



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931**

August 26, 2002

Virginia Electric and Power Company
ATTN: Mr. David A. Christian
Sr. Vice President and
Chief Nuclear Officer
Innsbrook Technical Center - 2SW
5000 Dominion Boulevard
Glen Allen, VA 23060-6711

**SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN - SURRY
POWER STATION AND INDEPENDENT SPENT FUEL STORAGE
INSTALLATION**

Dear Mr. Christian:

On August 6, 2002, the NRC staff completed its mid-cycle plant performance assessment of the Surry Power Station. In accordance with NRC Inspection Manual Chapter 0305, "Operating Reactor Assessment Program," the mid-cycle review involved the participation of all technical divisions in evaluating the performance of your Surry facility for the first half of the current assessment cycle, January 1 - December 31, 2002. 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.

Overall, Surry Units 1 and 2 operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for both units was within the Regulatory Response Column of the NRC's Action Matrix, based upon an inspection finding being classified as low to moderate safety significance (White) in the Mitigating Systems Cornerstone. Unit 2 was also in the Regulatory Response Column due to the Safety System Unavailability - Emergency AC Power Performance Indicator being classified as White. A supplemental inspection of the White finding and the performance indicator concluded that Surry performed an adequate evaluation of the performance deficiencies, properly addressed the extent of condition, and took or initiated corrective actions to address the root and contributing causes. The finding was closed after we completed our supplemental inspection during the second quarter of 2002. Based on the Mid-Cycle Review results, we currently plan to conduct at your facility: (1) baseline inspections; (2) routine Independent Spent Fuel Storage Installation related inspections; and (3) license renewal related inspections.

The enclosed inspection plan details the inspections currently scheduled through September 30, 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 is tentative and may be revised at the end-of-cycle review.

In addition, the NRC is in the process of finalizing a Temporary Instruction that will be used to review implementation of the Interim Compensatory Measures required by the Agency's Security Order to all commercial nuclear power plants dated February 25, 2002. Schedules have not yet been finalized, but it is anticipated that these inspections will begin within the next calendar quarter. Once finalized, the details will be communicated by separate correspondence.

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 the inspection plan, we will contact you to discuss the change as soon as possible. Please contact Kerry Landis at 404-562-4510 with any questions you may have regarding this letter or the inspection plan.

Sincerely

/RA/

Loren R. Plisco, Director
Division of Reactor Projects

Docket Nos.: 50-280, 50-281
License Nos.: DPR-32, DPR-37

Enclosure: Surry Inspection/ Activity Plan

cc w/encl:

Stephen P. Sarver, Director
Nuclear Licensing and
Operations Support
Virginia Electric & Power Company
Electronic Mail Distribution

Richard H. Blount, II
Site Vice President
Surry Power Station
Virginia Electric & Power Company
Electronic Mail Distribution

Virginia State Corporation Commission
Division of Energy Regulation
P. O. Box 1197
Richmond, VA 23209

Lillian M. Cuoco, Esq.
Senior Nuclear Counsel
Dominion Nuclear Connecticut, Inc.
Electronic Mail Distribution

Attorney General
Supreme Court Building
900 East Main Street
Richmond, VA 23219

VEPCO

3

Distribution w/encl:
G. Edison, NRR
RIDSNRRDIPMLIPB
PUBLIC

OFFICE	RII:DRP	RII:DRP					
SIGNATURE							
NAME	LGarner	KLandis					
DATE	8/26/2002	8/26/2002					
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO
PUBLIC DOCUMENT	YES NO						

OFFICIAL RECORD COPY

DOCUMENT NAME: C:\ORPCheckout\FileNET\ML022400684.wpd