

August 27, 2003

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

Dear Mr. Skolds:

SUBJECT: MID-CYCLE ASSESSMENT LETTER - DRESDEN NUCLEAR POWER
STATION (REPORT 50-237/04-01; 50-249/04-01)

Dear Mr. Skolds:

On July 30, 2003, the NRC staff completed its mid-cycle plant performance assessment of the Dresden Nuclear Power Station. The mid-cycle review involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the first half of the current assessment cycle, January 1, 2003 - December 31, 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.

Plant performance for the most recent quarter for Dresden Unit 3 continued to be 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. As a result of the White PI, a supplemental inspection conducted in accordance with Inspection Procedure 95001 is scheduled for November 2003.

Additionally, by letter dated June 23, 2003, the staff issued a Severity Level III Notice of Violation of 10 CFR 50.9 in accordance with the enforcement policy. The violation was for incomplete and inaccurate information provided to the NRC on September 27, 2001, that was material to the NRC because the NRC staff was evaluating the operability determination for the Dresden, Unit 3, HPCI system. A White finding was also issued with the same letter for inadequate corrective actions when the HPCI water hammer was initially identified. The supplemental inspection mentioned above for the White performance indicator will include the White finding for inadequate corrective action and the 50.9 violation.

With respect to Unit 2, plant performance for the most recent quarter 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 for Unit 2 through September 30, 2004.

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 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 "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 Mark Ring at 630/829-9703 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA by Steve A. Reynolds acting for/

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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Geoffrey E. Grant, Director
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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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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

H. Nieh (HKN), OEDO

Project Director, NRR

Project Mgr., NRR

RidsNrrDipmlipb

JLC1

GEG

HBC

RML2

SRI Dresden

DRPIII

DRSIII

PLB1

JRK1

J. Skolds

-4-

ADAMS Distribution:

Dresden
Inspection / Activity Plan
09/01/2003 - 09/30/2004

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	LR AMR - D/Q LR AGING MANAGEMENT INSPECTION		7			
2, 3	IP 71002	License Renewal Inspection		09/29/2003	10/03/2003	Other Routine
	MR - MAINTENANCE RULE		1			
2, 3	IP 711112B	Maintenance Effectiveness		10/06/2003	10/10/2003	Baseline Inspections
	ISI - ISI FOR UNIT 2		2			
2	IP 7111108G	Inservice Inspection Activities - BWR		10/20/2003	10/24/2003	Baseline Inspections
	711107A - HEAT SINK PERFORMANCE		2			
2, 3	IP 7111107A	Heat Sink Performance		10/14/2003	10/29/2003	Baseline Inspections
	7112102 - OUTAGE ALARA & INSTRUMENTATION		1			
2, 3	IP 7112102	ALARA Planning and Controls		10/20/2003	10/24/2003	Baseline Inspections
2, 3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		10/20/2003	10/24/2003	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		10/20/2003	10/24/2003	Baseline Inspections
	95001 - HPCI WATERHAMMER WHITE SUPPLEMENTAL INSP		1			
3	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		11/17/2003	11/28/2003	Supplemental Progra
	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 7111107B	Heat Sink Performance		01/26/2004	01/30/2004	Baseline Inspections
	71121.03 - RADIOLOGICAL INSTRUMENTATION & EQUIP		1			
2, 3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		02/02/2004	02/06/2004	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		02/02/2004	02/06/2004	Baseline Inspections
	71121.01 - RADIOLOGICAL ACCES CONTROL		1			
2, 3	IP 7112101	Access Control to Radiologically Significant Areas		04/19/2004	04/23/2004	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		04/19/2004	04/23/2004	Baseline Inspections
	71111.11 - LIC OPERATOR REQUAL PROGRAM EVALUATION		2			
2, 3	IP 7111111B	Licensed Operator Requalification		05/31/2004	06/04/2004	Baseline Inspections
	71122.03 - REMP & RAD MATERIAL CONTROL		1			
2, 3	IP 7112203	Radiological Environmental Monitoring Program		07/19/2004	07/23/2004	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		07/19/2004	07/23/2004	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
09/01/2003 - 09/30/2004

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	FY 2004	- DRESDEN INIT PREP 07/2004	3			
2	W90109	OL - INITIAL EXAM - DRESDEN - JUL/AUG 2004		07/26/2004	07/30/2004	Not Applicable
	FY 2004	- DRESDEN INIT EXAM 08/2004	3			
2	W90109	OL - INITIAL EXAM - DRESDEN - JUL/AUG 2004		08/16/2004	08/20/2004	Not Applicable