

May 6, 2003

Mr. John Skolds
Chairman and CEO
AmerGen Energy Company, LLC
4300 Winfield Road
5th Floor
Warrenville, IL 60555

SUBJECT: THREE MILE ISLAND STATION - INSPECTION OF NUCLEAR REACTOR
SAFEGUARDS INTERIM COMPENSATORY MEASURES, TEMPORARY
INSTRUCTION 2515/148, REVISION 1, INSPECTION REPORT NO.
50-289/03-008

Dear Mr. Skolds:

On March 26, 2003, the U.S. Nuclear Regulatory Commission (USNRC) completed a special inspection at the Three Mile Island Station, in accordance with Temporary Instruction 2515/148, Revision 1, "Inspection of Nuclear Reactor Safeguards Interim Compensatory Measures." The enclosed report documents the inspection findings which were discussed on March 26, 2003, with Mr. Mike Bruecks, Manager of Security, and other members of your staff.

This inspection examined activities conducted under your license as they relate to safety and to compliance with the Commission's rules and regulations, and with the conditions of your license. The specific purpose of this inspection was to verify that AmerGen effectively implemented the interim compensatory measures (ICMs) at the Three Mile Island Station (TMI) imposed by the Order Modifying License issued February 25, 2002; and that the ICMs were successfully incorporated into your site physical protection strategy and security program. Additionally, the objective of the inspection was to ensure that relevant procedures were developed and implemented, and that interface agreements with offsite organizations were developed and coordinated, as required. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

Based on the results of this inspection, no findings of significance were identified. The inspection team verified and confirmed that AmerGen had effectively implemented the specifications of the Order Modifying License issued February 25, 2002 at the Three Mile Island Station (TMI).

Mr. John Skolds

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Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

/RA/

Wayne D. Lanning, Director
Division of Reactor Safety

Docket No. 50-289
License No. DPR-50

Enclosure: NRC Inspection Report No. 50-289/03-008
(CONTAINS SAFEGUARDS INFORMATION (SGI))
W/Attachment: Supplemental Information

cc w/o encl w/o SGI:

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Vice President, Mid-Atlantic Operations Support
Vice President, General Counsel and Secretary, AmerGen Energy Company, LLC
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