

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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Sincerely,

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Bruce L Burgess, Chief
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| | | | | | | | | | |
|--------|------------|--|----------|--|--|--|--|--|--|
| OFFICE | RIII | | RIII | | | | | | |
| NAME | JWright/co | | BBurgess | | | | | | |
| DATE | 08/15/03 | | 08/19/03 | | | | | | |

OFFICIAL RECORD COPY

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 |