



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PA 19408-1415

August 27, 2003

Mr. Peter E. Katz
Vice President Nine Mile Point
Nine Mile Point Nuclear Station, LLC.
P.O. Box 63
Lycoming, NY 13093

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -
NINE MILE POINT NUCLEAR STATION

Dear Mr. Katz:

On July 29, 2003, the NRC staff completed its mid-cycle plant performance review of Nine Mile Point Nuclear Station. The mid-cycle review for Nine Mile Point involved the participation of all technical divisions in evaluating performance for the first half of calendar year 2003 assessment cycle. The process included a review of performance indicators (PIs) for the most recent quarter and inspection results over the previous twelve months. The purpose of this letter is to inform you of our assessment of your safety performance 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.

Nine Mile Point Unit 1 plant performance for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix, based on one finding of low to moderate safety significance (White) in the Mitigating Systems cornerstone regarding degraded reactor building closed-loop cooling (RBCLC) system piping. This finding was identified in the first quarter of 2003. We have scheduled a supplemental inspection regarding this finding for September 2003. This inspection is conducted to provide assurance that the root 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. Results of this inspection will be provided by separate correspondence.

Nine Mile Point Unit 2 was within the Licensee Response Column of the 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).

Additionally, the staff has identified a substantive cross-cutting issue in the area of problem identification and resolution (PIR), regarding examples of ineffective root cause evaluations and corrective actions. Several recent inspection findings have documented shortcomings within the PIR area. These shortcomings in some cases allowed problems to recur and longstanding problems to go uncorrected. Specifically, the engineering resolutions for equipment deficiencies were sometimes narrowly focused and were not effective in maintaining certain important equipment reliable or avoiding preventable failures. The most noteworthy examples included leaking piping joints in the RBCLC piping, recurring problems with 115 kV offsite power

availability, repetitive high pressure coolant injection controller failures, valve packing leaks and instrument air system design issues. Previously, your staff also had identified weakness in your PIR program as a primary root cause for two PIs that had crossed the white threshold. We noted this observation during our supplemental inspection conducted in August 2002. You initiated an extensive corrective action program (CAP) improvement plan in April 2003. The plan includes actions to improve management oversight and site culture to address weaknesses that you identified with the implementation of the CAP. The NRC will continue to assess the effectiveness of your CAP improvements as part of our routine baseline inspections and during our biennial PIR Team Inspection which is scheduled for October 2003.

The enclosed inspection plan details the inspections 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 of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last six 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 "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 the inspection plan, we will contact you to discuss the change as soon as possible. Please contact James M. Trapp, Chief, Reactor Projects Branch 1, at 610-337-5186 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

A. Randolph Blough, Director
Division of Reactor Projects

Docket Nos. 50-220, 50-410
Licensee Nos. DPR-63, NPF-69

Enclosure: Nine Mile Point Inspection/Activity Plan

Mr. Peter E. Katz

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DATE	08/25/03	08/25/03	08/25/03	08/ /03	08/ /03		

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Nine Mile Point
Inspection / Activity Plan

06/29/2003 - 10/02/2004

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	71122.03 - PUB RAD SAFETY - REMP		1			
1, 2	IP 7112203	Radiological Environmental Monitoring Program		08/04/2003	08/08/2003	Baseline Inspections
	7111117B - PERMANENT PLANT MODS		3			
1, 2	IP 7111102	Evaluation of Changes, Tests, or Experiments		08/11/2003	08/15/2003	Baseline Inspections
1, 2	IP 7111117B	Permanent Plant Modifications		08/11/2003	08/15/2003	Baseline Inspections
	71121.01 - OCC RAD SAFETY		1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		08/25/2003	08/29/2003	Baseline Inspections
	95001 - 95001 SUPPLEMENTAL INSPECTION		1			
1	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		09/08/2003	09/12/2003	Supplemental Program
	71152B - PROBLEM IDENTIFICATION AND RESOLUTION		5			
1, 2	IP 71152B	Identification and Resolution of Problems		10/06/2003	10/10/2003	Baseline Inspections
1, 2	IP 71152B	Identification and Resolution of Problems		10/20/2003	10/24/2003	Baseline Inspections
	7111401 - EXERCISE EVALUATION AND PI VERIFICATION		4			
1, 2	IP 7111401	Exercise Evaluation		10/01/2003	10/03/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		10/01/2003	10/03/2003	Baseline Inspections
	71122.02 - PUB RAD SAFETY - RADWASTE		1			
1, 2	IP 7112202	Radioactive Material Processing and Transportation		10/06/2003	10/10/2003	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		11/17/2003	11/21/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		11/17/2003	11/21/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		11/17/2003	11/21/2003	Baseline Inspections
	7111111B - L. O. REQUALIFICATION PROGRAM		1			
1	IP 7111111B	Licensed Operator Requalification		12/01/2003	12/05/2003	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		02/23/2004	02/27/2004	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		02/23/2004	02/27/2004	Baseline Inspections
	7111108G - INSERVICE INSPECTION-UNIT 2		1			
2	IP 7111108G	Inservice Inspection Activities - BWR		03/15/2004	03/19/2004	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/22/2004	03/26/2004	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		03/22/2004	03/26/2004	Baseline Inspections
	7111112B - MAINTENANCE RULE		1			
1, 2	IP 7111112B	Maintenance Effectiveness		05/10/2004	05/14/2004	Baseline Inspections
	71114 - EP PRGM INSP & EP PI VERIFICATION		1			
1, 2	IP 7111402	Alert and Notification System Testing		07/12/2004	07/16/2004	Baseline Inspections

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

**Nine Mile Point
Inspection / Activity Plan**

06/29/2003 - 10/02/2004

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	71114	- EP PRGM INSP & EP PI VERIFICATION	1			
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		07/12/2004	07/16/2004	Baseline Inspections
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		07/12/2004	07/16/2004	Baseline Inspections
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		07/12/2004	07/16/2004	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		07/12/2004	07/16/2004	Baseline Inspections
	71114	- EP PROGRAM INSPECTION & PI VERIFICATION	1			
1, 2	IP 7111402	Alert and Notification System Testing		07/12/2004	07/16/2004	Baseline Inspections
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		07/12/2004	07/16/2004	Baseline Inspections
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		07/12/2004	07/16/2004	Baseline Inspections
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		07/12/2004	07/16/2004	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		07/12/2004	07/16/2004	Baseline Inspections
	9/12 EXM	- U1 OPERATOR LICENSING INITIAL EXAMS	3			
1	U01524	NINE MILE POINT UNIT 1 INITIAL EXAM (8/2-6/04)		08/16/2004	08/19/2004	Not Applicable
1	U01524	NINE MILE POINT UNIT 1 INITIAL EXAM (8/2-6/04)		09/13/2004	09/17/2004	Not Applicable
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112102	ALARA Planning and Controls		08/16/2004	08/20/2004	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		08/16/2004	08/20/2004	Baseline Inspections
	711121	- SSDI	6			
1, 2	IP 7111121	Safety System Design and Performance Capability		08/16/2004	08/20/2004	Baseline Inspections
1, 2	IP 7111121	Safety System Design and Performance Capability		08/30/2004	09/03/2004	Baseline Inspections
	9/27+EXM	- U2 OPERATOR LICENSING INITIAL EXAMS	3			
2	U01520	NINE MILE POINT UNIT 2 INITIAL EXAM (4/19-23/04)		08/30/2004	09/03/2004	Not Applicable
2	U01520	NINE MILE POINT UNIT 2 INITIAL EXAM (4/19-23/04)		09/27/2004	10/08/2004	Not Applicable