

August 23, 2002

Mr. A. Cayia
Site Vice-President
Point Beach Nuclear Plant
Nuclear Management Company, LLC
6610 Nuclear Road
Two Rivers, WI 54241

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN
POINT BEACH NUCLEAR PLANT

Dear Mr. Cayia:

On July 31, 2002, the NRC staff completed its mid-cycle plant performance assessment of the Point Beach Nuclear Plant. In accordance with NRC Inspection Manual Chapter 0305, "Operating Reactor Assessment Program," the mid-cycle review involved the participation of all technical divisions in evaluating the performance of your Point Beach facility for the first half of the current assessment cycle, January 1 - December 31, 2002. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities.

Plant performance for the most recent quarter for Unit 1 was within the Licensee Response Column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). However, the significance of a finding involving a fire scenario that could affect the Unit 1 turbine-driven auxiliary feedwater pump is still under review as part of the Significance Determination Process. An inspection was conducted on July 29 and 30, 2002, to follow up on this issue and the results will be transmitted to you by separate correspondence. Additional inspections may be conducted, as specified by the Action Matrix, after we complete our review of this finding. We will notify you of any additional inspections.

Plant performance for the most recent quarter for Unit 2 was within the Regulatory Response Column of the NRC's Action Matrix, based on all PIs indicating performance at a level requiring no additional NRC oversight (Green) and one inspection finding regarding gas binding of a safety injection pump that was an issue with increased importance to safety, which may require additional NRC inspections (White). A Supplemental Inspection using procedure 95001 was conducted from August 19 to 23, 2002, to review this finding. The results of that inspection will be transmitted to you by separate correspondence.

In addition to the baseline inspections and the inspections discussed above, we will be conducting an inspection from September 23 to 27, 2002, to determine if the recent Red finding associated with the potential common mode failure of the auxiliary feedwater system is an old

design issue. This finding was discussed in a letter from the NRC to Mr. Mark Warner, dated July 12, 2002. Additional inspections may be conducted, as specified by the Action Matrix, after we make our determination. We will notify you of any additional inspections. Also, we are in the process of completing our final significance determination for an inspection finding involving the critique conducted after the biennial emergency preparedness exercise on February 12, 2002. This finding was preliminarily categorized as an issue with increased importance to safety, which may require additional NRC inspections (White). We will inform you by separate correspondence of the results of our evaluation and any plans for supplemental inspections related to this finding.

The enclosed inspection plan details the inspections scheduled through September 30, 2003. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspection plan for the last 6 months is tentative and may be revised at the end-of-cycle review.

In addition, the NRC is in the process of finalizing a Temporary Instruction that will be used to review implementation of the Interim Compensatory Measures required by the Agency's Security Order to all commercial nuclear power plants dated February 25, 2002. Schedules have not yet been finalized, but it is anticipated that these inspections will begin within the next calendar quarter. Once finalized, the details will be communicated by separate correspondence.

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

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact Roger Lanksbury of my staff at (630) 829-9631 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA by Steve Reynolds acting for/

Geoffrey E. Grant, Director
Division of Reactor Projects

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

Enclosure: Point Beach Inspection/Activity Plan

See Attached Distribution

common mode failure of the auxiliary feedwater system is an old design issue. This finding was discussed in a letter from the NRC to Mr. Mark Warner, dated July 12, 2002. Additional inspections may be conducted, as specified by the Action Matrix, after we make our determination. We will notify you of any additional inspections. Also, we are in the process of completing our final significance determination for an inspection finding involving the critique conducted after the biennial emergency preparedness exercise on February 12, 2002. This finding was preliminarily categorized as an issue with increased importance to safety, which may require additional NRC inspections (White). We will inform you by separate correspondence of the results of our evaluation and any plans for supplemental inspections related to this finding.

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Geoffrey E. Grant, Director
Division of Reactor Projects

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NAME	MKunowski:co		RLanksbury		GGrant				
DATE	08/ /02		08/ /02		08/ /02				

OFFICIAL RECORD COPY

cc w/encl: R. Grigg, President and Chief
Operating Officer, WEPCo
R. Anderson, Executive Vice President
and Chief Nuclear Officer
T. Webb, Licensing Manager
D. Weaver, Nuclear Asset Manager
T. Taylor, Plant Manager
J. O'Neill, Jr., Shaw, Pittman,
Potts & Trowbridge
K. Duveneck, Town Chairman
Town of Two Creeks
D. Graham, Director
Bureau of Field Operations
A. Bie, Chairperson, Wisconsin
Public Service Commission
S. Jenkins, Electric Division
Wisconsin Public Service Commission
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Board Chairman
N. Crowley, Director, Manitowac
Emergency Management
G. Novickis, Chairman, Kewaunee
County Board
The Honorable Darin A. Jeanquart
G. Buckley, Two Rivers City Manager
L. Hucek, Director, Kewaunee
Emergency Management
C. Meyer, President, Village of Mishicot
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ADAMS Distribution:

DFT

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SRI Point Beach

DRPIII

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PLB1

JRK1

Point Beach
Inspection / Activity Plan
09/01/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	ISI	- ISI FOR UNIT 1	1			
1	IP 7111108	Inservice Inspection Activities		09/23/2002	10/18/2002	Baseline Inspections
	ISI	- TI-145 FOR UNIT 1	1			
1	IP 2515/145	Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles (NRC Bulletin :		09/23/2002	10/18/2002	Safety Issues
	IP 71121	- RP ALARA INSPECTION (OUTAGE)	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		09/30/2002	10/04/2002	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		09/30/2002	10/04/2002	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		09/30/2002	10/04/2002	Baseline Inspections
	IP 71114	- NON-EXERCISE BASELINE EP INSPECTION	1			
1, 2	IP 7111402	Alert and Notification System Testing		01/13/2003	01/17/2003	Baseline Inspections
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		01/13/2003	01/17/2003	Baseline Inspections
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		01/13/2003	01/17/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		01/13/2003	01/17/2003	Baseline Inspections
	IP 71121	- RAD INSTRUMENTATION INSPECTION	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		01/13/2003	01/17/2003	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		01/13/2003	01/17/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		01/13/2003	01/17/2003	Baseline Inspections
	71121.03	- RP INSTRUMENTATION INSPECTION	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		02/10/2003	02/14/2003	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		02/10/2003	02/14/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		02/10/2003	02/14/2003	Baseline Inspections
	MR	- MAINTENANCE RULE	1			
1	IP 7111112B	Maintenance Effectiveness		04/28/2003	05/03/2003	Baseline Inspections
	FY 2003	- POINT BEACH INIT PREP 09/2003	3			
1	W90082	OL - INITIAL EXAM - POINT BEACH - SEP/OCT 2003		08/25/2003	08/29/2003	Not Applicable
	FY 2004	- POINT BEACH INIT EXAM 10/2003	3			
1	W90082	OL - INITIAL EXAM - POINT BEACH - SEP/OCT 2003		09/29/2003	10/03/2003	Not Applicable

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.