March 4, 2003

C. L. Terry, Senior Vice President
and Principal Nuclear Officer
TXU Energy
ATTN: Regulatory Affairs
Comanche Peak Steam Electric Station
P.O. Box 1002
Glen Rose, Texas 76043

SUBJECT: ANNUAL ASSESSMENT - COMANCHE PEAK STEAM ELECTRIC STATION
(REPORT 50-445, 446/03-01)

Dear Mr. Terry:

On February 5, 2003, the NRC staff completed its end-of-cycle plant performance assessment of Comanche Peak Steam Electric Station. The end-of-cycle review for Comanche Peak Steam Electric Station involved the participation of all technical divisions in evaluating performance indicators for the most recent quarter and inspection results for the period from January 1 through 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 that may conflict with your plant activities.

Overall, Comanche Peak Steam Electric Station operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter 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 performance indicators indicating performance at a level requiring no additional NRC oversight (Green). In addition to baseline inspections, we plan to conduct Temporary Instruction 2515/148, “Inspection of Nuclear Reactor Safeguards Interim Compensatory Measures.”

While plant performance in the most recent quarter was within the Licensee Response Column of the Action Matrix, plant performance for the previous three quarters remained in the Regulatory Response Column because of a finding of low-to-moderate safety significance (White) in the Public Radiation Safety cornerstone identified in the fourth quarter of 2001. Our supplemental inspection, which was completed in April 2002, found that your staff had performed a thorough evaluation and properly addressed the issue of radioactive material control.
The enclosed inspection plan details the inspections scheduled through March 31, 2004. 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 inspections in the last six months of the inspection plan are tentative and may be revised at the Midcycle Review meeting.

As you are aware, since the terrorist attacks on September 11, 2001, the NRC has issued several Orders and threat advisories to enhance security capabilities and improve guard force readiness. We have conducted inspections to review your implementation of these requirements and have monitored your actions in response to changing threat conditions. For calendar year 2003, we plan to continue these inspections and conduct portions of the security baseline inspection program, as well as perform additional inspections to evaluate your compliance with new requirements that may be ordered. Based on our final determinations in this regard, we will notify you of any inspection plan changes.

In accordance with 10 CFR 2.790 of the NRC’s “Rules 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 (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 William D. Johnson at (817) 860-8148 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/
Arthur T. Howell III, Director
Division of Reactor Projects

Dockets: 50-445
50-446
Licenses: NPF-87
NPF-89

Enclosure:
Comanche Peak Steam Electric Station
Inspection/Activity Plan

cc w/enclosure:
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Austin, TX  78711-3087
Electronic distribution by RIV:
Regional Administrator (EWM)
DRP Director (ATH)
DRS Director (DDC)
Senior Resident Inspector (DBA)
Branch Chief, DRP/A (WDJ)
Senior Project Engineer, DRP/A (CJP)
Staff Chief, DRP/TSS (PHH)
RITS Coordinator (NBH)
V. L. Dricks, PAO (VLD)
W. A. Maier, RSLO (WAM)
C. J. Gordon (CJG)
DRS Branch Chiefs (TWP, ATG, CSM)
W. D. Travers, EDO (WDT)
C. A. Carpenter, Chief, NRR/DIPM/IIPB (CAC)
R. K. Frahm, PPR Program Manager, NRR/DIPM/IIPB (RKF)
R. W. Borchardt, Associate Dir. for Inspection and Programs (RWB1)
B. W. Sheron, Associate Dir. for Project Licensing and Technical Analysis (BWS)
S. Morris, Acting Chief, Regional Operations Staff, OEDO (SAM1)
H. Berkow, NRR Project Director (HNB)
R. Gramm, Chief, Section 1, NRR/DLPM (RAG)
D. H. Jaffe, NRR Project Manager (DHJ)

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