

March 4, 2003

Mr. William R. Kanda
Vice President - Nuclear
FirstEnergy Nuclear Operating Company
P. O. Box 97, A200
Perry, OH 44081

SUBJECT: ANNUAL ASSESSMENT LETTER - PERRY NUCLEAR POWER PLANT
(REPORT 50-440/03-01)

Dear Mr. Kanda:

On February 11, 2003, the NRC staff completed its end-of-cycle plant performance assessment of the Perry Nuclear Power Plant. 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 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, Perry 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 one White finding in the mitigating system cornerstone. This resulted from the failure of the high pressure core spray pump to start in October of 2002. A letter with the final significance determination was issued on March 4, 2003.

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 finding, 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

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. 50-440
License Nos. NPF-58

Enclosure: Perry Inspection/Activity Plan

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Division of Reactor Projects

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W. Kanda

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Perry
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	
	71111.20	- REFUELING OUTAGE INSPECTION	4			
1	IP 7111120	Refueling and Outage Activities		03/01/2003	03/31/2003	Baseline Inspections
	ISI	- ISI	1			
1	IP 7111108G	Inservice Inspection Activities - BWR		04/14/2003	04/18/2003	Baseline Inspections
	71111.01	- ADVERSE HOT WEATHER PROTECTION	2			
1	IP 7111101	Adverse Weather Protection		04/01/2003	06/30/2003	Baseline Inspections
	71111.06	- FLOOD PROTECTION MEASURES	2			
1	IP 7111106	Flood Protection Measures		04/01/2003	06/30/2003	Baseline Inspections
	7112102	- OUTAGE ALARA / ACCESS CONTROL	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		04/07/2003	04/11/2003	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		04/07/2003	04/11/2003	Baseline Inspections
	PI&R	- PROBLEM IDENTIFICATION AND RESOLUTION	3			
1	IP 71152B	Identification and Resolution of Problems		06/09/2003	06/27/2003	Baseline Inspections
	71130.03	- IP71130.03 SG CONTINGENCY RESP (PARTIAL)	2			
1	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Strategy)		07/21/2003	07/29/2003	Baseline Inspections
	IP 71122	- RAD MATERIAL PROC/TRANS INSPECTION	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		08/04/2003	08/08/2003	Baseline Inspections
1	IP 7112202	Radioactive Material Processing and Transportation		08/04/2003	08/08/2003	Baseline Inspections
	7112102	- ALARA OUTAGE REVIEW	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		09/15/2003	09/19/2003	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		09/15/2003	09/19/2003	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		09/15/2003	09/19/2003	Baseline Inspections
1	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		09/15/2003	09/19/2003	Baseline Inspections
	71111.01	- ADVERSE COLD WEATHER PROTECTION	2			
1	IP 7111101	Adverse Weather Protection		10/01/2003	12/27/2003	Baseline Inspections
	71111.07	- HEAT SINK PERFORMANCE	2			
1	IP 7111107A	Heat Sink Performance		10/01/2003	12/27/2003	Baseline Inspections
	FPI	- TRIENNIAL FIRE PROTECTION	3			
1	IP 7111105T	Fire Protection		11/17/2003	12/05/2003	Baseline Inspections
	7112101	- ACCESS CONTROL / ALARA	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		12/08/2003	12/12/2003	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		12/08/2003	12/12/2003	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		12/08/2003	12/12/2003	Baseline Inspections
1	IP 71151	Performance Indicator Verification		12/08/2003	12/12/2003	Baseline Inspections

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

Perry
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	
	71121.02	- ALARA AND ACCESS CONTROL	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		01/12/2004	01/16/2004	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		01/12/2004	01/16/2004	Baseline Inspections
	MR	- MAINTENANCE RULE BIENNIAL (DRS)	1			
1	IP 7111112B	Maintenance Effectiveness		02/23/2004	02/27/2004	Baseline Inspections