



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

REGION III  
2443 WARRENVILLE RD. SUITE 210  
LISLE, IL 60532-4352

March 4, 2015

Mr. Eric McCartney  
Site Vice President  
NextEra Energy Point Beach, LLC  
6610 Nuclear Road  
Two Rivers, WI 54241

**SUBJECT: ANNUAL ASSESSMENT LETTER FOR POINT BEACH NUCLEAR PLANT,  
UNITS 1 AND 2 (REPORT 05000266/2014001; 05000301/2014001)**

Dear Mr. McCartney:

On February 12, 2015, the U.S. Nuclear Regulatory Commission (NRC) completed its end-of-cycle performance review of Point Beach Nuclear Plant, Units 1 and 2. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1, 2014 through December 31, 2014. This letter informs you of the NRC's assessment of your facility during this period and its plans for future inspections at your facility.

The NRC determined the performance at Point Beach Nuclear Plant, Unit 1, during the most recent quarter was within the Degraded Cornerstone Column (Column 3) of the NRC's Reactor Oversight Process (ROP) Action Matrix because of two inspection findings classified as having low to moderate safety significance (i.e., White) in the Mitigating Systems Cornerstone. One White finding was associated with a coupling failure on the Unit 1 turbine-driven auxiliary feedwater pump that was identified in the fourth quarter of 2012. The other White finding was associated with your failure to implement external flooding wave run-up protection design features as described in the Final Safety Analysis Report (FSAR) and was identified in the first quarter of 2013. This finding was associated with Unit 1 and Unit 2. By letter dated August 9, 2013, NRC Inspection Report 05000266/2013012 and 05000301/2013012 (ADAMS Accession Number ML13221A187), the NRC notified you of the final significance of the failure to implement external flooding features and advised you that Unit 1 was assessed to be in the Degraded Cornerstone column.

The NRC determined the performance at Point Beach Nuclear Plant, Unit 2, during the most recent quarter was within the Regulatory Response Column (Column 2) of the NRC's ROP Action Matrix because of the flooding related inspection finding classified as having low to moderate safety significance (i.e., White) in the Mitigating Systems Cornerstone, discussed above.

In the Mid-Cycle Assessment Letter for Point Beach Nuclear Plant, Units 1 and 2, dated September 2, 2014 (ML14245A166), the NRC advised you that based on the results of a supplemental inspection (ML14087A366) conducted in February 2014; the performance issues associated with the identified flooding finding would remain open beyond the normal four

quarters and would not be removed from consideration in the NRC's assessment program until the identified weaknesses were corrected and the NRC reviewed your actions during a subsequent supplemental inspection. The objectives of this supplemental inspection would be to verify that your staff adequately evaluated, and have implemented or plan to implement, adequate corrective actions to address the root causes, contributing causes, extent-of-condition, and extent-of-cause and to prevent recurrence of the safety-significant finding.

Your staff notified the NRC of your readiness to resume the supplemental inspection by letter dated December 16, 2014 (ML14351A028). The NRC re-performed the inspection in accordance with Inspection Procedure 95002, "Supplemental Inspection For One Degraded Cornerstone or Any Three White Inputs In a Strategic Performance Area," during the first quarter of 2015, but, as of the date of this letter, the report documenting that inspection has not been finalized. Point Beach Nuclear Plant Unit 1 remains in the Degraded Cornerstone Column and Point Beach Nuclear Plant Unit 2 remains in the Regulatory Response Column of the NRC's ROP Action Matrix. Upon issuance of the report documenting the supplemental inspection, the NRC will re-assess each unit's position in the NRC's ROP Action Matrix. We expect to issue that inspection report and the associated performance assessment follow-up by March 23, 2015.

During this assessment period, the NRC identified a cross-cutting theme in the Problem Identification and Resolution component. Specifically, there were three findings during the current assessment period in addition to the first quarter 2013 White finding (held open) with the cross-cutting aspect of Evaluation (P.2). There were no cross-cutting aspects of P.2 identified in the third or fourth quarter of the assessment period. The NRC determined that a substantive cross-cutting issue associated with P.2 does not exist because the NRC does not have a concern with your staff's scope of effort and current progress in addressing the cross-cutting theme. All of the findings associated with the P.2 aspect are associated with the White flooding finding and the supplemental inspection of your facility's original efforts to address that finding. Also, you are aware of the issues, have a cause analysis that also considered "evaluation" issues across the plant, have identified corrective actions, and are working to address the identified issues.

The enclosed inspection plan lists the inspections scheduled through June 30, 2016. Routine inspections performed by resident inspectors are not included in the inspection plan. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the mid-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes. This inspection plan does not include security related inspections, which will be sent via separate, non-publicly available correspondence.

The NRC is presently conducting a triennial Component Design Basis Inspection (February, March) and will conduct a biennial Problem Identification and Resolution inspection (June, July). Additionally, an NRC audit of licensee efforts towards compliance with Order EA-12-049, "Order Modifying Licenses with Regard to Requirements for Mitigation Strategies for Beyond-Design-Basis External Events," and Order EA-12-051, "Order Modifying Licenses with Regard to Reliable Spent Fuel Pool Instrumentation" is ongoing for various sites. The audit

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includes an onsite visit for the NRC staff to evaluate mitigating strategies as described in the licensee submittals, and to receive and review information relative to associated open items. This onsite audit will occur prior to the first unit at the site achieving compliance with the Orders and the audit will aid NRC staff in developing a final Safety Evaluation for the site. The audit at your site has been scheduled for the week of June 8, 2015. A site-specific audit plan for the visit will be provided in advance to allow sufficient time for preparations.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public Inspections, Exemptions, Requests for Withholding," of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response (if any) will be available electronically for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Please contact Mr. Jamnes Cameron at 630-829-9833 with any questions you have regarding this letter.

Sincerely,

**/RA/**

Cynthia D. Pederson  
Regional Administrator

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

Enclosure:  
Point Beach Nuclear Plant  
Inspection/Activity Plan

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|        |               |          |          |           |
|--------|---------------|----------|----------|-----------|
| OFFICE | RIII          | RIII     | RIII     | RIII      |
| NAME   | JRutkowski:mt | JCameron | ABoland  | CPederson |
| DATE   | 02/24/15      | 02/24/15 | 02/25/15 | 02/28/15  |

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Letter to Eric McCartney from Jamnes Cameron dated March 4, 2015

SUBJECT: ANNUAL ASSESSMENT LETTER FOR POINT BEACH NUCLEAR PLANT,  
UNITS 1 AND 2 (REPORT 05000266/2014001; 05000301/2014001)

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**Point Beach**  
**Inspection / Activity Plan**  
**03/01/2015 - 06/30/2016**

| Unit Number | Planned Dates |            | Inspection Activity                                     | Title   | No. of Staff on Site |
|-------------|---------------|------------|---|---|----------------------|
|             | Start         | End        |   |   |                      |
|             |               |            | <b>BI ENG - COMPONENT DESIGN BASES INSPECTION</b>       |   | <b>6</b>             |
| 1, 2        | 02/23/2015    | 03/27/2015 | IP 7111121  | Component Design Bases Inspection   |                      |
|             |               |            | <b>OL EXAM - INIT EXAM/FEB 2015</b>                     |   | <b>4</b>             |
| 1           | 02/23/2015    | 03/06/2015 | W90334  | OL - INITIAL EXAM - 2015 JAN-FEB - POINT BEACH  |                      |
|             |               |            | <b>71152B - BIENNIAL PI&amp;R INSPECTION</b>            |   | <b>5</b>             |
| 1, 2        | 06/22/2015    | 07/10/2015 | IP 71152B   | Problem Identification and Resolution   |                      |
|             |               |            | <b>STRIKE P - STRIKE PREPARATIONS</b>                   |   | <b>1</b>             |
| 1, 2        | 05/01/2015    | 06/01/2015 | IP 92709  | Licensee Strike Contingency Plans   |                      |
|             |               |            | <b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b> |   | <b>1</b>             |
| 1           | 05/18/2015    | 05/22/2015 | IP 71124.07   | Radiological Environmental Monitoring Program   |                      |
|             |               |            | <b>BI MODS - MODIFICATIONS / 50.59 INSPECTION</b>       |   | <b>3</b>             |
| 1, 2        | 08/10/2015    | 08/28/2015 | IP 7111117T   | Evaluations of Changes, Tests, and Experiments and Permanent Plant Modifications                  |                      |
|             |               |            | <b>BI EPEX - EMERGENCY PREPAREDNESS EXERCISE EVAL</b>   |   | <b>2</b>             |
| 1, 2        | 07/15/2015    | 09/18/2015 | IP 7111408  | Exercise Evaluation – Scenario Review   |                      |
| 1, 2        | 09/14/2015    | 09/18/2015 | IP 7111407  | Exercise Evaluation - Hostile Action (HA) Event   |                      |
| 1           | 09/14/2015    | 09/18/2015 | IP 71151  | Performance Indicator Verification  |                      |
|             |               |            | <b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b> |   | <b>1</b>             |
| 1           | 08/17/2015    | 08/21/2015 | IP 71124.08   | Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation |                      |
|             |               |            | <b>BI OLRQ - BIENNIAL REQUAL PROGRAM INSPECTION</b>     |   | <b>2</b>             |
| 1, 2        | 08/17/2015    | 08/21/2015 | IP 7111111B   | Licensed Operator Requalification Program   |                      |
|             |               |            | <b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b> |   | <b>1</b>             |
| 1           | 10/05/2015    | 10/09/2015 | IP 71124.01   | Radiological Hazard Assessment and Exposure Controls  |                      |
| 1           | 10/05/2015    | 10/09/2015 | IP 71151  | Performance Indicator Verification  |                      |
|             |               |            | <b>BI ISI - ISI UNIT 2 INSPECTION</b>                   |   | <b>2</b>             |
| 2           | 10/07/2015    | 11/06/2015 | IP 7111108P   | Inservice Inspection Activities - PWR   |                      |
|             |               |            | <b>ISI - INSERVICE INSPECTION ON UNIT 1</b>             |   | <b>1</b>             |
| 1           | 04/04/2016    | 04/22/2016 | IP 7111108P   | Inservice Inspection Activities - PWR   |                      |
|             |               |            | <b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b> |   | <b>2</b>             |
| 1           | 04/11/2016    | 04/15/2016 | IP 71124.01   | Radiological Hazard Assessment and Exposure Controls  |                      |
| 1           | 04/11/2016    | 04/15/2016 | IP 71124.02   | Occupational ALARA Planning and Controls  |                      |
| 1           | 04/11/2016    | 04/15/2016 | IP 71124.03   | In-Plant Airborne Radioactivity Control and Mitigation  |                      |
| 1           | 04/11/2016    | 04/15/2016 | IP 71124.04   | Occupational Dose Assessment  |                      |

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

**Point Beach**  
**Inspection / Activity Plan**  
**03/01/2015 - 06/30/2016**

| Unit Number                                    | Planned Dates<br>Start End |            | Inspection Activity | Title                 | No. of Staff on Site |
|--|----------------------------|------------|---------------------|-----------------------|----------------------|
| <b>ENG BI - TRIENNIAL HEAT SINK INSPECTION</b> |                            |            |                     |                       |                      |
| 1, 2   | 06/06/2016                 | 06/10/2016 | IP 7111107T         | Heat Sink Performance | 2                    |

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This report shows only on-site and announced inspection procedures.