UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

November 29, 2000

Mr. J. V. Parrish (Mail Drop 1023)
Chief Executive Officer
Energy Northwest
P.O. Box 968
Richland, Washington 99352-0968

SUBJECT: WNP-2 INITIAL EXAMINATION REPORT NO. 50-397/00-301

Dear Mr. Parrish:

On October 27, 2000, the NRC completed initial examinations at your WNP-2 facility. The enclosed report documents the examination results, which were discussed with Mr. G. Smith, Vice President, Plant/Generation, and other members of your staff on October 27, 2000.

The inspection included an evaluation of five applicants for reactor operator licenses and six applicants for senior operator licenses. We determined that four applicants for operator and five applicants for senior operator licenses satisfied the requirements of 10 CFR Part 55, and five of the appropriate licenses have been issued. Four of the licenses are currently on hold based on the borderline written examination scores. These licenses are on hold depending upon any changes that might result from informal reviews or appeals from proposed license denials, as required by NUREG-1021, "Operator Licensing Examination Standards for Power Reactors," Revision 8, Section ES-501, paragraph D.3.c, page 6. One applicant for a reactor operator and one applicant for a senior operator license were evaluated as having failed the written examination and/or operating test and proposed denials of license have been issued.

We are concerned with the low overall scores on the written examinations which is atypical from recent historical data of past examinations at your facility. We discussed this with your staff and we may review your corrective actions in a future inspection.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/NRC/ADAMS/index.html (the Public Electronic Reading Room).

Sincerely,

/RA/

John L. Pellet, Chief
Operations Branch
Division of Reactor Safety

Docket No.: 50-397
License No.: NPF-21

Enclosure:
NRC Inspection Report No.
50-397/00-301

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ENCLOSURE

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

Docket No.:	50-397
License No.:	NPF-21
Report No.:	50-397/00-301
Licensee:	Energy Northwest
Facility:	WNP-2
Location:	Richland, Washington
Dates:	October 23-27, 2000
Examiners:	T. O. McKernon, Senior Operations Engineer, Operations Branch H. F. Bundy, Senior Operations Engineer, Operations Branch T. F. Stetka, Senior Operations Engineer, Operations Branch R. E. Lantz, Operations Engineer, Operations Branch
Approved By:	John L. Pellet, Chief Operations Branch Division of Reactor Safety

ATTACHMENTS:

Attachment 1:	Supplemental Information
Attachment 2	NRC's Revised Reactor Oversight Process

SUMMARY OF FINDINGS

IR 05000397-00-301; on 10/23-27/2000; Energy Northwest; WNP-2 Initial Licensed Operator Examinations.

NRC examiners evaluated the competency of five applicants for reactor operator licenses and six applicants for senior operator licenses at the WNP-2 facility. The facility developed the written and operating examinations using NUREG-1021, "Operator Licensing Examination Standards for Power Reactors," Revision 8, Supplement 1. The written examinations were administered to all applicants on October 20, 2000, by facility proctors in accordance with instructions provided by the chief examiner. The NRC examiners administered the operating tests on October 23-27, 2000.

Cross-Cutting Issues: Human Performance

- Two of the eleven applicants failed the written examination and overall average scores were low (below passing). Additionally, one of the applicants who failed the written examination also failed the administrative portion of the operating test (Section 40A4.1).

Report Details

4. **OTHER ACTIVITIES**

4OA4 Initial License Examination

.1 Operator Knowledge and Performance

a. Inspection Scope

The licensee developed the written and operating examinations using facility training and operations staff on the security agreement to prepare and validate the examinations. On October 20, 2000, the licensee proctored the administration of the written examination to all 11 applicants. The licensee staff graded the written examinations, analyzed the results, and presented their evaluation and post-examination comments for examination revision to the NRC on November 2, 2000.

The examination team administered the various portions of the operating examination to the 11 applicants on October 23-27, 2000. Each reactor operator applicant participated in 2 dynamic simulator scenarios and received a control room and facility walkthrough test, which consisted of 10 system tasks. The senior operator applicants seeking instant senior operator licenses participated in 2 or 3 dynamic simulator scenarios and received a control room and facilities walkthrough test, which consisted of 10 system tasks. The one applicant seeking an upgrade from reactor operator to senior operator received a control room and facilities walkthrough test, which consisted of 5 system tasks. Additionally, the examination team tested each applicant on 5 subjects in 4 administrative areas with administrative tasks.

b. Findings

Nine of the 11 applicants passed the written examinations. The final determination was made using the final answer key and incorporating comments resulting from licensee and NRC post-examination analysis. The average score for the reactor operator applicants was 79.6 percent and ranged from 73 to 84 percent. Scores for the senior operator applicants ranged from 75 to 88 percent with an average of 82.8 percent.

During the post-examination review, the licensee recommended that five questions should be modified to accept additional answers from the written examination. The licensee's post-examination comments are located in the ADAMS system under Accession No. ML003770527. The chief examiner reviewed the technical basis for the proposed changes and concurred with the licensee's recommendations. The text of the examination questions may be accessed in the ADAMS system under Accession Nos. ML003770505 and ML003770524.

During the post-examination review, the licensee identified 12 written examination questions that were missed by 50 percent or more of the applicants responding to the question. The licensee determined that there were 6 questions, which represented knowledge weakness areas by the applicants. The licensee stated that these weakness areas would be reviewed with the applicants. The chief examiner reviewed the

12 written examination questions that were missed by 50 percent or more of the applicants and found the licensee's determination appropriate, based on the specific questions, applicant responses, and other items testing similar systems or areas.

All but one applicant passed the operating examinations. The one applicant failed the administrative portion of the operating test. The applicants demonstrated adequate 3-way communications, alarm response, and peer checking.

Two of the 11 initial applicants failed the written examination and overall average scores were low.

.2 Initial Licensing Examination Development

The facility training staff developed the written and operating examinations in accordance with NUREG-1021, Revision 8, Supplement 1.

.2.1 Examination Outline and Examination Package

a. Inspection Scope

The facility licensee submitted the written and operating examination outlines on June 26, 2000. The chief examiner reviewed the submittal against the requirements of NUREG-1021, Revision 8, Supplement 1, and provided comments to the licensee on June 30, 2000. The facility licensee submitted the completed draft examination package on August 28, 2000. The chief examiner and a peer reviewer reviewed the draft submittal against the requirements of NUREG-1021, Revision 8, Supplement 1. The chief examiner conducted an onsite validation of the operating examinations and provided comments on the written examination during the week of October 10, 2000.

b. Findings

Region IV approved the initial examination outline with minor comments for enhancement and advised the licensee to proceed with the operating examination development.

The chief examiner determined that the written and operating examinations initially submitted by the licensee were within the range of acceptability expected for a proposed examination.

2.2 Simulation Facility Performance

a. Inspection Scope

The examiners observed simulator performance during both the validation and examination week.

b. Observations and Findings

The simulator displayed problems, such as the rod worth minimizer display system failing, during the examination validation week but similar problems did not occur during the examinations. No findings were identified during examination administration.

2.3 Examination Security

a. Scope

The examiners reviewed examination security both during the onsite preparation week and examination administration week for compliance with NUREG-1021 requirements.

b. Observations and Findings

No findings were identified.

40A5 Management Meetings

Exit Meeting Summary

The examiners presented the inspection results to Mr. Greg Smith, Vice President Plant/Generation, and other members of the licensee management at the conclusion of the inspection on October 27, 2000. The licensee acknowledged the findings presented.

The licensee did not identify as proprietary any information or materials examined during the inspection.

ATTACHMENT 1

SUPPLEMENTAL INFORMATION

Licensee

S. Boynton, Quality Assurance
D. Coleman, Engineering
D. Feldman, Operations
R. Guthrie, Training
J. Hansin, Training Manager
G. Henrick, Operations
P. Inserra, Regulatory Affairs
S. Oxenford, Operations
N. Patrou, Training
J. Redwine, Training
G. Smith, Vice President Plant/Generation

NRC

G. Replogle, Senior Resident Inspector

ADAMS DOCUMENTS REFERENCED

Licensee Post-Examination Comments - Accession No. ML003770527
RO Examination Questions and Answer Key - Accession No. ML003770505
SRO Examination Questions and Answer Key - Accession No. ML003770524

ATTACHMENT 2

NRC'S REVISED REACTOR OVERSIGHT PROCESS

The federal Nuclear Regulatory Commission (NRC) revamped its inspection, assessment, and enforcement programs for commercial nuclear power plants. The new process takes into account improvements in the performance of the nuclear industry over the past 25 years and improved approaches of inspecting safety performance at NRC licensed plants.

The new process monitors licensee performance in three broad areas (called strategic performance areas): reactor safety (avoiding accidents and reducing the consequences of accidents if they occur), radiation safety (protecting plant employees and the public during routine operations), and safeguards (protecting the plant against sabotage or other security threats). The process focuses on licensee performance within each of seven cornerstones of safety in the three areas:

Reactor Safety	Radiation Safety	Safeguards
•Initiating Events	•Occupational	•Physical Protection
•Mitigating Systems	•Public	
•Barrier Integrity		
•Emergency Preparedness		

To monitor these seven cornerstones of safety, the NRC used two processes that generate information about the safety significance of plant operations: inspections and performance indicators. Inspection findings will be evaluated according to their potential significance for safety, using the Significance Determination Process, and assigned colors of GREEN, WHITE, YELLOW or RED. GREEN findings are indicative of issues that, while they may not be desirable, represent very low safety significance. WHITE findings indicate issues that are of low to moderate safety significance. YELLOW findings are issues that are of substantial safety significance. RED findings represent issues that are of high safety significance with a significant reduction in safety margin.

Performance indicator data will be compared to established criteria for measuring licensee performance in terms of potential safety. Based on prescribed thresholds, the indicators will be classified by color representing varying levels of performance and incremental degradation in safety: GREEN, WHITE, YELLOW, and RED. GREEN indicators represent performance at a level requiring no additional NRC oversight beyond the baseline inspections. WHITE corresponds to performance that may result in increased NRC oversight. YELLOW represents performance that minimally reduces safety margin and requires even more NRC oversight. And RED indicates performance that represents a significant reduction in safety margin but still provides adequate protection to public health and safety.

The assessment process integrates performance indicators and inspection so the agency can reach objective conclusions regarding overall plant performance. The agency will use an Action Matrix to determine in a systematic, predictable manner which regulatory actions should be taken based on a licensee's performance. The NRC's actions in response to the significance (as represented by the color) of issues will be the same for performance indicators as for inspection findings. As a licensee's safety performance degrades, the NRC will take more and increasingly significant action, which can include shutting down a plan, as described in the Action Matrix.

More information can be found at: http://www.nrc.gov/NRR/OVERSIGHT/index.html.