

August 31, 2006

Mr. Donald K. Cobb  
Assistant Vice President  
Nuclear Generation  
Detroit Edison Company  
6400 North Dixie Highway  
Newport, MI 48166

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -  
FERMI POWER PLANT, UNIT 2

Dear Mr. Cobb,

On August 7, 2006, the NRC staff completed its performance review of Fermi 2 for the first half of the calendar year 2006 assessment cycle. Our technical staff reviewed 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.

This performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Exempt from Public Disclosure in accordance with 10 CFR 2.390" will include the physical protection review and resultant inspection plan.

Plant performance for the most recent quarter at Fermi 2 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 reactor oversight process (ROP) baseline inspections at your facility.

Additionally, the staff has identified a substantive cross-cutting issue in the area of problem identification and resolution (PI&R). There were ten inspection findings in the cross-cutting area of PI&R. Nine of these findings share a common cross-cutting aspect of ineffective evaluations within the corrective action program. These issues encompass the Mitigating Systems, Initiating Events, and Public Radiation Safety cornerstones and were all of very low safety significance. Although you have taken a number of steps to improve the corrective action program, several recent inspection findings were attributed to ineffective evaluation. For example, the repeated lack of controls over transient combustibles, the repetitive problems with drywell cooler gaskets, and ineffective evaluation regarding installation of scaffolding near safety-related equipment indicate that the scope of efforts and progress in addressing the cross-cutting area performance deficiencies remains a concern. This substantive cross-cutting issue will remain open until the number of findings with the same causal factor is reduced or when the NRC has more confidence in the performance of your corrective action program to

evaluate and correct problems. We will monitor your performance in the PI&R cross-cutting area through the baseline inspection program and evaluate the results in our review at the end-of-cycle for the calendar year 2006.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through March 31, 2008. 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 9 months of the inspection plan are tentative and may be revised at the end-of-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), 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 the inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at 630/829-9619 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

*/RA/*

Christine A. Lipa, Chief,  
Branch 4  
Division of Reactor Projects

Docket No. 50-341  
License No. NPF-43

Enclosure:  
Fermi Inspection/ Activity Plan

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cc w/encl: K. Hlavaty, Plant Manager  
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Management Agency  
Mayor of Flat Rock  
Mayor of Gibraltar  
City Administrator of Gibraltar  
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**Fermi**  
**Inspection / Activity Plan**  
**09/01/2006 - 03/31/2008**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	<b>SIT</b>	<b>- FERMI SPECIAL INSPECTION</b>	<b>4</b>			
2	IP 93812	Special Inspection		08/28/2006	09/29/2006	Event Response Insp
	<b>7112201</b>	<b>- EFFLUENTS</b>	<b>1</b>			
2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		11/27/2006	12/01/2006	Baseline Inspections
2	IP 71151	Performance Indicator Verification		11/27/2006	12/01/2006	Baseline Inspections
	<b>EP BI</b>	<b>- BASELINE EP INSPECTION</b>	<b>1</b>			
2	IP 7111402	Alert and Notification System Testing		03/05/2007	03/09/2007	Baseline Inspections
2	IP 7111403	Emergency Response Organization Augmentation Testing		03/05/2007	03/09/2007	Baseline Inspections
2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		03/05/2007	03/09/2007	Baseline Inspections
2	IP 71151	Performance Indicator Verification		03/05/2007	03/09/2007	Baseline Inspections
	<b>7112103</b>	<b>- INSTRUMENTATION &amp; ACCESS CONTROL</b>	<b>1</b>			
2	IP 7112101	Access Control to Radiologically Significant Areas		02/12/2007	02/16/2007	Baseline Inspections
2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		02/12/2007	02/16/2007	Baseline Inspections
	<b>HEATSINK</b>	<b>- HEAT SINK INSPECTION</b>	<b>1</b>			
2	IP 7111107B	Heat Sink Performance		03/19/2007	03/23/2007	Baseline Inspections
	<b>MAINT EF</b>	<b>- MAINTENANCE EFFECTIVENESS BIENNIAL</b>	<b>1</b>			
2	IP 7111112B	Maintenance Effectiveness		04/02/2007	04/06/2007	Baseline Inspections
	<b>FY 2007</b>	<b>- FERMI INIT PREP 06/2007</b>	<b>3</b>			
2	W90161	OL - INITIAL EXAM - FERMI 2 - JUN/JUL 2007		06/25/2007	06/29/2007	Not Applicable
	<b>CDBI</b>	<b>- COMPONENT DESIGN BASES INSPECTION</b>	<b>5</b>			
2	IP 7111121	Component Design Bases Inspection		06/25/2007	07/27/2007	Baseline Inspections
	<b>FY 2007</b>	<b>- FERMI INIT EXAM 07/2007</b>	<b>3</b>			
2	W90161	OL - INITIAL EXAM - FERMI 2 - JUN/JUL 2007		07/16/2007	07/27/2007	Not Applicable
	<b>7112101</b>	<b>- ACCESS CONTROL</b>	<b>1</b>			
2	IP 7112101	Access Control to Radiologically Significant Areas		07/23/2007	07/27/2007	Baseline Inspections
2	IP 71151	Performance Indicator Verification		07/23/2007	07/27/2007	Baseline Inspections
	<b>PI&amp;R</b>	<b>- PI&amp;R BIENNIAL INSP</b>	<b>3</b>			
2	IP 71152B	Identification and Resolution of Problems		08/27/2007	09/14/2007	Baseline Inspections
	<b>ISI</b>	<b>- ISI BASELINE INSPECTION</b>	<b>1</b>			
2	IP 7111108G	Inservice Inspection Activities - BWR		10/01/2007	10/05/2007	Baseline Inspections
	<b>7112102</b>	<b>- ALARA PLANNING AND CONTROLS (OUTAGE)</b>	<b>1</b>			
2	IP 7112102	ALARA Planning and Controls		10/15/2007	10/19/2007	Baseline Inspections
	<b>71111.11</b>	<b>- LIC OPERATOR REQUAL PROGRAM EVALUATION</b>	<b>2</b>			
2	IP 7111111B	Licensed Operator Requalification Program		10/29/2007	11/03/2007	Baseline Inspections

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

Fermi  
Inspection / Activity Plan  
09/01/2006 - 03/31/2008

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start End		Inspection Type
	7112202	- RAD MATERIAL PROCESSING / TRANSPORTATION	1			
2	IP 7112202	Radioactive Material Processing and Transportation		12/03/2007	12/07/2007	Baseline Inspections

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This report shows only on-site and announced inspection procedures.