UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
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ATLANTA, GEORGIA 30303-8931

March 4, 2002

Mr. Dale E. Young, Vice President
Crystal River Nuclear Plant (NA1B)
ATTN: Supervisor, Licensing &
Regulatory Programs
15760 West Power Line Street
Crystal River, FL 34428-6708

SUBJECT: ANNUAL ASSESSMENT LETTER - CRYSTAL RIVER 3 NUCLEAR PLANT (REPORT 50-302/02-01)

Dear Mr. Young:

On February 4, 2002, the NRC staff completed its end-of-cycle plant performance assessment of the Crystal River 3 Nuclear Plant. The end-of-cycle review for Crystal River involved the participation of all technical divisions in evaluating performance indicators (PIs) 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 with the 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 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, Crystal River 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, 2003.

While plant performance for the most recent quarter is within the Licensee Response Column of the Action Matrix, one performance indicator entered the Regulatory Response Column in the second quarter of 2001. Reactor coolant system (RCS) Leakage from a decay heat removal system valve exceeded 50 percent of the Technical Specification limits during a plant mode change from cold shutdown to hot shutdown in May 2001. The leak, from the valve's seal ring, was stopped when the valve was permanently modified. The RCS leakage performance indicator returned to the green band in the third quarter of 2001. We reviewed your activities associated with the increased leakage in an August 2001 supplemental inspection. We concluded that your staff's root cause analysis for the leakage was acceptable and that you had taken appropriate corrective actions.

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 six months of the inspection plan are tentative and may be revised at the mid-cycle review meeting.

With respect to the terrorist attacks on the World Trade Center and the Pentagon, immediately following the attacks, 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 Crystal River 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 the Florida Power Corporation's actions in response to the terrorist attacks through a series of audits. With the issuance of the Order, in addition to the inspections described in the enclosed plan, we will evaluate Crystal River'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/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 Son Ninh at 404-562-4540 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Loren R. Plisco, Director
Division of Reactor Projects

Docket No. 50-302
License No. DPR-72

Enclosure: Crystal River Inspection/Activity Plan

cc w/encl: (See page 3)

(cc w/encl)
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