



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

March 5, 2012

Mr. Jon A. Franke, Vice President
Crystal River Nuclear Plant (NA1B)
Supervisor, Licensing &
Regulatory Programs
15760 West Power Line Street
Crystal River, Florida 34428-6708

**SUBJECT: ANNUAL ASSESSMENT LETTER FOR CRYSTAL RIVER NUCLEAR PLANT
UNIT 3 (NRC INSPECTION REPORT 05000302/2011007)**

Dear Mr. Franke:

On February 15, 2012, the NRC staff completed its performance review of the Crystal River Nuclear Plant. The NRC reviewed the most recent quarterly performance indicators in addition to inspection results and enforcement actions from January 1, 2011, through December 31, 2011. This letter informs you of the NRC's assessment of your facility during this period and its plans for future inspections at your facility. This performance review and enclosed inspection plan do not include security information. A separate letter will include the NRC's assessment of your performance in the Security Cornerstone and its security-related inspection plan.

The NRC determined that overall, Crystal River Unit 3 operated in a manner that preserved public health and safety and met all cornerstone objectives. The NRC determined the performance at Crystal River Unit 3 to be in the Regulatory Response Column of the NRC's Reactor Oversight Process (ROP) Action Matrix beginning the third quarter of 2011 due to one White Emergency Preparedness finding.

On February 7, 2012, your staff notified the NRC of your readiness for it to conduct a supplemental inspection to review the actions taken to address the performance issue. Therefore, in addition to ROP baseline inspections, the NRC plans to conduct a supplemental inspection in accordance with Inspection Procedure 95001, "Inspection for One or Two White Inputs in a Strategic Performance Area," beginning April 30, 2012. This inspection procedure is conducted to provide assurance that the root causes and contributing causes of risk significant performance issues are understood, the extent of condition is identified, and the corrective actions are sufficient to prevent recurrence.

In order to implement the ROP at Crystal River Unit 3, the NRC implemented Inspection Manual Chapter (IMC) 0351, "Implementation of the Reactor Oversight Process at Reactor Facilities in an Extended Shutdown Condition for Reasons Other Than Significant Performance Problems." The inspection plan prepared in accordance with IMC 0351 addresses accomplishment of the ROP baseline inspection procedures and also includes observations of the planned structural repairs to the containment building. Inspections will verify acceptable performance of major testing activities including tests associated with steam generator replacement, the containment

building structural integrity test, and the containment integrated leak rate test. The inspection plan describes the current status of performance indicators and inspections planned to address invalid performance indicators. As plant repairs and testing near completion, the inspection plan will be amended to focus on readiness for restart, including an Operational Readiness Assessment Inspection. The approved inspection plan is electronically available from the Publicly Available Record (PARS) component of the NRC's document system (ADAMS) under ML112590546.

The enclosed inspection plan lists the inspections scheduled through June 30, 2013. Routine inspections performed by resident inspectors are not included in the inspection plan. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the end-of-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes.

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). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Please contact Daniel Rich at (404) 997-4721 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Richard P. Croteau, Director
Division of Reactor Projects

Docket No.: 50-302
License No.: DPR-72

Enclosure:
Crystal River Nuclear Plant Inspection/Activity Plan
(03/01/12 - 06/30/13)

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X PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE X NON-SENSITIVE
 ADAMS: X Yes ACCESSION NUMBER: PKG: ML120650169 X SUNSI REVIEW COMPLETE X FORM 665 ATTACHED

OFFICE	RII:DRP	RII:DRP	RII:DRP	RII:DRP			
SIGNATURE	DWR1 for	MGD1	TXM1	DWR1			
NAME	GWilson	MDonithan	TMorrissey	DRich			
DATE	03/05/2012	03/01/2012	03/01/2012	03/05/2012			
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

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Letter to Jon A. Franke from Daniel W. Rich dated March 5, 2012

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Distribution w/encl:

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OE Mail

RIDSNRRDIRS

PUBLIC

RidsNrrPMCrystal River Resource

ROP Reports

Institute of Nuclear Power Operations (INPO)