



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

December 5, 2024

Robert Coffey
Executive Vice President, Nuclear
Division and Chief Nuclear Officer
Florida Power & Light Company
Mail Stop: EX/JB
700 Universe Blvd
Juno Beach, FL 33408

SUBJECT: POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2 – REGULATORY AUDIT IN
SUPPORT OF REVIEW OF APPLICATION TO ADOPT AN ALTERNATIVE
SEISMIC METHOD FOR CATEGORIZATION OF STRUCTURES, SYSTEMS,
AND COMPONENTS (EPID L-2024-LLA-0140)

Dear Robert Coffey:

By letter dated October 8, 2024 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML22140A131), NextEra Energy Point Beach, LLC (the licensee) submitted a license amendment request (LAR) for Point Beach Nuclear Plant, Units 1 and 2 (Point Beach). The proposed LAR would modify the licensing basis to implement a change to the approved voluntary implementation of the provisions of Title 10 of the *Code of Federal Regulations* (10 CFR), section 50.69, "Risk-informed categorization and treatment of structures, systems and components for nuclear power reactors." The proposed amendment would allow the use of an alternative seismic method in addition to the previously approved plant-specific Point Beach seismic probabilistic risk assessment for the 10 CFR 50.69 categorization process.

The U.S. Nuclear Regulatory Commission (NRC) staff has found the need for a regulatory audit to examine the licensee's non-docketed information with the intent to gain understanding, to verify information, or to identify information that requires docketing to support the basis of the licensing or regulatory decision.

The NRC staff will conduct the audit virtually via Teams using a licensee-established electronic portal available to NRC staff from approximately December 16, 2024, through April 25, 2025, with formal audit meetings to be scheduled during this period as needed. The NRC staff reserves the right to extend the audit, if necessary. The detailed audit plan is enclosed with this letter.

R. Coffey

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If you have any questions, please contact me at (301) 415-2855 or by e-mail at Scott.Wall@nrc.gov.

Sincerely,

/RA/

Scott Wall, Senior Project Manager
Plant Licensing Branch III
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-266 and 50-301

Enclosure:
Audit Plan

cc: Listserv

REGULATORY AUDIT PLAN
BY THE OFFICE OF NUCLEAR REACTOR REGULATION
TO SUPPORT THE REVIEW OF THE LICENSE AMENDMENT REQUEST
TO REVISE THE LICENSING BASIS TO
ADOPT AN ALTERNATIVE SEISMIC METHOD FOR
CATEGORIZATION OF STRUCTURES, SYSTEMS, AND COMPONENTS
NEXTERA ENERGY POINT BEACH, LLC
POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2
DOCKET NOS. 50-266 AND 50-301

1.0 BACKGROUND

By letter dated October 8, 2024 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML22140A131), NextEra Energy Point Beach, LLC (the licensee) submitted a license amendment request (LAR) for Point Beach Nuclear Plant, Units 1 and 2 (Point Beach). The proposed LAR would modify the licensing basis to implement a change to the approved voluntary implementation of the provisions of Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.69, "Risk-informed categorization and treatment of structures, systems and components for nuclear power reactors." The proposed amendment would allow the use of an alternative seismic method in addition to the previously approved plant-specific Point Beach seismic probabilistic risk assessment for the 10 CFR 50.69 categorization process.

The staff from the U.S. Nuclear Regulatory Commission's (NRC) Office of Nuclear Reactor Regulation (NRR) has initiated its review of the LAR in accordance with NRR Office Instruction LIC-101, "License Amendment Review Procedures" (ML19248C539).

2.0 REGULATORY AUDIT BASIS

A regulatory audit is an effort by the staff to gain understanding, to verify information, and to identify information that will require docketing to support the basis of a licensing or regulatory decision. An audit will assist the NRC staff in efficiently conducting its review and gaining insights to the licensee's processes and procedures. Information that the NRC staff relies upon to make the safety determination must be submitted on the docket. This audit will be conducted in accordance with NRR Office Instruction LIC-111, "Regulatory Audits," Revision 1, dated October 2019 (ML19226A274), with exceptions noted within this audit plan.

The NRC staff performs the audit to support its evaluation of whether the licensee's LAR can be approved per 10 CFR 50.90, "Application for amendment of license, construction permit, or early site permit." The NRC staff's review will be informed by NUREG-0800, Standard Review Plan, section 19.2, "Review of Risk Information Used to Support Permanent Plant-Specific Changes to the Licensing Basis" (ML071700658). The audit will assist the NRC staff with understanding the licensee's proposed LAR.

Enclosure

3.0 REGULATORY AUDIT SCOPE AND METHODOLOGY

NRC's objectives of the audit are the following:

- Consideration of licensee experience and results using the seismic margin analysis (SMA) in the approved 10 CFR 50.69 categorization process.
- Clarification of the methodology of the proposed performance monitoring process.
- Identification of any information for NRC staff to assess whether proposed changes could challenge design-basis functions or adversely affect the capability or capacity of plant equipment to perform design-basis functions.
- Identification of questions and requests that may become formal requests for additional information (RAIs) per NRR Office Instruction LIC-115, "Processing Requests for Additional Information" (ML21141A238).

4.0 INFORMATION AND OTHER MATERIAL NECESSARY FOR THE AUDIT

The NRC staff requests information and audit meeting(s) throughout the audit period. The NRC staff uses an "audit items list" to identify the information (e.g., methodology, process information, and calculations) to be audited. The NRC staff provides the final audit items list as an enclosure to the audit summary report, which will be publicly available. Enclosure 2 describes the initial audit items list and Enclosure 3 describes the initial audit questions.

Throughout the audit period, the NRC staff provides the licensee with audit questions and audit-related requests so that the licensee can better prepare for audit discussions with NRC staff. Any information accessed through the licensee's portal is not held or retained in any way by NRC staff. The NRC staff requests the licensee to have the requested audit information listed in the audit items list to be readily available and accessible for the NRC staff's review via a Web-based portal or during the audit meeting(s).

5.0 TEAM ASSIGNMENTS

The audit team will consist of the following NRC staff from NRR and contractors.

- Scott Wall, Plant Licensing Branch III (LPL3)
- Daniel Silverstein, PRA Licensing Branch C (APLC)
- Keith Tetter, APLC
- Gurjendra Bedi, Mechanical Engineering & Inservice Testing Branch (EMIB)
- Andrea Russell, Technical Specifications Branch (STSB)
- Dan Widrevitz, Vessels and Internals Branch (NVIB)

The NRC staff may request access for additional staff as the audit progresses.

6.0 LOGISTICS

To support the review schedule communicated to the licensee when the NRC staff accepted the LAR for technical review, audit activities will be performed remotely and virtually using Microsoft Teams, teleconference, and a Web-based portal or other virtual meeting space created by the licensee. NRC staff information requests and communications with licensee staff is coordinated through the NRC's licensing project manager.

A desktop audit will take place between December 16, 2024, and April 25, 2025. The NRC's licensing project manager informs the licensee of the entrance and exit meeting dates when they are established. The NRC staff intends to set up audit meeting(s) (e.g., a single, multi-day audit meeting; periodic audit meetings throughout the audit period) on mutually agreeable dates and times (to be determined) to discuss information needs and questions arising from the NRC's review of the audited items. The NRC staff may change and/or add audit dates and times when deemed necessary. Audit meeting agenda and questions will be sent in advance of the audit meeting.

The NRC staff requests the licensee to have the information referenced in section 4.0 of this audit plan available and accessible for the NRC staff's review via an internet-based portal within 2 weeks of the date of this audit plan. The NRC staff requests that any supplemental information requested be available and accessible for the NRC staff's review within 1 week of the date of the NRC's notification to the licensee of the new requests. The NRC's licensing project manager informs the licensee via routine communications when the NRC staff no longer needs access to the portal. The NRC staff requests the licensee to notify the NRC licensing project manager when an audit item is added to its portal by sending an e-mail to the NRC licensing project manager.

7.0 SPECIAL REQUESTS

The NRC staff requests access to requested documents and information through a Web-based portal that allows the NRC staff and contractors to access documents over the Internet. The following conditions associated with the online portal must be maintained while the NRC staff and contractors have access to the online portal:

- The online portal will be password protected. A separate password will be assigned to each member of the NRC staff and NRC contractors taking part in the audit.
- The online portal will prevent the NRC participants from printing, saving, downloading, or collecting any information directly from the online portal.
- Conditions of use of the online portal will be displayed on the login screen and will require acknowledgment by each user.

Username and password and/or other Web-based portal access information should be provided directly to members of the NRC staff and contractors as needed. The NRC licensing project manager will provide the licensee with names and contact information of the NRC staff and contractors participating in the audit. All other communications should be coordinated through the NRC project manager.

8.0 DELIVERABLES

The NRC staff will develop any RAIs, as needed, in accordance with NRR Office Instruction LIC-115 and issue such RAIs separately from audit-related correspondence. The NRC staff will issue an audit summary report prior to completing its review of the LAR.

Initial Audit Items List

Item #	Audit Item
1	Consideration of licensee experience and results using the SMA in the approved 10 CFR 50.69 categorization process.
2	Clarification of the methodology of the proposed performance monitoring process.
3	Other documentation that the licensee determines to be responsive to the staff's information requests.

AUDIT QUESTIONS
REGARDING LICENSE ADMENTMENT REQUEST
TO REVISE THE LICENSING BASIS TO
ADOPT AN ALTERNATIVE SEISMIC METHOD FOR
CATEGORIZATION OF STRUCTURES, SYSTEMS, AND COMPONENTS
NEXTERA ENERGY POINT BEACH, LLC
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The NRC staff has identified the need for a regulatory audit to examine the licensee's non-docketed information with the intent to gain understanding, to verify information, or to identify information that will require docketing to support the basis of the licensing or regulatory decision. The staff is providing the questions below to aid discussion during the audit.

2.0 REGULATORY BASIS

Section 50.69 of 10 CFR allows licensees to voluntarily implement an alternative regulatory framework with respect to "special treatment," where special treatment refers to those requirements that provide increased assurance beyond normal industry practices that structures, systems, and components (SSCs) perform their design basis functions.

Regulatory Guide 1.201, "Guidelines for Categorizing Structures, Systems, and Components in Nuclear Power Plants According to their Safety Significance," Revision 1, dated May 2006 (ML061090627), describes a method that the NRC staff considers acceptable for use in complying with the Commission's requirements in 10 CFR 50.69 with respect to the categorization of SSCs that are considered in risk-informing special treatment requirements.

3.0 AUDIT QUESTIONS

3.1 APLC Audit Question 1

The LAR states, in part, that the proposed amendment incorporates the use of an alternative seismic method in addition to the plant-specific seismic margin analysis (SMA) into the previously approved 10 CFR 50.69 categorization process, which was approved on November 26, 2018 (ML18289A378).

Please address the following:

- a. Discuss if the approved 10 CFR 50.69 categorization process has identified any SSCs as high safety significance (HSS) solely from the SMA. If the approved 10 CFR 50.69 categorization process has identified any SSC as HSS solely from the SMA:
 - i. Provide a list of these SSCs.
 - ii. Discuss if these SSCs would still be identified as HSS using the proposed alternative seismic method.
- b. Discuss if the approved 10 CFR 50.69 categorization process has identified any unique risk insights from the SMA and how these insights are captured by the case studies in EPRI Report 3002017583 and consequently, the proposed alternative seismic method.

3.2 APLC Audit Question 2

Section 3.5 of the enclosure to the LAR states, in part:

The performance monitoring process will be described in NextEra's 10 CFR 50.69 program documents. The program requires that the periodic review assess changes that could impact the categorization results and provides the IDP with an opportunity to recommend categorization and treatment adjustments. Personnel from engineering, operations, risk management, regulatory affairs, and others have responsibilities for preparing and conducting various performance monitoring tasks that feed into this process. The intent of the performance monitoring reviews is to discover trends in component reliability; to help catch and reverse negative performance trends and take corrective action if necessary.

Clarify whether the performance monitoring process introduced in this LAR is new, or if it follows the same methodology as the previously approved 10 CFR 50.69 categorization process. If this is a new performance monitoring process:

- a. Describe how the new process differs from the previously approved process.
- b. Specify any new implementation items that would be required as a result of these changes.

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