



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

March 4, 2003

Duke Energy Corporation  
ATTN: Mr. G. R. Peterson  
Site Vice President  
Catawba Nuclear Station  
4800 Concord Road  
York, SC 29745

**SUBJECT: ANNUAL ASSESSMENT LETTER - CATAWBA NUCLEAR STATION  
(NRC INSPECTION REPORT 50-413/03-01 AND 50-414/03-01)**

Dear Mr. Peterson

On February 5, 2003, the NRC staff completed its end-of-cycle plant performance assessment of the Catawba Nuclear Station. The end-of-cycle review for Catawba 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 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, Catawba 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 for the first three 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, 2004, as well as safety issue inspections in accordance with Temporary Instruction 2515/150, "Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC Bulletin 2002-02)," and operator licensing examinations.

The enclosed inspection plan details the inspections scheduled through March 31, 2004. 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).

If circumstances arise which cause us to change our inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at (404) 562-4550 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

***/RA/***

Robert C. Haag, Chief  
Reactor Projects Branch 1  
Division of Reactor Projects

Docket Nos.: 50-413, 50-414  
License Nos.: NPF-35, NPF-52

Enclosure: Catawba Inspection/Activity Plan

DEC

3

cc w/encl:

Regulatory Compliance Manager  
Duke Energy Corporation  
Electronic Mail Distribution

Lisa Vaughn  
Legal Department (PB05E)  
Duke Energy Corporation  
422 South Church Street  
Charlotte, NC 28242

Anne Cottingham  
Winston and Strawn  
Electronic Mail Distribution

North Carolina MPA-1  
Electronic Mail Distribution

Henry J. Porter, Assistant Director  
Div. of Radioactive Waste Mgmt.  
S. C. Department of Health  
and Environmental Control  
Electronic Mail Distribution

R. Mike Gandy  
Division of Radioactive Waste Mgmt.  
S. C. Department of Health and  
Environmental Control  
Electronic Mail Distribution

Richard P. Wilson, Esq.  
Assistant Attorney General  
S. C. Attorney General's Office  
Electronic Mail Distribution

Vanessa Quinn  
Federal Emergency Management Agency  
Electronic Mail Distribution

North Carolina Electric  
Membership Corporation  
Electronic Mail Distribution

Peggy Force  
Assistant Attorney General  
N. C. Department of Justice  
Electronic Mail Distribution

County Manager of York County, SC  
Electronic Mail Distribution

Piedmont Municipal Power Agency  
Electronic Mail Distribution

Manager  
Nuclear Regulatory Licensing  
Duke Energy Corporation  
526 S. Church Street  
Charlotte, NC 28201-0006

Institute of Nuclear Power Operations  
700 Galleria Parkway SE  
Atlanta, GA 30339-5943

DEC

4

Distribution w/encl:  
R. Martin, NRR  
RIDSNRRDIPMLIPB  
PUBLIC

PUBLIC DOCUMENT (circle one):    YES    NO

OFFICE	RII/DRP													
SIGNATURE	REC													
NAME	R. Carroll													
DATE	2/24/2003													
E-MAIL COPY?	YES   NO	YES   NO	YES   NO	YES   NO	YES   NO	YES   NO	YES   NO	YES   NO	YES   NO	YES   NO	YES   NO	YES   NO	YES   NO	YES   NO

OFFICIAL RECORD COPY

DOCUMENT NAME: C:\ORPCheckout\FileNET\ML030650142.wpd