

August 30, 2004

Mr. Bryce L. Shriver
Senior Vice President and
Chief Nuclear Officer
PPL Susquehanna, LLC
769 Salem Blvd., NUCSB3
Berwick, PA 18603-0467

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -
SUSQUEHANNA STEAM ELECTRIC STATION

Dear Mr. Shriver:

On August 3, 2004, the NRC staff completed its mid-cycle plant performance assessment of the Susquehanna Steam Electric Station Units 1 and 2. The mid-cycle review for Susquehanna involved the participation of all technical divisions in evaluating performance for the first half of the calendar year 2004 assessment cycle. The process included a review of performance indicators (PIs) for the most recent calendar quarter and inspection results over the previous 12 months (July 1, 2003 to June 30, 2004). 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 that may conflict with your plant activities. This performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Proprietary Information in accordance with 10 CFR 2.390(d)(1)" will include the physical protection review and resultant inspection plan.

Plant performance for the most recent quarter 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 reactor oversight process (ROP) baseline inspections at your facility through March 31, 2005.

In our end-of-cycle review letter dated March 3, 2004, we advised you of a substantive cross-cutting issue in the area of problem identification and resolution involving weak evaluations of technical issues. The substantive cross-cutting issue was based on several NRC inspection findings involving cases where technical evaluations either did not identify relevant aspects of problems or did not specify adequate corrective actions to prevent recurrence.

The NRC staff has determined that a substantive cross-cutting issue still exists in the area of problem identification and resolution involving weak evaluations of technical issues. The continuation of the substantive cross-cutting issue was based on three additional Green findings, in the first half of the calendar year 2004 as well as five Green findings from the second half of the calendar year 2003. The more recent findings involved weak technical evaluations for foaming of the lubricating oil in a core spray pump, loosened emergency diesel generator (EDG) governor

bolts, and an EDG fuel rack linkage bolt that was not tightened properly. The inspection findings from 2003 involved similar cases of weak technical evaluations. A common theme associated with the findings was that technical evaluations either did not identify relevant aspects of problems or did not specify adequate corrective actions to prevent recurrence. These findings highlight a need for PPL to improve performance in this area. We are aware that PPL has taken numerous actions to improve the corrective action program including additional management reviews and oversight. These reviews are focused on the adequacy of engineering evaluations associated with specific corrective action issues. We plan to continue to evaluate this issue through our baseline inspection program, particularly in the periodic case reviews associated with our problem identification and resolution inspection efforts.

The enclosed inspection plan details the inspection, less those related to physical protection, scheduled through March 31, 2006. Our inspection plan also includes an inspection of your independent spent fuel storage installation in September 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 twelve months of the inspection plan are tentative and may be revised at the end-of-cycle review meeting.

In accordance with 10 CFR 2.390 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 this inspection plan, we will contact you to discuss the change as soon as possible. Please contact Dr. Mohamed Shanbaky at (610) 337-5209 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

A. Randolph Blough, Director
Division of Reactor Projects

Docket Nos. 50-387; 50-388
License Nos. NPF-14, NPF-22

Enclosure: Susquehanna Inspection/ Activity Plan

cc w/encl:

J. H. Miller, President - PPL Generation, LLC
B. T. McKinney, Vice President - Nuclear Site Operations
R. L. Anderson, Vice President - Nuclear Operations for PPL Susquehanna LLC
R. A. Saccone, General Manager - Nuclear Engineering
A. J. Wrape, III, General Manager, Nuclear Assurance
T. L. Harpster, General Manager - Plant Support
K. Roush, Manager, Nuclear Training
G. F. Ruppert, Manager, Nuclear Operations
R. D. Pagodin, Manager, Station Engineering
J. E. Kraiss, Manager, Nuclear Design Engineering
T. Mueller, Manager, Nuclear Maintenance
D. Glassic, Manager, Work Management
R. E. Smith, Jr., Manager, Radiation Protection
W. F. Smith, Jr., Manager, Corrective Action & Assessments
D. F. Roth, Manager, Quality Assurance
R. R. Sgarro, Manager, Nuclear Regulatory Affairs
R. Ferentz, Manager - Nuclear Security
W. E. Morrissey, Supervisor - Nuclear Regulatory Affairs
M. H. Crowthers, Supervising Engineer
L. A. Ramos, Special Office of the President
B. A. Snapp, Esquire, Associate General Counsel, PPL Services Corporation
R. W. Osborne, Allegheny Electric Cooperative, Inc.
Board of Supervisors, Salem Township
J. Johnsrud, National Energy Committee
Supervisor - Document Control Services
D. Allard, Director, Pennsylvania Bureau of Radiation Protection
Commonwealth of Pennsylvania (c/o R. Janati, Chief, Division of Nuclear Safety,
Pennsylvania Bureau of Radiation Protection)
Institute of Nuclear Power Operations (INPO)

Distribution w/encl:

- S. Collins, RA
- J. Wiggins, DRA
- A. Blough, DRP
- B. Holian, DRP
- W. Lanning, DRS
- R. Crlenjak, DRS
- DRS Branch Chiefs (5)
- C. Miller, OEDO Coordinator
- M. Shanbaky, DRP
- A. Blamey, DRP -
- F. Jaxheimer, DRP
- S. Farrell, DRP
- D. Screnci, ORA
- N. Sheehan, ORA
- R. Laufer, NRR
- R. Guzman, NRR
- R. Clark, PM, NRR
- RidsNrrDipmlipb
- Region I Docket Room (with concurrences)

DOCUMENT NAME: S:\ROP5 Mid-Cycle Review\2004 Mid-Cycle Letters\Susquehanna ROP5 Mid Cycle Letter.wpd

After declaring this document "An Official Agency Record" it **will** be released to the Public.

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	RI/DRP	RI/DRP	RI/DRP	
NAME	ABurritt/ ALB	MShanbaky/ MMS	ABlough/ ARB	
DATE	08/27/04	08/27/04	08/27/04	08/ /04

OFFICIAL RECORD COPY

Susquehanna
Inspection / Activity Plan
07/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	8/9+EXM	- OPERATOR LICENSING INITIAL EXAMS	4			
1	U01523	SUSQUEHANNA UNITS 1&2 INITIAL EXAM (7/26-30/04)		07/12/2004	07/16/2004	Not Applicable
1	U01523	SUSQUEHANNA UNITS 1&2 INITIAL EXAM (7/26-30/04)		08/09/2004	08/19/2004	Not Applicable
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		07/12/2004	07/16/2004	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		07/12/2004	07/16/2004	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		07/12/2004	07/16/2004	Baseline Inspections
	ISFSI	- ISFSI INSPECTION	1			
1, 2	IP 60855	Operation Of An ISFSI		09/13/2004	09/17/2004	Other Routine
1, 2	IP 60856	Review of 10 CFR 72.212(b) Evaluations		09/13/2004	09/17/2004	Other Routine
1, 2	IP 60857	Review of 10 CFR 72.48 Evaluations		09/13/2004	09/17/2004	Other Routine
	7111401	- EXERCISE EVALUATION & EP PI VERIFICATION	7			
1, 2	IP 7111401	Exercise Evaluation		10/25/2004	10/29/2004	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		10/25/2004	10/29/2004	Baseline Inspections
	7112202	- PUB RAD SAFETY - RADWASTE	1			
1, 2	IP 7112202	Radioactive Material Processing and Transportation		11/29/2004	12/03/2004	Baseline Inspections
	7111108G	- INSERVICE INSPECTION - U2	1			
2	IP 7111108G	Inservice Inspection Activities - BWR		03/14/2005	03/18/2005	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/14/2005	03/18/2005	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		03/14/2005	03/18/2005	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/14/2005	03/18/2005	Baseline Inspections
	7111107B	- HEAT SINK	2			
1, 2	IP 7111107B	Heat Sink Performance		04/18/2005	04/22/2005	Baseline Inspections
	7111121	- SSDI	6			
1, 2	IP 7111121	Safety System Design and Performance Capability		06/06/2005	06/10/2005	Baseline Inspections
1, 2	IP 7111121	Safety System Design and Performance Capability		06/20/2005	06/24/2005	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		06/06/2005	06/10/2005	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		06/06/2005	06/10/2005	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		06/06/2005	06/10/2005	Baseline Inspections
	7112203	- PUB RAD SAFETY - REMP	1			
1, 2	IP 7112203	Radiological Environmental Monitoring Program		07/18/2005	07/22/2005	Baseline Inspections

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

Susquehanna
Inspection / Activity Plan
07/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	7111105T	- TRIENNIAL FIRE PROTECTION INSPECTION	3			
1, 2	IP 7111105T	Fire Protection		09/12/2005	09/16/2005	Baseline Inspections
1, 2	IP 7111105T	Fire Protection		09/26/2005	09/30/2005	Baseline Inspections
	71151	- EP PI VERIFICATION	1			
1, 2	IP 71151	Performance Indicator Verification		10/03/2005	10/07/2005	Baseline Inspections
	7111111B	- LO REQUAL PROGRAM INSPECTION	2			
1, 2	IP 7111111B	Licensed Operator Requalification Program		10/03/2005	10/07/2005	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		10/31/2005	11/04/2005	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		10/31/2005	11/04/2005	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		10/31/2005	11/04/2005	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		10/31/2005	11/04/2005	Baseline Inspections
	12/5+EXM	- OPERATOR LICENSING INITIAL EXAM	1			
1	U01544	SUSQUEHANNA, UNITS 1&2 INITIAL EXAM (7/25-30/05)		11/07/2005	11/11/2005	Not Applicable
1	U01544	SUSQUEHANNA, UNITS 1&2 INITIAL EXAM (7/25-30/05)		12/05/2005	12/16/2005	Not Applicable
	7111112B	- MAINTENANCE RULE	1			
1, 2	IP 7111112B	Maintenance Effectiveness		11/14/2005	11/18/2005	Baseline Inspections
	71152B	- PROBLEM IDENTIFICATION AND RESOLUTION	1			
1, 2	IP 71152B	Identification and Resolution of Problems		01/23/2006	01/27/2006	Baseline Inspections
1, 2	IP 71152B	Identification and Resolution of Problems		02/06/2006	02/10/2006	Baseline Inspections
	7112201	- PUB RAD SAFETY - RETS	1			
1, 2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		02/20/2006	02/24/2006	Baseline Inspections
	7111108G	- INSERVICE INSPECTION - UNIT 1	1			
1	IP 7111108G	Inservice Inspection Activities - BWR		03/06/2006	03/10/2006	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		03/13/2006	03/17/2006	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		03/13/2006	03/17/2006	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/13/2006	03/17/2006	Baseline Inspections