

May 30, 2001

Mr. L. W. Myers
Senior Vice President
Post Office Box 4
Beaver Valley Power Station
FirstEnergy Nuclear Operating Company
Shippingport, Pennsylvania 15077

SUBJECT: ANNUAL ASSESSMENT LETTER - BEAVER VALLEY POWER STATION, UNITS
1 AND 2

Dear Mr. Myers:

On May 8, 2001, the NRC staff completed its end-of-cycle plant performance assessment of Beaver Valley Power Station. The end-of-cycle review for Beaver Valley 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 April 1, 2000, to March 31, 2001. 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 which may conflict with your plant activities. On July 11, 2001, at 2:00 p.m. we plan to discuss this assessment with you and your staff in a meeting at the Beaver Valley site Emergency Response Facility, conference room A. The meeting will be open for public observation.

Overall, Beaver Valley 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 May 31, 2002.

While plant performance for this assessment cycle was within the licensee response column of the Action Matrix, three safety significant inspection findings associated with the Unit 1 River Water and Unit 2 Service Water systems had been identified shortly before the cycle began. Supplemental NRC inspections during this cycle confirmed that you have reasonably evaluated and corrected the issues. However, these issues reflected a legacy of longstanding degraded material conditions and latent design deficiencies. We note that your recent initiative, the Latent Issues Review Project, is reviewing systems for additional legacy issues which may pose challenges to safe reliable plant operation. Initial system reviews conducted under this initiative have identified issues and recommended corrective actions to further enhance safe operation and reliability. We consider that our baseline inspection program activities will be sufficient for us to assess your progress in this area.

Mr. L. W. Myers
Beaver Valley

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The enclosure details the scheduled inspections that will occur through May 31, 2002. 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.

For your information, the NRC is in the process of aligning the inspection and assessment cycle with the calendar year. In order to transition to a calendar year cycle (January 1 - December 31), the next inspection and assessment cycle will consist of only three quarters (i.e. the second, third and fourth calendar quarters of CY 2001). As a result, a quarterly review will be conducted for the third calendar quarter (July 1 - September 30) in lieu of a mid-cycle review. The impact on the inspection plan, which is included as an enclosure, is minimal.

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). Our assessment process and terminology are further described in the NRC Reactor Oversight Process Web site at <http://www.nrc.gov/NRR/OVERSIGHT/index.html>

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 (610)-337-5146 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

John F. Rogge, Chief
Projects Branch 7
Division of Reactor Projects

Docket Nos.: 05000334; 05000412
License Nos: DPR-66, NPF-73

Enclosure: Beaver Valley Power Station, Units 1 and 2 Inspection/Activity Plan

Mr. L. W. Myers
Beaver Valley

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cc w/encl:

L. W. Pearce, Plant General Manager
R. Fast, Director, Plant Maintenance
F. von Ahn, Director, Plant Engineering
R. Donnellon, Director, Projects and Scheduling
M. Pearson, Director, Plant Services
T. Cosgrove, Manager, Licensing
J. A. Hultz, Manager, Projects and Support Services, FirstEnergy
M. Clancy, Mayor, Shippingport, PA
Commonwealth of Pennsylvania
State of Ohio
State of West Virginia
R. Calvan, Regional Director, FEMA Region III
R. Chiodo, Director Emergency Services
M. Clancy, EMA Coordinator
J. Jones, HCOES Director
J. Carter, CCEMA Director

Mr. L. W. Myers
Beaver Valley

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B. Platchek, DRP
V. Ordaz, NRR (RidsNrrDipmRss)
D. Barss, NRR
P. Hiland, OEDO
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|--------|--------------|--|--------------|--|-----------------|--|---------|--|---------|
| OFFICE | RI/DRP | | RI/DRP | | RI/DRP | | | | |
| NAME | NPerry /NSP/ | | JRogge /JFR/ | | RCrlenjak /RVC/ | | | | |
| DATE | 5/30/01 | | 5/30/01 | | 5/30/01 | | 05/ /01 | | 05/ /01 |

OFFICIAL RECORD COPY

Beaver Valley
Inspection / Activity Plan
06/01/2001 - 05/31/2002

| Unit Number | Inspection Activity | Title | No. of Staff on Site | Planned Dates | | Inspection Type |
|-------------|--|--|----------------------|---------------|------------|----------------------|
| | | | | Start | End | |
| | 5/28EXAM - INIT. OP. LIC. EXAM | | 4 | | | |
| 2 | U01423 | BEAVER VALLEY 2 O/L INITIAL EXAM 3/26-9/30/2001 | | 05/29/2001 | 06/02/2001 | Not Applicable |
| | 8/6EXAM - INIT OP LIC EXAM | | 4 | | | |
| 1 | U01424 | BEAVER VALLEY 1 O/L INITIAL EXAM 4/16-12/31/2001 | | 07/30/2001 | 08/03/2001 | Not Applicable |
| 1 | U01424 | BEAVER VALLEY 1 O/L INITIAL EXAM 4/16-12/31/2001 | | 08/06/2001 | 08/10/2001 | Not Applicable |
| | 7111105T - FIRE PROTECTION - UNIT 1 | | 4 | | | |
| 1 | IP 7111105T | Fire Protection | | 06/04/2001 | 06/08/2001 | Baseline Inspections |
| | 71121 - OCC RAD SAFETY | | 1 | | | |
| 1, 2 | IP 7112101 | Access Control to Radiologically Significant Areas | | 06/11/2001 | 06/15/2001 | Baseline Inspections |
| 1, 2 | IP 7112102 | ALARA Planning and Controls | | 06/11/2001 | 06/15/2001 | Baseline Inspections |
| 1, 2 | IP 71151 | Performance Indicator Verification | | 06/11/2001 | 06/15/2001 | Baseline Inspections |
| | 71152 - PROBLEM IDENTIFICATION & RESOLUTION | | 3 | | | |
| 1, 2 | IP 71152 | Identification and Resolution of Problems | | 07/09/2001 | 07/13/2001 | Baseline Inspections |
| 1, 2 | IP 71152 | Identification and Resolution of Problems | | 07/23/2001 | 07/27/2001 | Baseline Inspections |
| | 71114 - EP PRGM REVIEW & PI | | 1 | | | |
| 1, 2 | IP 7111402 | Alert and Notification System Testing | | 08/13/2001 | 08/17/2001 | Baseline Inspections |
| 1, 2 | IP 7111403 | Emergency Response Organization Augmentation Testing | | 08/13/2001 | 08/17/2001 | Baseline Inspections |
| 1, 2 | IP 7111404 | Emergency Action Level and Emergency Plan Changes | | 08/13/2001 | 08/17/2001 | Baseline Inspections |
| 1, 2 | IP 7111405 | Correction of Emergency Preparedness Weaknesses and Deficiencies | | 08/13/2001 | 08/17/2001 | Baseline Inspections |
| 1, 2 | IP 71151 | Performance Indicator Verification | | 08/13/2001 | 08/17/2001 | Baseline Inspections |
| | 71121 - OCC RAD SAFETY | | 1 | | | |
| 1 | IP 7112101 | Access Control to Radiologically Significant Areas | | 09/10/2001 | 09/14/2001 | Baseline Inspections |
| 1 | IP 7112102 | ALARA Planning and Controls | | 09/10/2001 | 09/14/2001 | Baseline Inspections |
| 1, 2 | IP 71151 | Performance Indicator Verification | | 09/10/2001 | 09/14/2001 | Baseline Inspections |
| | 7111108 - INSERVICE INSPECTION | | 1 | | | |
| 2 | IP 7111108 | Inservice Inspection Activities | | 09/17/2001 | 09/21/2001 | Baseline Inspections |
| | 71130 - SECURITY | | 1 | | | |
| 1, 2 | IP 7113001 | Access Authorization Program (Behavior Observation Only) | | 09/24/2001 | 09/28/2001 | Baseline Inspections |
| 1, 2 | IP 7113002 | Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizatio | | 09/24/2001 | 09/28/2001 | Baseline Inspections |
| | 7111117B - MODS | | 3 | | | |
| 1, 2 | IP 7111102 | Evaluation of Changes, Tests, or Experiments | | 12/10/2001 | 12/14/2001 | Baseline Inspections |
| 1, 2 | IP 7111117B | Permanent Plant Modifications | | 12/10/2001 | 12/14/2001 | Baseline Inspections |
| | 71121 - OCC RAD SAFETY - CALIBRATION | | 1 | | | |
| 1, 2 | IP 7112103 | Radiation Monitoring Instrumentation | | 12/17/2001 | 12/21/2001 | Baseline Inspections |

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

Beaver Valley
Inspection / Activity Plan
06/01/2001 - 05/31/2002

| Unit Number | Inspection Activity | Title | No. of Staff on Site | Planned Dates | | Inspection Type |
|--|---------------------|--|----------------------|---------------|------------|----------------------|
| | | | | Start | End | |
| 7111108 - INSERVICE INSPECTION | | | 1 | | | |
| 1 | IP 7111108 | Inservice Inspection Activities | | 03/04/2002 | 03/08/2002 | Baseline Inspections |
| 71121 - OCC RAD SAFETY | | | 1 | | | |
| 1, 2 | IP 7112101 | Access Control to Radiologically Significant Areas | | 02/25/2002 | 03/01/2002 | Baseline Inspections |
| 1, 2 | IP 7112102 | ALARA Planning and Controls | | 02/25/2002 | 03/01/2002 | Baseline Inspections |
| 1, 2 | IP 7112103 | Radiation Monitoring Instrumentation | | 02/25/2002 | 03/01/2002 | Baseline Inspections |
| 1, 2 | IP 71151 | Performance Indicator Verification | | 02/25/2002 | 03/01/2002 | Baseline Inspections |
| 4/15 EXM - BV1 INITIAL EXAMS | | | 3 | | | |
| 1 | U01438 | BEAVER VALLEY 1 O/L INITIAL EXAMS 4/15-24/2002 | | 03/18/2002 | 03/22/2002 | Not Applicable |
| 1 | U01424 | BEAVER VALLEY 1 O/L INITIAL EXAM 4/16-12/31/2001 | | 04/15/2002 | 04/26/2002 | Not Applicable |
| 7112203 - PUB RAD SAFETY - REMP | | | 1 | | | |
| 1, 2 | IP 7112203 | Radiological Environmental Monitoring Program | | 03/18/2002 | 03/22/2002 | Baseline Inspections |
| 5/13 EXM - BV2 INITIAL EXAMS | | | 3 | | | |
| 2 | U01439 | BEAVER VALLEY 2 O/L INITIAL EXAMS 5/13-22/2002 | | 04/01/2002 | 04/05/2002 | Not Applicable |
| 2 | U01439 | BEAVER VALLEY 2 O/L INITIAL EXAMS 5/13-22/2002 | | 05/13/2002 | 05/24/2002 | Not Applicable |
| 71121 - OCC RAD SAFETY | | | 1 | | | |
| 1, 2 | IP 7112101 | Access Control to Radiologically Significant Areas | | 05/20/2002 | 05/24/2002 | Baseline Inspections |
| 1, 2 | IP 7112102 | ALARA Planning and Controls | | 05/20/2002 | 05/24/2002 | Baseline Inspections |
| 1, 2 | IP 7112103 | Radiation Monitoring Instrumentation | | 05/20/2002 | 05/24/2002 | Baseline Inspections |
| 1, 2 | IP 71151 | Performance Indicator Verification | | 05/20/2002 | 05/24/2002 | Baseline Inspections |