

August 31, 2006

Mr. L. William Pearce
Vice President
FirstEnergy Nuclear Operating Company
Perry Nuclear Power Plant
10 Center Road, A290
Perry, OH 44081

SUBJECT: STATUS OF CONFIRMATORY ACTION LETTER INSPECTIONS

Dear Mr. Pearce:

I am writing this letter to update you on the status of augmented NRC inspection activities at the Perry Nuclear Power Plant. As you are aware, in the third quarter of 2004, Perry Nuclear Power Plant entered the Multiple/Repetitive Degraded Cornerstone column of the NRC's Action Matrix. In accordance with Inspection Manual Chapter 0305, "Operating Reactor Assessment Program," the NRC conducted an IP 95003 supplemental inspection at Perry. The results of the IP 95003 inspection were provided to you by our July 8, 2005, Inspection Report 05000440/2005003.

In your August 8 and 17, 2006, responses to our inspection report, FirstEnergy Nuclear Operating Company (FENOC) committed to make sustained improvements to address the issues identified in the IP 95003 inspection report. Your letters specifically addressed the following four areas: 1) IP 95002 Issues, 2) Emergency Preparedness, 3) Human Performance; and 4) Corrective Action Program Implementation.

To monitor FENOC's progress in implementing corrective actions and to assess the effectiveness of the corrective actions, the NRC developed and implemented an inspection plan to review the implementation and effectiveness of your corrective actions. To date we have completed the implementation inspections for all four areas. In addition, we have completed the Emergency Preparedness area effectiveness review and have partially completed the IP 95002 Issues effectiveness review. The effectiveness reviews in the Human Performance and Corrective Action Program areas, and completion of the effectiveness review for the IP 95002 Issues area, are scheduled for later this year.

Each of the remaining effectiveness reviews are major team inspections involving numbers of NRC inspectors and management. In addition, each inspection involves numerous individuals from your staff to gather information and respond to questions posed by the inspection team. Because of the large resource investment by the NRC and FENOC, and our desire to complete the inspection in a timely manner, the timing between completion of FENOC corrective actions and on-site NRC inspection activities is critical. Our inspection plan currently has the Human Performance and Corrective Action Program effectiveness reviews scheduled for on-site activities from October 23 through November 11, and November 6 through 17, 2006,

respectively. To ensure the most effective use of both NRC and FENOC resources, please confirm that these dates are still appropriate. Further, please provide me with a date after which the remaining effectiveness review in the IP 95002 Issues area would be appropriate. Because scheduling of corrective action implementation and effectiveness reviews can be influenced by many factors, I would appreciate written notification for each of the three areas of interest when your activities are complete and your organization is ready to support our inspections.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter 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), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

Eric R. Duncan, Chief
Branch 6
Division of Reactor Projects

Docket No. 50-440
License No. NPF-58

cc:

G. Leidich, President and Chief Nuclear Officer - FENOC
J. Hagan, Senior Vice President of Operations and Chief
Operating Officer - FENOC
D. Pace, Senior Vice President, Fleet Engineering - FENOC
J. Rinckel, Vice President, Fleet Oversight
Director, Site Operations
Director, Regulatory Affairs
Manager, Fleet Licensing
Manager, Site Regulatory Compliance
D. Jenkins, Attorney, FirstEnergy
Public Utilities Commission of Ohio
Ohio State Liaison Officer
R. Owen, Ohio Department of Health

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- J. Rinckel, Vice President, Fleet Oversight
Director, Site Operations
Director, Regulatory Affairs
Manager, Fleet Licensing
Manager, Site Regulatory Compliance
- D. Jenkins, Attorney, FirstEnergy
Public Utilities Commission of Ohio
Ohio State Liaison Officer
- R. Owen, Ohio Department of Health

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