L. Parrino, Chairman
Wisconsin Public Service

Commission State Liaison Officer

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