March 4, 2014

Mr. Michael J. Pacilio
Senior Vice President, Exelon Generation Company, LLC
President and Chief Nuclear Officer, Exelon Nuclear
4300 Winfield Rd.
Warrenville, IL 60555

SUBJECT: ANNUAL ASSESSMENT LETTER FOR THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1 (REPORT 05000289/2013001)

Dear Mr. Pacilio:

On February 12, 2014, the U.S. Nuclear Regulatory Commission (NRC) completed its end-of-cycle performance review of Three Mile Island Nuclear Station, Unit No. 1. The NRC reviewed the most recent quarterly performance indicators 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 overall, Three Mile Island, Unit No. 1, operated in a manner that preserved public health and safety and met all cornerstone objectives. Three Mile Island, Unit No. 1, was in the Regulatory Response Column of the NRC’s Reactor Oversight Process Action Matrix until the most recent quarter due to a White finding in the Mitigating Systems cornerstone associated with a degraded external flood barrier system that was identified during the fourth quarter of 2012 and described in inspection reports 05000289/2012005 dated February 11, 2013, and 05000289/2013009 dated April 20, 2013 (ML13042A277 and ML13120A040)1. The NRC determined that Three Mile Island, Unit No. 1, returned to the Licensee Response Column in the third quarter of 2013, because a supplemental inspection was successfully completed for the White finding on September 13, 2013, as documented in inspection report 05000289/2013010 dated October 22, 2013 (ML13295A355). Subsequently, Three Mile Island, Unit No. 1, remained in the Licensee Response Column in the fourth quarter of 2013 because all inspection findings had very low (i.e., Green) safety significance and all performance indicators demonstrated that your performance was within the nominal, expected range (i.e., Green). Therefore, the NRC plans to conduct Reactor Oversight Process baseline inspections at your facility.

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

1 The NRC’s Agencywide Document Access and Management System (ADAMS) accession number for the referenced document(s). The document(s) is (are) publicly available and retrievable through the ADAMS link provided at the end of this letter using this number.
conducted in calendar year (CY) 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. In addition to baseline inspections, the NRC will perform Inspection Procedure (IP) 71003, “Post-Approval Site Inspection for License Renewal,” and Temporary Instruction (TI) 182, “Review of the Implementation of the Industry Initiative to Control Degradation of Underground Piping and Tanks.” 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 Title 10 of the Code of Federal Regulations (10 CFR), Part 2.390 of the NRC’s “Rules of Practice,” a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of the NRC’s Agencywide Document 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 Kevin Mangan at (610)337-5234 with any questions you have regarding this letter.

Sincerely,

/RA/

Michael L. Scott, Acting Director
Division of Reactor Projects

Docket Nos.: 50-289
License Nos.: DPR-50

Enclosure: Inspection Plan

cc w/encl: Distribution via ListServ
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RidsNrrDorLp1-2 Resource
ROPReports Resource
RidsNrrDirspab Resource
ROPAssessmentResource
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**Comments:**

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