Mr. Richard L. Anderson  
Vice President  
NextEra Energy Duane Arnold, LLC  
3277 DAEC Road  
Palo, IA  52324-9785  

SUBJECT: ANNUAL ASSESSMENT LETTER FOR DUANE ARNOLD ENERGY CENTER  
(REPORT 05000331/2013001)  

Dear Mr. Anderson:  

On February 12, 2014, the U.S. Nuclear Regulatory Commission (NRC) staff completed its end-of-cycle performance review of Duane Arnold Energy Center. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1, 2013 through December 31, 2013. 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 that the performance at Duane Arnold Energy Center during the most recent quarter was within the Degraded Cornerstone column of the NRC’s Reactor Oversight Process (ROP) Action Matrix based on two inspection findings being classified as having low to moderate safety significance (i.e., White) in the Mitigating Systems Cornerstone and all PIs were within the nominal, expected range (i.e., green). The two inspection findings were related to inadequate standby diesel generator lube oil heat exchanger maintenance and the failure to perform an operability evaluation for a reactor core isolation cooling turbine speed indicator.

As described in our Assessment Follow-up Letter issued on December 18, 2013 (ADAMS Accession No. ML13353A487), Duane Arnold Energy Center transitioned from the Licensee Response column to the Regulatory Response column of the ROP Action Matrix in the third quarter of 2013 due to the White finding related to the inadequate standby diesel generator lube oil heat exchanger maintenance. Subsequently, the NRC issued another Assessment Follow-up Letter on February 11, 2014 (ADAMS Accession No. ML14042A065), for the White finding related to the failure to perform an operability evaluation for a reactor core isolation cooling turbine speed indicator. Due to the two White findings in the Mitigating Systems Cornerstone, Duane Arnold Energy Center transitioned to the Degraded Cornerstone column of the ROP Action Matrix in the third quarter of 2013.

Therefore, in addition to ROP baseline inspections, the NRC plans to conduct a supplemental inspection in accordance with Inspection Procedure (IP) 95002, “Supplemental Inspection for One Degraded Cornerstone or Any Three White Inputs in a Strategic Performance Area,” for the two White findings. The NRC will conduct the inspection after you notify us of your readiness for us to review the actions taken to address the performance issues associated with the White inspection findings.
As a result of the Safety Culture Common Language Initiative, the terminology and coding of cross-cutting aspects were revised. All cross-cutting aspects identified during inspections conducted in calendar year 2014 will reflect this revision to Inspection Manual Chapter (IMC) 0310. The CY 2013 end-of-cycle assessments were conducted using the IMC 0310 guidance in effect in CY 2013 (dated October 28, 2011). Cross-cutting aspects identified in 2013 using the 2013 terminology will be converted to the latest revision in accordance with the cross-reference in IMC 0310 during the mid-cycle assessment review and evaluated for cross-cutting themes and potential substantive cross-cutting issues in accordance with IMC 0305.

The enclosed inspection plan lists the inspections scheduled through June 30, 2015. 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.

In accordance with 10 CFR 2.390 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 System (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html (the Public Electronic Reading Room).

Please contact Christine Lipa at 630-829-9703 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Cynthia D. Pederson
Regional Administrator

Docket No. 50-331
License No. DPR-49

Enclosure:
Duane Arnold Energy Center
  Inspection/Activity Plan

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Letter to Richard Anderson from Cynthia Pederson dated March 4, 2014

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(REPORT 05000331/2013001)

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RidsNrrDorlLpl3-1 Resource
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Cynthia Pederson
Darrell Roberts
Steven Orth
Allan Barker
Carole Ariano
Linda Linn
DRPIII
DRSIII
Patricia Buckley
ROPassessment.Resource@nrc.gov
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