



**Wisconsin
Electric**
POWER COMPANY

231 W Michigan, PO. Box 2046, Milwaukee, WI 53201-2046

DOCKETED
USNR

DOCKET NUMBER
PROPOSED RULE **PR 50**
(59FR52707)

'95 JAN 31 P4:56

(414) 221-2345

December 20, 1994

OFFICE
DOCKET

The Honorable Ivan Selin, Chairman
U.S. NUCLEAR REGULATORY COMMISSION
Mail Station P1-137
Washington, DC 20555

Dear Chairman Selin:

PROPOSED RULEMAKING
SHUTDOWN AND LOW-POWER OPERATIONS
FOR NUCLEAR POWER REACTORS
FEDERAL REGISTER, OCTOBER 20, 1994

Wisconsin Electric Power Company submitted comments on the proposed rulemaking to the NRC Secretary by letter dated December 1, 1994. This position letter reinforced Wisconsin Electric Power Company's commitment to operating Point Beach Nuclear Plant in such a manner as to protect the health and safety of the public and our employees.

As part of this commitment, we recognize the need for maintaining nuclear safety during low-power, shutdown, and refueling conditions, and have therefore implemented an outage safety assessment program for Point Beach Nuclear Plant. This program has allowed Point Beach Nuclear Plant to maintain the highest level of nuclear safety during refueling outages, while achieving an enviable record on outage duration.

However, Wisconsin Electric Power Company is very concerned about the shortcomings in the development process used for this rulemaking. In addition, we are concerned about the significant adverse operational and economic implications which would be created for licensees by its promulgation. We wish to bring our concerns to your attention. These concerns concentrate in three main areas which we will address individually.

Lack of Justification

The industry took the initiative to develop and distribute NUMARC 91-06, "Guidelines for Industry Actions to Assess Shutdown Management." We believe this has resulted in significant improvements in shutdown performance, reducing both the frequency and safety significance of shutdown events in the last three years.

9502020123 941220
PDR PR
50 59FR52707 PDR

The timing of the rulemaking process has prevented these improvements from being considered by the NRC staff in the supporting Regulatory Analysis. The data in NUREG 1449 is many years old and was obtained before the implementation of NUMARC 91-06.

We are also concerned that the assumptions, cost estimates, estimated outage duration effects, and the use of Probabilistic Safety Assessment (PSA) contained in the Regulatory Analysis, are inconsistent with the estimates of the industry.

Point Beach is recognized as an industry leader in the area of outage performance from a scheduling and shutdown safety perspective. Wisconsin Electric estimates that the requirements imposed by the proposed rule would extend the annual refueling outages at Point Beach Nuclear Plant by approximately four days. At an estimated outage cost per day of \$200,000 per unit, with two unit refueling outages per year, the annual increased cost due to extended outage duration alone would be \$1.6 million.

Costs other than those caused by outage duration increases, total nearly \$8 million as estimated for Point Beach Nuclear Plant. These include the costs for additional fire hazard protection programs, reactor vessel level "diverse" instrumentation, an RHR suction bypass modification, and operator training.

These costs have not been adequately addressed by the Regulatory Analysis. Wisconsin Electric believes that due to this inadequate assessment of costs associated with complying to the proposed rule, the NRC has failed to comply with the intent of the Backfit Rule as delineated in 10 CFR 50.109. Specifically, 10 CFR 50.109(a)(3) requires that "...all direct and indirect costs of implementation for that facility are justified..." in view of the increased safety to the public resulting from the proposed rule.

Danger in Codification of Industry Self-Improvement Initiative

Wisconsin Electric believes that codification of an industry self-improvement initiative, such as NUMARC 91-06, sets an undesirable precedent for future industry initiatives. This type of regulatory action discourages voluntary self-improvement initiatives and the proactive commitment of resources. Such a regulatory environment could detract from the NRC's charter to protect the health and safety of the citizens of our country by possibly delaying implementation of safety improvement initiatives identified by the nuclear power industry.

The Honorable Ivan Selin
December 20, 1994
Page 3

Adequacy of Current Regulatory Oversight

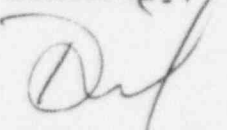
While the NRC has recognized that improvements have been made across the industry in these areas, the proposed shutdown rule is based upon a perceived need to prevent backsliding by licensees. Wisconsin Electric believe the Maintenance Rule already provides an appropriate degree of regulatory oversight applicable to shutdown operations. It requires that, during performance of monitoring and preventative maintenance activities, an assessment of the total plant equipment available to perform safety functions be taken into account. This regulatory requirement does not differentiate between plant operation modes.

In summary, we believe appropriate implementation of the guidelines such as those presented in NUMARC 91-06 negate the need for further regulation in this area. Furthermore, the Regulatory Analysis presented in SECY-94-176 falls far short of justifying the proposed rule due to out of date data, overly conservative assumptions, inadequate cost estimates, and inadequate PSA analysis.

Finally, Wisconsin Electric believes the NRC already has appropriate regulatory authority over shutdown and low-power operations, as provided by the Maintenance Rule.

I appreciate the opportunity to provide Wisconsin Electric Power Company's views on this proposed rulemaking. I am confident that upon reevaluation of the improvements made by the industry as a result of NUMARC 91-06, the NRC will conclude, just as we have, that no further regulatory action is required in the area of shutdown and low-power operations.

Sincerely,



Richard Abdoo
Chairman of the Board &
Chief Executive Officer

GAP/jg

cc: NEI
NRC Resident Inspector
NRC Regional Administrator, R III

bcc: J. Anthony, C. Cerovac, C. Gray, E. Gross, R. Hanneman,
N. Hoefert, D. Johnson, G. Krieser, R. Link, C. Ksobiech,
T. Malanowski, G. Maxfield, M. Millen, R. Newton, F. Padovano,
S. Patulski, G. Peppel, M. Reiff, R. Ulmer