

August 30, 2004

Mr. Christopher M. Crane
President and Chief Nuclear Officer
Exelon Nuclear
Exelon Generation Company, LLC
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -
DRESDEN NUCLEAR POWER STATION (REPORT 50-237/05-01; 50-249/05-01)

Dear Mr. Crane:

On August 11, 2004, the NRC staff completed its mid-cycle plant performance assessment of the Dresden Nuclear Power Station. The mid-cycle review 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 quarter and inspection results over the previous 12 months. 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.

Plant performance for both Units 2 and 3 for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix, based on (1) the White Unit 3 high pressure coolant injection (HPCI) safety system unavailability PI in the Mitigating Systems Cornerstone which went White in the third quarter of 2001 due to the fault exposure hours following the Unit 3 HPCI water hammer event on July 5, 2001; and the White Unit 2 unplanned scrams per 7000 critical hours PI in the Initiating Events Cornerstone which went White in the second quarter of 2004.

In response to the White Unit 2 unplanned scrams PI, a supplemental inspection will be conducted in accordance with Inspection Procedure 95001 on October 4-8, 2004.

Additionally, the staff has identified a substantive cross-cutting issue in the area of human performance involving a number of findings over the previous 12 months. Examples include failure of an instrument maintenance supervisor to verify restoration of lifted leads on the Unit 2 HPCI system which would have prevented the automatic realignment of the HPCI pump suction to its safety-related water source; failure of maintenance workers to properly implement work instructions to reassemble the Unit 3 emergency diesel generator fuel oil pump and discharge piping resulting in failure of its 24-hour endurance run on two occasions; the lack of a process for post-maintenance flushing/purging of instrument air lines, failure to schedule stator water cooling temperature controller tuning, and failure to establish monitoring of stator water cooling generator inlet temperature as a critical parameter resulting in a Unit 2 manual scram;

and failure of a control room unit supervisor to use valid instrumentation for monitoring Unit 2 reactor pressure during testing which resulted in the inadvertent opening of the Target Rock relief valve. We will continue to monitor human performance through the baseline inspection program.

The enclosed inspection plan details the inspections scheduled through March 31, 2006. 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. Please note that there is an Independent Spent Fuel Storage Installation (ISFSI) procedure scheduled during the period. 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 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).

Sincerely,

/RA/

Steven A. Reynolds, Acting Director
Division of Reactor Projects

Docket Nos. 50-237; 50-249
License Nos. DPR-19; DPR-25

Enclosure: Dresden Inspection/Activity Plan

See Attached Distribution

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/RA/

Steven A. Reynolds, Acting Director
Division of Reactor Projects

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DATE	08/25/04	08/26/04						

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cc w/encl: Site Vice President - Dresden Nuclear Power Station
Dresden Nuclear Power Station Plant Manager
Regulatory Assurance Manager - Dresden
Chief Operating Officer
Senior Vice President - Nuclear Services
Senior Vice President - Mid-West Regional
Operating Group
Vice President - Mid-West Operations Support
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RML2

SRI Dresden

DRPIII

DRSIII

PLB1

JRK1

Dresden
Inspection / Activity Plan
09/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	IP 95001	- SUPPLEMENTAL INSPECTION FOR WHITE PI	1			
2, 3	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		10/04/2004	10/08/2004	Supplemental Program
	ISI 3	- INSERVICE INSPECTION UNIT 3	1			
2, 3	IP 7111108G	Inservice Inspection Activities - BWR		11/08/2004	11/12/2004	Baseline Inspections
	71121.02	- ALARA (OUTAGE)	1			
2, 3	IP 7112102	ALARA Planning and Controls		11/04/2004	11/10/2004	Baseline Inspections
	71122.02	- RADWASTE & TRANSPORTATION	1			
2, 3	IP 7112202	Radioactive Material Processing and Transportation		01/31/2005	02/04/2005	Baseline Inspections
	MOD/5059	- MODIFICATIONS/50.59 INSPECTION	3			
2, 3	IP 7111102	Evaluation of Changes, Tests, or Experiments		02/07/2005	02/11/2005	Baseline Inspections
2, 3	IP 7111117B	Permanent Plant Modifications		02/07/2005	02/11/2005	Baseline Inspections
	FPI	- TRIENNIAL FIRE PROTECTION	3			
2, 3	IP 7111105T	Fire Protection		03/14/2005	04/01/2005	Baseline Inspections
	71114	- EP EXERCISE & EP PI INSPECTION	2			
2, 3	IP 7111401	Exercise Evaluation		03/07/2005	03/11/2005	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		03/07/2005	03/11/2005	Baseline Inspections
	MAINT	- BIENNIAL MAINTENANCE RULE INSPECTION	1			
2, 3	IP 7111112B	Maintenance Effectiveness		04/11/2005	04/15/2005	Baseline Inspections
	71122.01	- RADIOLOGICAL EFFLUENT CONTROL	1			
2, 3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		04/25/2005	04/29/2005	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		04/25/2005	04/29/2005	Baseline Inspections
	ISFSI	- OPERATION OF AN ISFSI	1			
2, 3	IP 60855	Operation Of An ISFSI		05/01/2005	06/30/2005	Other Routine
	71121.01	- RADIOLOGICAL ACCESS CONTROL	1			
2, 3	IP 7112101	Access Control to Radiologically Significant Areas		08/01/2005	08/05/2005	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		08/01/2005	08/05/2005	Baseline Inspections
	SSDPC	- SAFETY SYSTEM DESIGN & PERFORMANCE	5			
2, 3	IP 7111121	Safety System Design and Performance Capability		09/05/2005	09/23/2005	Baseline Inspections
	FY 2005	- DRESDEN INIT PREP 08/2005	3			
2	W90124	OL - INITIAL EXAM - DRESDEN - AUG/SEP 2005		08/29/2005	09/02/2005	Not Applicable
	FY 2005	- DRESDEN INIT EXAM 09/2005	3			
2	W90124	OL - INITIAL EXAM - DRESDEN - AUG/SEP 2005		09/19/2005	09/23/2005	Not Applicable
	ISI	- UNIT 2 ISI INSPECTION	1			
3	IP 7111108G	Inservice Inspection Activities - BWR		10/31/2005	11/11/2005	Baseline Inspections

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

Dresden
Inspection / Activity Plan
09/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	71121.02 - OUTAGE ALARA		1			
2, 3	IP 7112102	ALARA Planning and Controls		11/14/2005	11/18/2005	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		11/14/2005	11/18/2005	Baseline Inspections
	HTSINK - HEAT SINK BIENNIAL		1			
2, 3	IP 7111107B	Heat Sink Performance		02/06/2006	02/10/2006	Baseline Inspections