

March 1, 2002

Mr. Robert G. Byram
Senior Vice President and
Chief Nuclear Officer
PPL Susquehanna, LLC
Susquehanna Steam Electric Station
2 North Ninth Street
Allentown, Pennsylvania 18101

SUBJECT: ANNUAL ASSESSMENT LETTER - SUSQUEHANNA STEAM ELECTRIC
STATION (REPORT 50-387/02-01, 50-388/02-01)

Dear Mr. Byram:

On January 29, 2002, the NRC staff completed its end-of-cycle plant performance assessment of the Susquehanna Steam Electric Station Units 1 and 2. The end-of-cycle review for Susquehanna involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period from April 1 through December 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.

As discussed in our previous annual assessment letter dated May 30, 2001, this inspection and assessment cycle consisted of three quarters (i.e. the second, third, and fourth calendar quarters of calendar year 2001) instead of the usual four quarters. This change was implemented in order to align the inspection and assessment cycle with the calendar year beginning on January 1, 2002.

Overall, both units of the Susquehanna 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 Regulatory Response Column of the NRC's Action Matrix based on an inspection finding of low to moderate safety significance (White) in the Emergency Preparedness cornerstone. The inspection finding was a result of lapses in maintaining minimum on-shift staffing in accordance with PPL's Emergency Plan. We issued the results of the final significance determination of this finding in a letter dated September 13, 2001. On January 25, 2002, we performed a supplemental inspection of your response to the inspection finding. We could not conclude that your actions were acceptable because the issue had not been evaluated in sufficient detail to understand the root causes and performance problems in order to establish lasting corrective actions. We plan to repeat the supplemental inspection after you determine that your staff has performed an adequate evaluation.

The enclosed inspection plan details the inspections scheduled through March 31, 2003. 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 schedule for the last six months of the inspection plan is tentative and may be revised at the Mid-Cycle Review meeting.

Immediately following the terrorist attacks on the World Trade Center and the Pentagon, the NRC issued safeguards advisories recommending that nuclear power plant licensees go to the highest level of security, and all promptly did so. With continued uncertainty about the possibility of additional terrorist activities, the Nation's nuclear power plants, including the Susquehanna Steam Electric Station, remain at a high level of security. On February 25, 2002, the NRC issued an Order to all nuclear power plant licensees, requiring them to take certain additional interim compensatory measures to address the generalized high-level threat environment. These additional compensatory requirements will provide the NRC with reasonable assurance that public health and safety and the common defense and security continue to be adequately protected in the current generalized high-level threat environment. These requirements will remain in effect pending notification from the Commission that a significant change in the threat environment occurs, or until the Commission determines that other changes are needed following a more comprehensive re-evaluation of current safeguards and security programs. To date, we have monitored PPL's actions in response to the terrorist attacks through a series of audits. With the issuance of the Order, we will evaluate PPL's compliance with these interim requirements.

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 Dr. Mohamed Shanbaky of my staff at 610-337-5209 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

A. Randolph Blough, Director
Division of Reactor Projects

Docket Nos. 50-387, 50-388
Licensee Nos. NPF-14, NPF-22

Enclosure: Susquehanna Inspection/Activity Plan

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OFFICE	RI/DRP	RI/DRP	RI/DRP
NAME	DFlorek/DF	MShanbaky/MS	ABlough/AB
DATE	02/27/02	02/28/02	03/01/02

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Susquehanna
Inspection / Activity Plan
12/30/2001 - 03/31/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	71152B	- PROBLEM IDENTIFICATION & RESOLUTION	3			
1, 2	IP 71152B	Identification and Resolution of Problems		01/14/2002	01/18/2002	Baseline Inspections
1, 2	IP 71152B	Identification and Resolution of Problems		01/28/2002	02/01/2002	Baseline Inspections
	71114	- EP PRGM REVIEW & 95001	2			
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		01/21/2002	01/25/2002	Baseline Inspections
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		01/21/2002	01/25/2002	Baseline Inspections
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		01/21/2002	01/25/2002	Baseline Inspections
1, 2	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		01/21/2002	01/25/2002	Supplemental Program
1	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		02/04/2002	02/04/2002	Supplemental Program
	711111B	- LIC OPER RQ INSP	3			
1, 2	IP 7111111B	Licensed Operator Requalification		01/28/2002	02/01/2002	Baseline Inspections
	711117B	- MODS	3			
1, 2	IP 7111102	Evaluation of Changes, Tests, or Experiments		02/04/2002	02/08/2002	Baseline Inspections
1, 2	IP 711117B	Permanent Plant Modifications		02/04/2002	02/08/2002	Baseline Inspections
	71130	- SECURITY	1			
1, 2	IP 7113001	Access Authorization Program (Behavior Observation Only)		02/11/2002	02/15/2002	Baseline Inspections
1, 2	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizatio		02/11/2002	02/15/2002	Baseline Inspections
	7112201	- PUB RAD SAFETY - RETS	1			
1, 2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		03/04/2002	03/08/2002	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		03/18/2002	03/22/2002	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		03/18/2002	03/22/2002	Baseline Inspections
	7111108	- INSERVICE INSPECTION	1			
1	IP 7111108	Inservice Inspection Activities		03/25/2002	03/29/2002	Baseline Inspections
	7112103	- OCC RAD SAFETY - CALIBRATION	1			
1, 2	IP 7112103	Radiation Monitoring Instrumentation		05/13/2002	05/17/2002	Baseline Inspections
	7111105T	- FIRE PROTECTION	3			
1, 2	IP 7111105T	Fire Protection		08/12/2002	08/16/2002	Baseline Inspections
1, 2	IP 7111105T	Fire Protection		08/26/2002	08/30/2002	Baseline Inspections
	8/11EXM	- INITIAL OPERATOR LICENSING EXAM	3			
1	U01429	SUSQUEHANNA 1 & 2 O/L INITIAL EXAM 08/13-17/2002		07/15/2002	07/19/2002	Not Applicable
1	U01429	SUSQUEHANNA 1 & 2 O/L INITIAL EXAM 08/13-17/2002		08/12/2002	08/16/2002	Not Applicable
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		09/16/2002	09/20/2002	Baseline Inspections

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

Susquehanna
Inspection / Activity Plan
12/30/2001 - 03/31/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
1, 2	IP 7112102	ALARA Planning and Controls		09/16/2002	09/20/2002	Baseline Inspections
	7111401	- EP EXERCISE & EP PI VERIFICATION	4			
1, 2	IP 7111401	Exercise Evaluation		10/07/2002	10/11/2002	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		10/07/2002	10/11/2002	Baseline Inspections
	95001	- SUPPLEMENTAL FOLLOWUP	2			
1, 2	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		11/04/2002	11/09/2002	Supplemental Program
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		12/02/2002	12/06/2002	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		12/02/2002	12/06/2002	Baseline Inspections
	71151	- PUB RAD SAFETY PI VERIFICATION	1			
1, 2	IP 71151	Performance Indicator Verification		12/02/2002	12/06/2002	Baseline Inspections
	7111121	- SSDI	5			
1, 2	IP 7111121	Safety System Design and Performance Capability		01/13/2003	01/17/2003	Baseline Inspections
1, 2	IP 7111121	Safety System Design and Performance Capability		01/27/2003	01/31/2003	Baseline Inspections
	7112102	- OCC RAD SAFETY - ALARA	1			
1, 2	IP 7112102	ALARA Planning and Controls		02/10/2003	02/14/2003	Baseline Inspections
	7111108	- INSERVICE INSPECTION	1			
2	IP 7111108	Inservice Inspection Activities		03/17/2003	03/21/2003	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/24/2003	03/28/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		03/24/2003	03/28/2003	Baseline Inspections

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