

## UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

July 29, 1994

Docket No. 50-298

Nebraska Public Power District ATTN: Ronald W. Watkins, President and Chief Executive Officer P.O. Box 499 Columbus, Nebraska 68601

Dear Mr. Watkins:

This letter is to formalize our plans to conduct a special evaluation of Cooper Nuclear Station and review your ongoing self-assessment efforts. During discussions with Messrs. Horn and Meacham by Messrs. Callan and Jordan on June 23. 1994, we informed you of our plans to conduct a special evaluation of Cooper Nuclear Station. The purpose of the evaluation is to provide an independent assessment of the performance of the Nebraska Public Power District (NPPD) at Cooper, and to supplement information from the Systematic Assessment of Licensee Performance (SALP) and Performance Indicator (PI) programs, and other assessment data. Based on subsequent discussions via telephone on July 22 and 25, 1994, we understand that you are pursuing your own independent evaluation, utilizing utility and contract personnel, similar to a Nuclear Regulatory Commission (NRC) Diagnostic Evaluation. Concurrently, NRC has been pursuing innovative methods to ascertain the status of Cooper Nuclear Station while remaining sensitive to current rescurce limitations. Your proposed independent evaluation and self-assessment appear to provide such an opportunity. Consequently, I have directed that: (1) an Evaluation Team consisting of NRC Headquarters and Regional evaluators and NRC contractors be formulated, with oversight and support provided by the Office for Analysis and Evaluation of Operational Data (AEOD), (2) the Team conduct an independent evaluation of data and information available in NRC records and review records collected during a brief visit to Cooper Station in August 1994, (3) the Team also independently observe selected activities of the Cooper Nuclear Station's independent evaluation team during August 1994, and review all plans, records, and reports associated with this effort, and (4) the Team evaluate the adequacy and independence of the Cooper Nuclear Station's evaluation and recommend whether further NRC inspection or evaluation is necessary. Particular emphasis will be placed on the scrutability and thoroughness of the Cooper Nuclear Station's process. All documents associated with this review, including plans and reports generated by your independent evaluation team and the recommendations of the NRC Team, will become part of the public record.

Additional information will be provided in future communications with your staff by Region IV and AEOD. Representatives of the special Evaluation Team

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Mr! Watkins

plan to be onsite during the week of August 1, 1994 to provide further information on the purpose, process, and plans for this evaluation, make preliminary logistic and administrative arrangements, and request key station and corporate documents.

The AEOD contact responsible for the Special Evaluation is Mr. E. L. Jordan, Director, AEOD (301-415-7472). The team leader is Mr. Ellis Merschoff (301-415-6954. Please contact Mr. Jordan or me if you have any questions concerning this matter.

Sincerely,

## Original signed by James M. Taylor

James M. Taylor Executive Director for Operations

cc: See Page 3

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cc: Mr. Ronald W. Watkins Nebraska Public Power District Cooper Nuclear Station

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