

August 27, 2003

Mr. Mark Peifer
Site Vice-President
Duane Arnold Energy Center
Nuclear Management Company, LLC
3277 DAEC Road
Palo, IA 52324

SUBJECT: MID-CYCLE ASSESSMENT LETTER - DUANE ARNOLD ENERGY CENTER
(REPORT 50-331/04-01)

Dear Mr. Peifer:

On July 30, 2003, the U.S. Nuclear Regulatory Commission (NRC) staff completed its mid-cycle plant performance assessment of the Duane Arnold Energy Center. The mid-cycle review for Duane Arnold involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period July 1, 2002 through June 20, 2003. 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, Duane Arnold operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first three quarters of the assessment cycle, 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 only baseline inspections at your facility through September 30, 2004.

The enclosed inspection plan details the inspection scheduled through September 30, 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 or inspector arrival onsite. 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 end-of-cycle review meeting.

In accordance with 10 CFR 2.790 of the NRC's "Rule 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 the 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).

M. Peifer

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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 me at 630-829-9629 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Bruce L Burgess, Chief
Branch 2
Division of Reactor Projects

Docket No. 50-331
License No. DPR-49

Enclosure: Duane Arnold Inspection/Activity Plan

See Attached Distribution

M. Peifer

-2-

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DATE	08/15/03		08/19/03						

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M. Peifer

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cc w/encl: E. Protsch, Executive Vice President -
Energy Delivery, Alliant;
President, IES Utilities, Inc.
J. Cowan, Chief Nuclear Officer
J. Forbes, Senior Vice President
J. Bjorseth, Plant Manager
S. Catron, Manager, Regulatory Affairs
J. Rogoff, Esquire General Counsel
B. Lacy, Nuclear Asset Manager
D. McGhee, Iowa Department of Commerce
Chairman, Linn County Board of Supervisors
State Liaison Officer
Chairperson, Iowa Utilities Board
The Honorable Charles W. Larson, Jr.
Iowa State Representative
R. Buch, Chairman, Benton County Supervisors
K. Popenhagen, Benton County Sheriff
S. Hansen, Coordinator of Emergency Services
The Honorable Shawn Steffen
The Honorable Rick Grimm
The Honorable Lloyd Benson
J. Houser, Board of Supervisors
L. Langston, Linn County Supervisor
D. Zeller, Linn County Sheriff
L. Barron, Chairman, Board of Supervisors
R. Foubert, Linn County Safety Director
W. Wright, Linn County Emergency
Management Coordinator
The Honorable Randy Fouts
The Honorable Tom Svoboda
The Honorable Paul Pate
The Honorable Thomas Patterson
The Honorable Victor Klopfenstein
J. Schott, City Manager, Marion
The Honorable Tom Neenan
The Honorable Larry Dauenbaugh
INPO

Distribution:

DFT

H. Nieh (HKN), OEDO

Project Director, NRR

Project Mgr., NRR

RidsNrrDipmlipb

JLC1

GEG

HBC

RML2

SRI Duane Arnold

DRPIII

DRSIII

PLB1

JRK1

Duane Arnold
Inspection / Activity Plan
09/01/2003 - 09/30/2004

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	ISFSI	- ISFSI OPERATIONAL INSPECTION	1			
1	IP 60855	Operation Of An ISFSI		08/18/2003	10/25/2003	Other Routine
	7112101	- RP ACCESS CONTROLS	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		09/15/2003	09/19/2003	Baseline Inspections
1	IP 71151	Performance Indicator Verification		09/15/2003	09/19/2003	Baseline Inspections
	HT SNK B	- HEAT SINK BIENNIAL (DRS)	1			
1	IP 7111107B	Heat Sink Performance		10/20/2003	10/24/2003	Baseline Inspections
	INSP	- NON-EXERCISE EP INSP	1			
1	IP 7111402	Alert and Notification System Testing		11/03/2003	11/07/2003	Baseline Inspections
1	IP 7111403	Emergency Response Organization Augmentation Testing		11/03/2003	11/07/2003	Baseline Inspections
1	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		11/03/2003	11/07/2003	Baseline Inspections
1	IP 71151	Performance Indicator Verification		11/03/2003	11/07/2003	Baseline Inspections
	SSDI	- SAFETY SYSTEM DESIGN AND PERFORMANCE INS	6			
1	IP 7111121	Safety System Design and Performance Capability		01/26/2004	02/13/2004	Baseline Inspections
	71122.02	- RADIOACTIVE MATERIAL TRANSPORTATION	1			
1	IP 7112202	Radioactive Material Processing and Transportation		02/02/2004	02/06/2004	Baseline Inspections
	TRANS	- TRANSPORTATION OF RADIOACTIVE MATERIALS	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		02/09/2004	02/13/2004	Baseline Inspections
1	IP 7112203	Radiological Environmental Monitoring Program		02/09/2004	02/13/2004	Baseline Inspections
	71121.02	- ALARA PLANNING AND CONTROL	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		03/01/2004	03/05/2004	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		03/01/2004	03/05/2004	Baseline Inspections
1	IP 71151	Performance Indicator Verification		03/01/2004	03/05/2004	Baseline Inspections
	ALARA	- NONOUTAGE ALARA AND ACCESS CONTROL	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		03/15/2004	03/19/2004	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		03/15/2004	03/19/2004	Baseline Inspections
	INSTR	- RADIATION PROTECTION INSTRUMENTATION	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		07/12/2004	07/19/2004	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		07/12/2004	07/19/2004	Baseline Inspections