

March 4, 2003

Mr. John L. Skolds, President
Exelon Nuclear
Exelon Generation Company, LLC
4300 Winfield Road
Warrenville, IL 60555

Dear Mr. Skolds:

SUBJECT: ANNUAL ASSESSMENT LETTER - DRESDEN NUCLEAR POWER STATION
(REPORT 50-237/03-01; 50-249/03-01)

Dear Mr. Skolds:

On February 11, 2003, the NRC staff completed its end-of-cycle plant performance assessment of the Dresden Nuclear Power Station. The end-of-cycle review involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1, 2002, through December 31, 2002. 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 so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections that may conflict with your plant activities.

Overall, Dresden 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 the White Unit 3 high pressure coolant injection (HPCI) safety system unavailability PI in the mitigating system cornerstone. This PI went White in the third quarter of 2001 due to the fault exposure hours following the Unit 3 HPCI water hammer event on July 5, 2001.

The enclosed inspection plan details the inspections scheduled through March 31, 2004. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Additionally, as a result of the White PI, a supplemental inspection conducted in accordance with Inspection Procedure 95001 will be scheduled in the near future. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last 6 months of the inspection plan are tentative and may be revised at the mid-cycle review meeting.

As you are aware, since the terrorist attacks on September 11, 2001, the NRC has issued several Orders and threat advisories to enhance security capabilities and improve guard force readiness. We have conducted inspections to review your implementation of these requirements and have monitored your actions in response to changing threat conditions. For calendar year 2003, we

plan to continue these inspections, conduct portions of the security baseline inspection program, as well as perform additional inspections to evaluate your

J. Skolds

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compliance with new requirements that may be ordered. Based on our final determinations in this regard, we will notify you of any inspection plan changes.

In accordance with 10 CFR 2.790 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 Mark Ring at 630/829-9703 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Geoffrey E. Grant, Director
Division of Reactor Projects

Docket Nos. 50-237; 50-249
License Nos. DPR-19; DPR-25

Enclosure: Dresden Inspection/Activity Plan

See Attached Distribution

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/RA/

Geoffrey E. Grant, Director
Division of Reactor Projects

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Enclosure: Dresden Inspection/Activity Plan

See Attached Distribution

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| OFFICE | RIII | | RIII | | RIII | | | | |
| NAME | BLerch:co | | MRing | | GGrant | | | | |
| DATE | 03/ /03 | | 03/ /03 | | 02/ /03 | | | | |

OFFICIAL RECORD COPY

cc w/encl: Site Vice President - Dresden Nuclear Power Station
Dresden Nuclear Power Station Plant Manager
Regulatory Assurance Manager - Dresden
Chief Operating Officer
Senior Vice President - Nuclear Services
Senior Vice President - Mid-West Regional
Operating Group
Vice President - Mid-West Operations Support
Vice President - Licensing and Regulatory Affairs
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Chairman, Illinois Commerce Commission
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Board Chairman
P. Kaupas, Will County Sheriff
W. Ferguson, Will County Emergency
Management Director
The Honorable Arthur Schultz
J. Mezera, City Manager
J. Church, Kendall County Board Chairman
R. Randall, Kendall County Sheriff
P. Nelson, Grundy County Board Chairman
J. L. Olson, Grundy County Sheriff
J. Lutz, Grundy County Emergency
Management Coordinator/Director
The Honorable Richard Kopczick
The Honorable C. Richard Ellis
The Honorable Gerald V. Pierard
The Honorable Joseph Fracaro
The Honorable Elmer Rolando
The Honorable Richard Girot
The Honorable Tony McGann
The Honorable Wayne Chesson
M. T. Gibson, Channahon Village Administrator
The Honorable Richard Chapman
K. Carroll, Shorewood Village Administrator
The Honorable Robert Blum
INPO

ADAMS Distribution:

AJM

DFT

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Project Mgr., NRR

RidsNrrDipmlipb

J. Caldwell, RIII

G. Grant, RIII

B. Clayton, RIII

R. Lickus, RIII

SRI Dresden

DRPIII

DRSIII

PLB1

JRK1

Dresden
Inspection / Activity Plan
03/01/2003 - 03/31/2004

| Unit Number | Inspection Activity | Title | No. of Staff on Site | Planned Dates | | Inspection Type |
|----------------|--|--|-------------------------|---------------|------------|----------------------|
| | | | | Start | End | |
| | D/Q LR - LR SCOPING/SCREENING INSPECTION | | 1 | | | |
| 2, 3 | IP 71002 | License Renewal Inspection | | 07/28/2003 | 08/01/2003 | Other Routine |
| | INSP - EP PERFORMANCE INDIATORS VERIFICATION | | 1 | | | |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 03/24/2003 | 03/28/2003 | Baseline Inspections |
| | INSP - EP EXERCISE INSPECTION | | 1 | | | |
| 2, 3 | IP 7111401 | Exercise Evaluation | | 03/24/2003 | 03/28/2003 | Baseline Inspections |
| | TI 148 - TI2515/148 SECURITY ICMS | | 4 | | | |
| 2, 3 | IP 2515/148 | Inspection of Nuclear Reactor Safeguards - Interim Compensatory Measures | | 04/07/2003 | 04/11/2003 | Safety Issues |
| | IP 71122 - RAM PROCESSING/SHIPPING INSPECTION | | 1 | | | |
| 2, 3 | IP 7112202 | Radioactive Material Processing and Transportation | | 05/12/2003 | 05/16/2003 | Baseline Inspections |
| | ISFSI - OPERATION OF AN ISFSI | | 1 | | | |
| 2, 3 | IP 60855 | Operation Of An ISFSI | | 05/27/2003 | 07/27/2003 | Other Routine |
| | 71121.01 - RADIOLOGICAL ACCESS CONTROL INSP | | 1 | | | |
| 2, 3 | IP 7112101 | Access Control to Radiologically Significant Areas | | 06/23/2003 | 06/27/2003 | Baseline Inspections |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 06/23/2003 | 06/27/2003 | Baseline Inspections |
| | IP 71122 - LIQ/GASEOUS EFFLUENTS INSPECTION | | 1 | | | |
| 2, 3 | IP 7112201 | Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems | | 07/07/2003 | 07/11/2003 | Baseline Inspections |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 07/07/2003 | 07/11/2003 | Baseline Inspections |
| | RENEWAL - LICENSE RENEWAL SCOPING | | 7 | | | |
| 2, 3 | IP 71002 | License Renewal Inspection | | 07/28/2003 | 08/01/2003 | Other Routine |
| | SSDI - SAFETY SYSTEM DESIGN/MODIFICATIONS/50.59 | | 5 | | | |
| 2, 3 | IP 7111102 | Evaluation of Changes, Tests, or Experiments | | 08/11/2003 | 08/29/2003 | Baseline Inspections |
| 2, 3 | IP 7111117B | Permanent Plant Modifications | | 08/11/2003 | 08/29/2003 | Baseline Inspections |
| 2, 3 | IP 7111121 | Safety System Design and Performance Capability | | 08/11/2003 | 08/29/2003 | Baseline Inspections |
| | 71121 - ALARA & INSTRUMENTATION INSP | | 1 | | | |
| 2, 3 | IP 7112102 | ALARA Planning and Controls | | 09/22/2003 | 09/26/2003 | Baseline Inspections |
| 2, 3 | IP 7112103 | Radiation Monitoring Instrumentation and Protective Equipment | | 09/22/2003 | 09/26/2003 | Baseline Inspections |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 09/22/2003 | 09/26/2003 | Baseline Inspections |
| | RENEWAL - LICENSE RENEWAL INSPECTION PART 2 | | 5 | | | |
| 2, 3 | IP 71002 | License Renewal Inspection | | 09/22/2003 | 10/10/2003 | Other Routine |
| | MR - MAINTENANCE RULE | | 1 | | | |
| 2, 3 | IP 7111112B | Maintenance Effectiveness | | 10/06/2003 | 10/10/2003 | Baseline Inspections |
| | ISI - ISI FOR UNIT 2 | | 1 | | | |
| 2 | IP 7111108G | Inservice Inspection Activities - BWR | | 11/10/2003 | 11/14/2003 | Baseline Inspections |

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

Dresden
Inspection / Activity Plan
03/01/2003 - 03/31/2004

| Unit Number | Inspection Activity | Title | No. of Staff on Site | Planned Dates | | Inspection Type |
|----------------|---------------------|--|-------------------------|---------------|------------|----------------------|
| | | | | Start | End | |
| | 711107A | - HEAT SINK PERFORMANCE | 2 | | | |
| 2, 3 | IP 711107A | Heat Sink Performance | | 11/04/2003 | 11/19/2003 | Baseline Inspections |
| | 71152B | - PROBLEM IDENTIFICATION & RESOLUTION | 3 | | | |
| 2, 3 | IP 71152B | Identification and Resolution of Problems | | 01/12/2004 | 01/30/2004 | Baseline Inspections |
| | 71114 | - BASELINE EP INSPECTION | 1 | | | |
| 2, 3 | IP 7111402 | Alert and Notification System Testing | | 01/12/2004 | 01/16/2004 | Baseline Inspections |
| 2, 3 | IP 7111403 | Emergency Response Organization Augmentation Testing | | 01/12/2004 | 01/16/2004 | Baseline Inspections |
| 2, 3 | IP 7111405 | Correction of Emergency Preparedness Weaknesses and Deficiencies | | 01/12/2004 | 01/16/2004 | Baseline Inspections |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 01/12/2004 | 01/16/2004 | Baseline Inspections |
| | HTSNK B | - HEAT SINK BIENNIAL (DRS) | 1 | | | |
| 2, 3 | IP 711107B | Heat Sink Performance | | 01/26/2004 | 01/30/2004 | Baseline Inspections |
| | 71122 | - REMP & RAD MTL CONTROL | 1 | | | |
| 2, 3 | IP 7112203 | Radiological Environmental Monitoring Program | | 03/08/2004 | 03/12/2004 | Baseline Inspections |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 03/08/2004 | 03/12/2004 | Baseline Inspections |