

March 4, 2002

Mr. Guy Campbell
Vice President - Nuclear
FirstEnergy Nuclear Operating Company
P. O. Box 97, A200
Perry, OH 44081

SUBJECT: ANNUAL ASSESSMENT LETTER - PERRY NUCLEAR POWER PLANT
(REPORT 50-440/2002-01)

Dear Mr. Campbell:

On January 31, 2002, the NRC staff completed its end-of-cycle plant performance assessment of the Perry Nuclear Power Plant. The end-of-cycle review for Perry 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, 2001, to 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. On April 3, 2002, we plan to discuss this assessment with you and your staff. This meeting will be open for public observation.

As discussed in our previous annual assessment letter dated May 31, 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, Perry operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as the first two quarters of the assessment cycle, 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.

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 Mid-Cycle Review meeting.

In addition to the baseline inspection program, the NRC issued safeguards advisories recommending that nuclear power plant licensees go to the highest level of security immediately following the terrorist attacks on the World Trade Center and the Pentagon, and all promptly did so. With continued uncertainty about the possibility of additional terrorist activities, the Nation's nuclear power plants, including Perry Nuclear Power 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 Perry Nuclear Power Plant actions in response to the terrorist attacks through a series of audits. With the issuance of the Order, we will evaluate Perry Nuclear Power Plant'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 me at (630) 829-9619 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Christine A. Lipa, Chief
 Projects Branch 4
 Division of Reactor Projects, Region III

Docket No. 50-440
 License No. NPF-58

Enclosure: Perry Inspection/Activity Plan

See Attached Distribution

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G. Campbell

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Perry
Inspection / Activity Plan
03/04/2002 - 03/31/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	FY 2002 - PERRY INIT EXAM 03/2002		3			
1	W90059	OL - INITIAL EXAM - PERRY - FEB/MAR 2002		03/04/2002	03/15/2002	Not Applicable
	IP 71114 - BIENNIAL EP EXERCISE INSP		3			
1	IP 7111401	Exercise Evaluation		04/08/2002	04/12/2002	Baseline Inspections
1	IP 71151	Performance Indicator Verification		04/08/2002	04/12/2002	Baseline Inspections
	71121 - REMP INSPECTION		1			
1	IP 7112101	Access Control to Radiologically Significant Areas		05/13/2002	05/17/2002	Baseline Inspections
1	IP 7112203	Radiological Environmental Monitoring Program		05/13/2002	05/17/2002	Baseline Inspections
	SSDI - SAFETY SYSTEM DESIGN		6			
1	IP 7111121	Safety System Design and Performance Capability		06/10/2002	06/28/2002	Baseline Inspections
	IP 71122 - RADIOACTIVE LIQ/GAS EFF INSPECTION		1			
1	IP 7112101	Access Control to Radiologically Significant Areas		07/08/2002	07/12/2002	Baseline Inspections
1	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		07/08/2002	07/12/2002	Baseline Inspections
	HTSINK B - BIENNIAL HEAT SINK		1			
1	IP 7111107B	Heat Sink Performance		07/29/2002	08/02/2002	Baseline Inspections
	MAINT B - BIENNIAL MAINTENANCE RULE		1			
1	IP 7111112B	Maintenance Rule Implementation		08/05/2002	08/09/2002	Baseline Inspections
	IP 71121 - RP INSTRUMENTATION INSPECTION		1			
1	IP 7112101	Access Control to Radiologically Significant Areas		10/07/2002	10/11/2002	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation		10/07/2002	10/11/2002	Baseline Inspections
1	IP 71151	Performance Indicator Verification		10/07/2002	10/11/2002	Baseline Inspections
	71111.11 - LIC OPERATOR REQUAL PROGRAM EVALUATION		2			
1	IP 7111111B	Licensed Operator Requalification		10/21/2002	10/25/2002	Baseline Inspections
	IP 71121 - OCCUPATIONAL RAD SAFETY INSPECTION		1			
1	IP 7112101	Access Control to Radiologically Significant Areas		12/02/2002	12/06/2002	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		12/02/2002	12/06/2002	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation		12/02/2002	12/06/2002	Baseline Inspections
	FY 2003 - PERRY INIT PREP 12/2002		3			
1	W90060	OL - INITIAL EXAM - PERRY - DEC 2002/JAN 2003		01/06/2003	01/10/2003	Not Applicable
	FY 2003 - PERRY INIT EXAM 01/2003		3			
1	W90060	OL - INITIAL EXAM - PERRY - DEC 2002/JAN 2003		01/27/2003	02/07/2003	Not Applicable
	MOD50.59 - BIENNIAL PLANT MOD AND 50.59		4			
1	IP 7111102	Evaluation of Changes, Tests, or Experiments		02/10/2003	02/14/2003	Baseline Inspections
1	IP 711117B	Permanent Plant Modifications		02/10/2003	02/14/2003	Baseline Inspections

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

Perry
Inspection / Activity Plan
03/04/2002 - 03/31/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	IP 71122	- RAD MATERIAL PROC/TRANS INSPECTION	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		02/10/2003	02/14/2003	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		02/10/2003	02/14/2003	Baseline Inspections
1	IP 7112202	Radioactive Material Processing and Transportation		02/10/2003	02/14/2003	Baseline Inspections
	IP 71114	- NON-EXERCISE BASELINE EP INSPECTION	1			
1	IP 7111402	Alert and Notification System Testing		03/24/2003	03/28/2003	Baseline Inspections
1	IP 7111403	Emergency Response Organization Augmentation Testing		03/24/2003	03/28/2003	Baseline Inspections
1	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		03/24/2003	03/28/2003	Baseline Inspections
1	IP 71151	Performance Indicator Verification		03/24/2003	03/28/2003	Baseline Inspections