



UNITED STATES  
**NUCLEAR REGULATORY COMMISSION**  
REGION I  
475 ALLENDALE ROAD  
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

March 2, 2006

Mr. Christopher M. Crane  
President and CEO  
AmerGen Energy Company, LLC  
200 Exelon Way, KSA 3-E  
Kennett Square, PA 19348

SUBJECT: ANNUAL ASSESSMENT LETTER - THREE MILE ISLAND UNIT 1  
(REPORT 05000289/2006001)

Dear Mr. Crane:

On February 7, 2006, the NRC staff completed its performance review of Three Mile Island Unit 1. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2005. 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.

This performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Official Use Only - Security-Related Information" will include the physical protection review and resultant inspection plan.

Overall, Three Mile Island Unit 1 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 one inspection finding being classified as having low to moderate safety significance (White) in the emergency preparedness cornerstone. The White finding related to untimely conduct of required annual classroom retraining for some members of the emergency response organization. The NRC conducted a Supplemental Inspection for this White Finding during the week of February 27, 2006. The results of this inspection are not yet final.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through September 30, 2007. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the mid-cycle review.

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. Ronald R. Bellamy, Branch Chief, at (610) 337-5200 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

**/RA/**

Brian E. Holian, Director  
Division of Reactor Projects  
Region I

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

Enclosure: Three Mile Island Inspection/Activity Plan

cc w/encl:

Chief Operating Officer, AmerGen  
Site Vice President - TMI Unit 1, AmerGen  
Plant Manager - TMI, Unit 1, AmerGen  
Regulatory Assurance Manager - TMI, Unit 1, AmerGen  
Senior Vice President - Nuclear Services, AmerGen  
Vice President - Mid-Atlantic Operations, AmerGen  
Vice President - Operations Support, AmerGen  
Vice President - Licensing and Regulatory Affairs, AmerGen  
Director Licensing - AmerGen  
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J. Johnsrud, National Energy Committee  
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D. Allard, PADEP

C. Crane

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**SISP Review Complete: DMK (Reviewer's Initials)**

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OFFICE	RI/DRP	RI/DRP	RI/DRP	RI/DRP	RI/DRS
NAME	DKern/DMK	Fuhrmeister/DMK	KBellamy/DMK	BHolian/BEH	RBlough/ARB
DATE	02/24/06	02/27/06	02/28/06	03/01/06	03/01/06

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**Three Mile Island 1**  
**Inspection / Activity Plan**  
**03/01/2006 - 09/30/2007**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	<b>71152B - PI&amp;R</b>		<b>4</b>			
1	IP 71152B	Identification and Resolution of Problems		03/13/2006	03/17/2006	Baseline Inspections
1	IP 71152B	Identification and Resolution of Problems		03/27/2006	03/31/2006	Baseline Inspections
	<b>95001 - SUPPLEMENTAL INSP FOR EP TRAINING ISSUE</b>		<b>1</b>			
1	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		02/27/2006	03/04/2006	Supplemental Progra
	<b>71121 - OCC RAD PROT</b>		<b>1</b>			
1	IP 7112101	Access Control to Radiologically Significant Areas		03/27/2006	03/31/2006	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		03/27/2006	03/31/2006	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/27/2006	03/31/2006	Baseline Inspections
	<b>71114 - EP PRGM INSP &amp; PI VERIFICATION</b>		<b>1</b>			
1	IP 7111402	Alert and Notification System Testing		06/04/2006	06/08/2006	Baseline Inspections
1	IP 7111403	Emergency Response Organization Augmentation Testing		06/04/2006	06/08/2006	Baseline Inspections
1	IP 7111404	Emergency Action Level and Emergency Plan Changes		06/04/2006	06/08/2006	Baseline Inspections
1	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		06/04/2006	06/08/2006	Baseline Inspections
1	IP 71151	Performance Indicator Verification		06/04/2006	06/08/2006	Baseline Inspections
	<b>MODS - MODS AND 50.59</b>		<b>3</b>			
1	IP 7111102	Evaluation of Changes, Tests, or Experiments		07/24/2006	07/28/2006	Baseline Inspections
1	IP 7111117B	Permanent Plant Modifications		07/24/2006	07/28/2006	Baseline Inspections
	<b>7112203 - PUB RAD SAFETY - REMP</b>		<b>1</b>			
1	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control F		08/21/2006	08/25/2006	Baseline Inspections
	<b>71121 - OCC RAD PROT</b>		<b>1</b>			
1	IP 7112101	Access Control to Radiologically Significant Areas		11/06/2006	11/10/2006	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		11/06/2006	11/10/2006	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		11/06/2006	11/10/2006	Baseline Inspections
1	IP 71151	Performance Indicator Verification		11/06/2006	11/10/2006	Baseline Inspections
	<b>7111121 - CDBI (COMPONENT DESIGN BASES INSPECTION)</b>		<b>7</b>			
1	IP 7111121	Component Design Bases Inspection		01/08/2007	01/12/2007	Baseline Inspections
1	IP 7111121	Component Design Bases Inspection		01/22/2007	01/26/2007	Baseline Inspections
1	IP 7111121	Component Design Bases Inspection		02/05/2007	02/09/2007	Baseline Inspections
1	IP 7111121	Component Design Bases Inspection		02/12/2007	02/16/2007	Baseline Inspections
	<b>7111112 - MAINTENANCE RULE INSP</b>		<b>1</b>			
1	IP 7111112B	Maintenance Effectiveness		02/26/2007	03/02/2007	Baseline Inspections
	<b>7111111B - L.O. REQUAL. PROG. + P/F REVIEW</b>		<b>5</b>			
1	IP 7111111B	Licensed Operator Requalification Program		02/26/2007	03/02/2007	Baseline Inspections
1	IP 7111111B	Licensed Operator Requalification Program		03/05/2007	03/09/2007	Baseline Inspections

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

**Three Mile Island 1**  
**Inspection / Activity Plan**  
**03/01/2006 - 09/30/2007**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>71121</b>	<b>- OCC RAD SAFETY</b>	<b>1</b>			
1	IP 7112101	Access Control to Radiologically Significant Areas		03/05/2007	03/09/2007	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		03/05/2007	03/09/2007	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/05/2007	03/09/2007	Baseline Inspections
	<b>4/23+EXM</b>	<b>- OPERATOR LICENSING INITIAL EXAMS</b>	<b>3</b>			
1	U01603	TMI INITIAL EXAM (6/07)		03/26/2007	03/30/2007	Not Applicable
1	U01603	TMI INITIAL EXAM (6/07)		04/23/2007	05/03/2007	Not Applicable
	<b>7111401</b>	<b>- EP EXERCISE &amp; PI VERIFICATION</b>	<b>4</b>			
1	IP 7111401	Exercise Evaluation		04/16/2007	04/20/2007	Baseline Inspections
1	IP 71151-EP01	Drill/Exercise Performance		04/16/2007	04/20/2007	Baseline Inspections
1	IP 71151-EP02	ERO Drill Participation		04/16/2007	04/20/2007	Baseline Inspections
1	IP 71151-EP03	Alert & Notification System		04/16/2007	04/20/2007	Baseline Inspections
	<b>7112201</b>	<b>- PUB RAD PROT - RETS</b>	<b>1</b>			
1	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		05/14/2007	05/18/2007	Baseline Inspections
	<b>7112202</b>	<b>- PUB RAD SAFETY - RADWASTE</b>	<b>1</b>			
1	IP 7112202	Radioactive Material Processing and Transportation		08/20/2007	08/24/2007	Baseline Inspections