



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
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ATLANTA, GEORGIA 30303-8931

March 2, 2005

Virginia Electric and Power Company
ATTN.: Mr. David A. Christian
Sr. Vice President and
Chief Nuclear Officer
Innsbrook Technical Center - 2SW
5000 Dominion Boulevard
Glen Allen, VA 23060-6711

SUBJECT: ANNUAL ASSESSMENT LETTER - SURRY POWER STATION (NRC
INSPECTION REPORT NOS. 05000280/2005001, 05000281/2005001)

Dear Mr. Christian:

On February 10, 2005, the NRC staff completed its end-of-cycle plant performance assessment of Surry Power Station. The end-of-cycle review for Surry Units 1 and 2 involved the participation of the reactor technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2004. 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. This will allow you an opportunity to prepare for these inspections and to inform us of any planned inspections that may conflict with your plant activities. This performance review and the enclosed inspection plan do not include physical protection information. A separate end-of-cycle performance review letter, designated and marked as "Exempt from Public Disclosure in accordance with 10 CFR 2.390," will include the physical protection review and a resultant inspection plan.

Overall, Surry Units 1 and 2 operated in a manner that preserved public health and safety and met all cornerstone objectives with moderate degradation in safety performance. Plant performance for Surry Units 1 and 2 for the most recent quarter was within in the Regulatory Response Column of the NRC's Action Matrix based on an inspection finding being classified as having low-to-moderate safety significance (White) and all Performance Indicators (PIs) indicating performance at a level requiring no additional NRC oversight (Green). The inspection finding, identified in the first quarter of the assessment period, involved fire response procedures not precluding a fire in the emergency switchgear rooms from initiating a loss of coolant accident due to a loss of seal cooling to the reactor coolant pumps.

Surry Unit 1 was in the Degraded Cornerstone Column of the NRC's Action Matrix for the first three quarters of the assessment cycle, based on the White inspection finding and a White PI, "Safety System Unavailability - Emergency AC Power." Surry Unit 2 was in the Degraded Cornerstone Column of the NRC's Action Matrix for the first quarter of the assessment cycle, based on the White inspection finding and a White PI, "Safety System Unavailability - Emergency AC Power." Surry Unit 2 was in the Regulatory Response Column of the NRC Action Matrix for the last three quarters of the assessment cycle.

On December 10, 2004, a supplemental inspection was completed using Inspection Procedure 95002, "Inspection for One Degraded Cornerstone or Any Three White Inputs in a Strategic Performance Area." This supplemental inspection was an examination of the problem identification, root cause evaluation, extent of condition determination, and corrective actions associated with the White inspection finding and the White PIs. Although long term corrective actions for the White inspection finding were being evaluated, the inspection determined that the licensee's corrective actions (both planned and already completed) were appropriate to resolve the deficiencies related to the degraded Mitigating Systems Cornerstone. In addition, the NRC has planned a Regulatory Performance Meeting tentatively scheduled for March 30, 2005, to discuss the licensee's completed and planned actions for the degraded Mitigating Systems Cornerstone. Based on the supplemental inspection results, we plan to conduct only reactor oversight process (ROP) baseline inspections at your facility through September 30, 2006. We also plan to conduct non-ROP inspections of your Independent Spent Fuel Storage Installation.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through September 30, 2006. 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 nine months of the inspection plan are tentative and may be revised at the mid-cycle review meeting.

In accordance with 10 CFR 2.390 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 Mr. Kerry Landis at 404-562-4510 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

//RA//

William D. Travers
Regional Administrator

Docket Nos. 50-280, 50-281; Docket No. 72-002
License Nos. DPR-32, DPR-37; License No. SNM-2501

Enclosure: Surry Inspection/Activity Plan

VEPCO

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cc w/encl.:

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Surry
Inspection / Activity Plan
03/01/2005 - 09/30/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	OL RQ	- REQUAL INSPECTION	2			
1,2	IP 7111111B	Licensed Operator Requalification Program		03/21/2005	03/25/2005	Baseline Inspections
	PS1-RP	- RP OCCUPATIONAL BASELINE & ISFSI WK-1	2			
1,2	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		04/25/2005	04/29/2005	Other Routine
1,2	IP 7112101	Access Control to Radiologically Significant Areas		04/25/2005	04/29/2005	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		04/25/2005	04/29/2005	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		04/25/2005	04/29/2005	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		04/25/2005	04/29/2005	Baseline Inspections
	MTN-ISI	- U2 INSERVICE INSPECTION	1			
2	IP 7111108P	Inservice Inspection Activities - PWR		05/02/2005	05/06/2005	Baseline Inspections
	PS-RP	- RP OCCUPATIONAL BASELINE & ISFSI WK- 2	3			
1,2	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		05/09/2005	05/13/2005	Other Routine
1,2	IP 7112101	Access Control to Radiologically Significant Areas		05/09/2005	05/13/2005	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		05/09/2005	05/13/2005	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		05/09/2005	05/13/2005	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		05/09/2005	05/13/2005	Baseline Inspections
	MTNSGISI	- STEAM GENERATOR ISI	1			
2	IP 7111108P	Inservice Inspection Activities - PWR		05/16/2005	05/20/2005	Baseline Inspections
	PI&R	- PROBLEM IDENTIFICATION AND RESOLUTION	4			
1,2	IP 71152B	Identification and Resolution of Problems		08/08/2005	08/12/2005	Baseline Inspections
	PI&R	- PROBLEM IDENTIFICATION AND RESOLUTION	4			
1,2	IP 71152B	Identification and Resolution of Problems		08/22/2005	08/26/2005	Baseline Inspections
	EB1-MODS	- MODIFICATIONS/10CFR50.59	4			
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		09/19/2005	09/23/2005	Baseline Inspections
1,2	IP 7111117B	Permanent Plant Modifications		09/19/2005	09/23/2005	Baseline Inspections
	PS EP	- EP EXERCISE	2			
1,2	IP 7111401	Exercise Evaluation		12/05/2005	12/09/2005	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		12/05/2005	12/09/2005	Baseline Inspections
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		12/05/2005	12/09/2005	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		12/05/2005	12/09/2005	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		12/05/2005	12/09/2005	Baseline Inspections
	EB1SSDPC	- SSDPC PRE-INSPECTION VISIT	5			
1,2	IP 7111121	Safety System Design and Performance Capability		12/12/2005	12/16/2005	Baseline Inspections
	OL PREP	- INITIAL EXAM PREP	4			
1	V23210	SURRY/EXAMS AT POWER FACILITIES		01/09/2006	01/13/2006	Not Applicable

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

Enclosure

Surry
Inspection / Activity Plan
03/01/2005 - 09/30/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	EB1SSDPC - SAFETY SYSTEM DESIGN & PERF. CAPABILITY		5			
1,2	IP 7111121	Safety System Design and Performance Capability		01/09/2006	01/13/2006	Baseline Inspections
1,2	IP 7111121	Safety System Design and Performance Capability		01/23/2006	01/27/2006	Baseline Inspections
	OL EXAM - EXAM WEEK 1		4			
1	V23210	SURRY/EXAMS AT POWER FACILITIES		01/23/2006	01/27/2006	Not Applicable
	OL EXAM - EXAM WEEK 2		4			
1	V23210	SURRY/EXAMS AT POWER FACILITIES		02/06/2006	02/10/2006	Not Applicable
	MTN-ISI - U1 INSERVICE INSPECTION		1			
1	IP 7111108P	Inservice Inspection Activities - PWR		05/01/2006	05/05/2006	Baseline Inspections
	MTNSGSI - U1 STEAM GENERATOR ISI		1			
1	IP 7111108P	Inservice Inspection Activities - PWR		05/08/2006	05/12/2006	Baseline Inspections
	EB2-TFP - TRIENNIAL FP PRE-INSPECTION VISIT		4			
1,2	IP 7111105T	Fire Protection		05/16/2006	05/18/2006	Baseline Inspections
	EB2-TFP - TRIENNIAL FIRE PROTECTION INSPECTION		4			
1,2	IP 7111105T	Fire Protection		06/12/2006	06/16/2006	Baseline Inspections
	PS1-RP - RP BASELINE PUBLIC		3			
1,2	IP 2515/151	Expanded Pilot Force-on-Force Exercise Evaluation		06/19/2006	06/23/2006	Safety Issues
1,2	IP 7112101	Access Control to Radiologically Significant Areas		06/19/2006	06/23/2006	Baseline Inspections
1,2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		06/19/2006	06/23/2006	Baseline Inspections
1,2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		06/19/2006	06/23/2006	Baseline Inspections
1,2	IP 7112203	Radiological Environmental Monitoring Program		06/19/2006	06/23/2006	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		06/19/2006	06/23/2006	Baseline Inspections
	EB2-TFP - TRIENNIAL FIRE PROTECTION INSPECTION		4			
1,2	IP 7111105T	Fire Protection		06/26/2006	06/30/2006	Baseline Inspections
	MTN-MR - MR EFFECTIVENESS		1			
1,2	IP 7111112B	Maintenance Effectiveness		08/28/2006	09/01/2006	Baseline Inspections
	MTN-HS - HEAT SINK		1			
1,2	IP 7111107B	Heat Sink Performance		09/18/2006	09/22/2006	Baseline Inspections