

March 4, 2003

Mr. Peter E. Katz
Vice President - Calvert Cliffs Nuclear Power Plant
Constellation Generation Group, LLC
1650 Calvert Cliffs Parkway
Lusby, MD 20657-4702

SUBJECT: ANNUAL ASSESSMENT LETTER - CALVERT CLIFFS NUCLEAR
POWER PLANT

Dear Mr. Katz:

On February 6, 2003, the NRC staff completed its end-of-cycle plant performance assessment of Calvert Cliffs Nuclear Power Plant. The end-of-cycle review for Calvert Cliffs involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through 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, Calvert Cliffs was 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 two inspection findings of low to moderate safety significance (White) that apply to both units. The first finding, in the Public Radiation Safety cornerstone, was associated with the improper preparation of a package of radioactive materials for shipment, resulting in Department of Transportation external radiation dose rate limits being exceeded. A 95001 supplemental inspection conducted in October 2002 found that the extent of condition review to address this issue was narrow in scope and the corrective actions did not provide assurance that the performance deficiency would be corrected. A subsequent supplemental inspection conducted in December 2002 found that additional actions taken were properly focused on preventing recurrence. The lack of thorough extent-of-condition reviews for greater-than-green findings is a recurring problem that warrants attention. A second finding, in the Emergency Preparedness cornerstone, was issued because emergency sirens in Calvert County were not capable of being activated in a timely manner for 84 days. The 95001 supplemental inspection for this finding concluded that a sufficiently broad evaluation of the public alert and notification system issue had been conducted and the planned and completed corrective actions were adequate.

While plant performance for the most recent quarter is within the Regulatory Response Column of the NRC's Action Matrix, there were additional performance indicators and a safety significant inspection finding during the first half of the assessment cycle. A yellow inspection finding associated with a failure of the No. 11 turbine-driven auxiliary feedwater (AFW) pump had been identified at Unit 1 during a Special Inspection. A 95002 supplemental inspection in December 2001 found that the Calvert Cliffs staff had adequately identified the underlying causes for the failed AFW pump and that the corrective actions were appropriately broad to provide reasonable assurance that the failure would not recur. The Unit 1 "Scrams with Loss of Normal Heat Removal" PI was white for the first two quarters of 2002. A follow-up inspection found that the issues that caused the white PI had been satisfactorily addressed. The Unit 1 "Heat Removal System Unavailability" PI was white for the second quarter of 2002, due primarily to the No. 11 turbine-driven AFW pump unavailability. A separate follow-up inspection was not necessary because a 95002 supplemental inspection had already been conducted for the AFW system yellow finding.

In our mid-cycle assessment letter dated August 26, 2002, we discussed your progress in addressing a substantive cross-cutting issue in the area of Problem Identification and Resolution, which had been first discussed in our annual assessment letter dated March 4, 2002. The NRC staff had identified findings in the Mitigating Systems cornerstone in which Calvert Cliffs personnel did not consistently and thoroughly assess degraded or non-conforming structures, systems, and components. A decrease in the number and significance of Problem Identification and Resolution cross-cutting findings was noted during the 2002 assessment period. This indicates that the issue has been effectively addressed and we are closing the cross-cutting issue.

The enclosed inspection plan details the inspections scheduled through March 31, 2004. A one-time inspection activity has been added to the inspection plan for the Unit 2 steam generator replacement activity. 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 inspections in the last six months of the inspection plan are tentative and may be revised at the mid-cycle review meeting.

As you are aware, since the terrorist attacks on September 11, 2001, the NRC has issued several Orders and threat advisories to enhance security capabilities and improve guard force readiness. We have conducted inspections to review your implementation of these requirements and have monitored your actions in response to changing threat conditions. For calendar year 2003, we plan to continue these inspections, conduct portions of the security baseline inspection program, as well as perform additional inspections to evaluate your compliance with new requirements that may be ordered. Based on our final determinations in this regard, we will notify you of any inspection plan changes.

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).

Peter E. Katz

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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 James Trapp at 610-337-5186 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Hubert J. Miller
Regional Administrator

Docket Nos. 50-317, 50-318
Licensee Nos. DPR-53, DPR-69

Enclosure: Calvert Cliffs Inspection/Activity Plan

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Calvert Cliffs
Inspection / Activity Plan
12/29/2002 - 03/27/2004

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	50001	- U2 SG REPLACEMENT INSPECTION	1			
2	IP 50001	Steam Generator Replacement Inspection		01/01/2003	05/15/2003	Other Routine
	95001	- SUPPLEMENTAL INSPECTION	1			
1, 2	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		01/27/2003	01/30/2003	Supplemental Program
	7111108	- INSERVICE INSPECTION	2			
2	IP 2515/150	Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC Bulletin 2002-02)		02/24/2003	02/28/2003	Safety Issues
2	IP 7111108P	Inservice Inspection Activities - PWR		03/03/2003	03/07/2003	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
2	IP 50001	Steam Generator Replacement Inspection		03/03/2003	03/07/2003	Other Routine
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/03/2003	03/07/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		03/03/2003	03/07/2003	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/03/2003	03/07/2003	Baseline Inspections
1	IP 71151	Performance Indicator Verification		03/03/2003	03/07/2003	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
2	IP 50001	Steam Generator Replacement Inspection		04/14/2003	04/18/2003	Other Routine
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		04/14/2003	04/18/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		04/14/2003	04/18/2003	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		04/14/2003	04/18/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		04/14/2003	04/18/2003	Baseline Inspections
	71122.02	- RADWASTE	1			
1, 2	IP 7112202	Radioactive Material Processing and Transportation		06/02/2003	06/06/2003	Baseline Inspections
	71151	- EP PI VERIFICATION	1			
1, 2	IP 71151	Performance Indicator Verification		07/07/2003	07/11/2003	Baseline Inspections
	T1148BC	- SEC ICM	4			
1, 2	IP 2515/148	Inspection of Nuclear Reactor Safeguards - Interim Compensatory Measures		07/07/2003	07/11/2003	Safety Issues
	71152B	- PROBLEM IDENTIFICATION AND RESOLUTION	3			
1, 2	IP 71152B	Identification and Resolution of Problems		10/20/2003	10/24/2003	Baseline Inspections
1, 2	IP 71152B	Identification and Resolution of Problems		11/03/2003	11/07/2003	Baseline Inspections
	7111401	- EP EXERCISE EVALUATION	2			
1, 2	IP 7111401	Exercise Evaluation		10/20/2003	10/24/2003	Baseline Inspections
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		10/20/2003	10/24/2003	Baseline Inspections
	7111111B	- L.O. REQUALIFICATION PROGRAM	2			
1, 2	IP 7111111B	Licensed Operator Requalification		11/17/2003	11/21/2003	Baseline Inspections

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

Calvert Cliffs
Inspection / Activity Plan
12/29/2002 - 03/27/2004

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		12/01/2003	12/05/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		12/01/2003	12/05/2003	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		12/01/2003	12/05/2003	Baseline Inspections
	7112201	- PUB RAD SAFETY - RETS	1			
1, 2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		12/08/2003	12/12/2003	Baseline Inspections
	7111121	- SSDI	6			
1, 2	IP 7111121	Safety System Design and Performance Capability		01/12/2004	01/16/2004	Baseline Inspections
1, 2	IP 7111121	Safety System Design and Performance Capability		01/26/2004	01/30/2004	Baseline Inspections
	3/1 EXM	- OPERATOR LICENSING INITIAL EXAMS	3			
1	U01517	CALVERT CLIFFS UNITS 1&2 INITIAL EXAM (3/1-5/04)		01/26/2004	01/30/2004	Not Applicable
1	U01517	CALVERT CLIFFS UNITS 1&2 INITIAL EXAM (3/1-5/04)		02/23/2004	02/27/2004	Not Applicable
	7111107B	- HEAT SINK	1			
1, 2	IP 7111107B	Heat Sink Performance		02/09/2004	02/15/2004	Baseline Inspections