Mr. John L. Skolds, President
Exelon Nuclear
Exelon Generation Company, LLC
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: ANNUAL ASSESSMENT LETTER - LASALLE NUCLEAR POWER STATION
(REPORT 50-373/03-01; 50-374/03-01)

Dear Mr. Skolds:

On February 12, 2003, the NRC staff completed its End-of-Cycle plant performance assessment of the LaSalle Nuclear Power Station. The End-of-Cycle review for the LaSalle Nuclear Power Station involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period January 1, 2002, through December 31, 2002. This letter is to inform you of our assessment of your safety performance during this period. In addition, we are providing 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.

Overall, LaSalle Nuclear Power 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 PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct only baseline inspections at your facility through March 31, 2004.

While plant performance for the most recent quarter is within the licensee response column of the Action Matrix, there was a safety significant performance indicator and a substantive cross-cutting issue that we assessed during the first two quarters of the assessment cycle. As discussed in our March 2002 Annual Assessment Letter, additional NRC attention was warranted for a White Performance Indicator (PI) for Reactor Scrams per 7000 Critical Hours and a potential adverse trend in the Human Performance cross-cutting area. The Reactor Scrams per 7000 Critical Hours PI returned to GREEN by the end of June 2002 and our supplemental inspection completed on January 9, 2002, identified your staff was taking appropriate actions to address the issue. Also, we have closely monitored the potential adverse trend in human performance over the past year. The results of our monitoring activities have indicated that your corrective actions were effective in reducing the significance and frequency of human performance issues. Based on this improving trend, the Human Performance cross-cutting issue is considered closed.
The enclosure inspection plan details the inspections planned 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 6 months of the inspection plan are tentative and may be revised at the mid-cycle 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, 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/NRC/ADAMS/index.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 me at (630) 829-9757 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Bruce L. Burgess, Chief
Reactor Projects Branch 2
Division of Reactor Projects

Docket Nos. 50-373; 50-374
License Nos. NPF-11; NPF-18

Enclosure: LaSalle Inspection/Activity Plan

See Attached Distribution
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Bruce L. Burgess, Chief
Reactor Projects Branch 2
Division of Reactor Projects

Docket Nos. 50-373; 50-374
License Nos. NPF-11; NPF-18

Enclosure: LaSalle Inspection/Activity Plan
cc w/encl: Site Vice President - LaSalle County Station
LaSalle County Station Plant Manager
Regulatory Assurance Manager - LaSalle
Chief Operating Officer
Senior Vice President - Nuclear Services
Senior Vice President - Mid-West Regional Operating Group
Vice President - Mid-West Operations Support
Vice President - Licensing and Regulatory Affairs
Director Licensing - Mid-West Regional Operating Group
Manager Licensing - Clinton and LaSalle
Senior Counsel, Nuclear, Mid-West Regional Operating Group
Document Control Desk - Licensing
M. Aguilar, Assistant Attorney General
Illinois Department of Nuclear Safety
State Liaison Officer
Chairman, Illinois Commerce Commission
P. Nelson, Grundy County Board Chairman
The Honorable Robert Eschbach
The Honorable Raymond Schmitt
P. Nicholson, City Manager, Streator
J. Lutz, County Emergency Management Coordinator/Director
The Honorable David Yeck
The Honorable Shirley Gielow
The Honorable John Rzasa
T. Templeton, LaSalle County Sheriff
G. Dougherty, LaSalle County Board Chairman
E. Tidd, LaSalle County Emergency Preparedness Coordinator
The Honorable John Knudson
The Honorable Jeff Snyder
The Honorable Mark Harlow
INPO
ADAMS Distribution:
AJM
DFT
DMS6
H. Nieh, OEDO
Project Director, NRR
Project Mgr., NRR
RidsNrrDipmlipb
J. Caldwell, RIII
G. Grant, RIII
B. Clayton, RIII
R. Lickus, RIII
SRI LaSalle
DRPIII
DRSIII
PLB1
JRK1
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This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.