



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011-8064**

March 4, 2002

Garry L. Randolph, Senior Vice  
President and Chief Nuclear Officer  
Union Electric Company  
P.O. Box 620  
Fulton, Missouri 65251

**SUBJECT: ANNUAL ASSESSMENT - CALLAWAY PLANT (REPORT 50-483/02-01)**

Dear Mr. Randolph:

On February 13, 2002, the NRC staff completed its end-of-cycle plant performance assessment of Callaway Plant. The end-of-cycle review for Callaway Plant 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. This will provide you 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 29, 2001, this inspection and assessment cycle consisted of three quarters (i.e., the second, third, and fourth 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, Callaway Plant operated in a manner that preserved public health and safety, and fully met all cornerstone objectives. Plant performance for the final quarter was within the Regulatory Response Column of the NRC's Action Matrix, based on a White finding in the Mitigating Systems Cornerstone. This finding involved an essential service water pump which was inoperable for approximately 132 hours. However, the significance of an unresolved item in NRC Inspection Report 50-483/01-06 is still under review. This December 2001 issue involves an auxiliary feedwater pump failure and includes potential common cause implications. A supplemental inspection was conducted by the NRC office during the week of February 25, 2002, to assess the adequacy of your evaluation of this risk significant performance issue. The results of this inspection will be documented in NRC Inspection Report 50-483/02-08.

While plant performance for the last two quarters was within the Regulatory Response Column of the Action Matrix, plant performance during the first quarter of the assessment cycle was in the Degraded Cornerstone Column of the Action matrix. This was based on three White findings, identified in the third quarter of 2000, that related to Callaway Plant's failure to maintain radiation doses as low as reasonably achievable. A supplemental inspection was

performed during April and May 2001. The NRC concluded that your staff had performed a thorough evaluation of the causes that led to job doses that were not as low as reasonably achievable, and they correctly identified the extent of the condition. We also determined that appropriate corrective actions were identified and implemented by your staff to address the root causes.

Separately, on May 14, 2001, the staff issued a Severity Level III Notice of Violation and Proposed Imposition of a \$55,000 Civil Penalty in accordance with the enforcement policy. Contrary to 10 CFR 50.7, Union Electric and one of its contract organizations discriminated against a security officer and a training instructor for having engaged in protected activity. Currently, the staff is reviewing your denial of this violation.

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 Callaway Plant, 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 Union Electric Company's actions in response to the terrorist attacks through a series of audits. With the issuance of the Order, we will evaluate Union Electric Company's compliance with these interim requirements.

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 last 6 months of the inspection plan are tentative and may be revised at the Midcycle Review meeting. Also, your facility will be inspected in accordance with Temporary Instruction 2515/145, "Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles (NRC Bulletin 2001-01)."

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/reading-rm/adams.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 David Graves at (817) 860-8141 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

*/RA/*

Ellis W. Merschoff  
Regional Administrator

Dockets: 50-483  
Licenses: NPF-30

Enclosure:  
Callaway Plant Inspection/Activity Plan

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**RidsNrrDipmlipb**

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RIV:C:DRP/B	D:DRS	D:DRP	DRA	RA
DNGraves;df	ATHowell	KEBrockman	TPGwynn	EWMMerschhoff
/RA/	/RA/	/RA/		/RA/
2/26/02	2/27/02	3/4/02	NA	3/4/02

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**Callaway**  
**Inspection / Activity Plan**  
**03/01/2002 - 03/30/2003**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>PBB-SUP1 - SUPP INSPECTION 95002</b>		<b>3</b>			
1	IP 95002	Inspection For One Degraded Cornerstone Or Any Three White Inputs In A Strategic Performar		02/25/2002	03/01/2002	Supplemental Program
	<b>PSB-RP7 - ALARA PLANNING AND CONTROLS</b>		<b>1</b>			
1	IP 7112102	ALARA Planning and Controls		03/04/2002	03/08/2002	Baseline Inspections
	<b>EMB - SSD&amp;PC INSPECTION</b>		<b>5</b>			
1	IP 7111121	Safety System Design and Performance Capability		05/06/2002	05/10/2002	Baseline Inspections
1	IP 7111121	Safety System Design and Performance Capability		05/20/2002	05/24/2002	Baseline Inspections
	<b>EMB - 50.59</b>		<b>1</b>			
1	IP 7111102	Evaluation of Changes, Tests, or Experiments		06/10/2002	06/14/2002	Baseline Inspections
	<b>OB-IN - INITIAL EXAM PREP WEEK</b>		<b>2</b>			
1	X02225	CALLAWAY INITIAL EXAM (08/02)		07/08/2002	07/12/2002	Not Applicable
	<b>OB-IN - INITIAL EXAM</b>		<b>4</b>			
1	X02225	CALLAWAY INITIAL EXAM (08/02)		07/29/2002	08/02/2002	Not Applicable
	<b>PSB-EP1 - EP PROGRAM BASELINE INSPECTION</b>		<b>1</b>			
1	IP 7111402	Alert and Notification System Testing		08/05/2002	08/09/2002	Baseline Inspections
1	IP 7111403	Emergency Response Organization Augmentation Testing		08/05/2002	08/09/2002	Baseline Inspections
1	IP 7111404	Emergency Action Level and Emergency Plan Changes		08/05/2002	08/09/2002	Baseline Inspections
1	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		08/05/2002	08/09/2002	Baseline Inspections
1	IP 71151	Performance Indicator Verification		08/05/2002	08/09/2002	Baseline Inspections
	<b>RP-3 - ALARA</b>		<b>1</b>			
1	IP 7112102	ALARA Planning and Controls		08/26/2002	08/30/2002	Baseline Inspections
	<b>RP-1 - ACRSA AND PIV</b>		<b>1</b>			
1	IP 7112101	Access Control to Radiologically Significant Areas		10/21/2002	10/25/2002	Baseline Inspections
1	IP 71151	Performance Indicator Verification		10/21/2002	10/25/2002	Baseline Inspections
	<b>EMB - ISI</b>		<b>1</b>			
1	IP 7111108	Inservice Inspection Activities		10/28/2002	11/01/2002	Baseline Inspections
	<b>EMB - ISI/SG</b>		<b>1</b>			
1	IP 7111108	Inservice Inspection Activities		11/18/2002	11/22/2002	Baseline Inspections
	<b>TI 145 - TI 2515/145</b>		<b>2</b>			
1	IP 2515/145	Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles (NRC Bulletin :		11/18/2002	11/22/2002	Safety Issues
	<b>PSB-S1 - ACCESS AUTH/CONTROL, SEC PLAN AND PIV</b>		<b>1</b>			
1	IP 7113001	Access Authorization Program (Behavior Observation Only)		12/02/2002	12/06/2002	Baseline Inspections
1	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizator		12/02/2002	12/06/2002	Baseline Inspections
1	IP 7113004	Security Plan Changes		12/02/2002	12/06/2002	Baseline Inspections

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

**Callaway**  
**Inspection / Activity Plan**  
**03/01/2002 - 03/30/2003**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>PSB-S1 - ACCESS AUTH/CONTROL, SEC PLAN AND PIV</b>		<b>1</b>			
1	IP 71151	Performance Indicator Verification		12/02/2002	12/06/2002	Baseline Inspections
	<b>PBB-PIR - CW PIR INSPECTION</b>		<b>4</b>			
1	IP 71152B	Identification and Resolution of Problems		12/02/2002	12/13/2002	Baseline Inspections

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This report shows only on-site and announced inspection procedures.