

August 30, 2004

Mr. James A. Spina
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. Spina:

On August 4, 2004, the NRC completed its mid-cycle plant performance assessment of the 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 the calendar year 2004 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 during this period and our plans for future inspections at your facility so that you will have the opportunity to prepare for these inspections and inform us of any planned inspections that may conflict with your plant activities. This performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Proprietary Information in accordance with 10 CFR 2.390(d)(1)" will include the physical protection review and resultant inspection plan.

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 primarily reactor oversight process (ROP) baseline inspections at your facility through March 31, 2006. We also plan on conducting several non-ROP inspections which include license renewal inspections. A Supplemental Inspection, conducted in March - April 2004, concerning a White PI for Unplanned Scrams per 7000 Critical Hours on Unit 2, is scheduled to be conducted again in September 2004. The March - April inspection determined that there were several weaknesses in Constellation's review regarding inadequacies in the root cause evaluation, the extent of condition review, and the corrective actions. Also, although a cause evaluation was conducted and predominant contributing causes were identified, the cause evaluation was not sufficiently thorough or detailed to explain or address why the PI had again crossed the Green-White threshold. The September 2004 inspection will review your actions to address these weaknesses.

In our mid-cycle assessment letter dated August 27, 2003, we advised you of a substantive cross-cutting issue in the area of problem identification and resolution (PI&R), regarding examples of ineffective root cause evaluations and corrective actions. Specifically, the engineering resolutions of equipment deficiencies were sometimes narrowly focused and were not effective in maintaining certain important equipment reliable or avoiding preventable failures. In our annual

assessment letter dated March 2, 2004, we acknowledged your actions to address this issue; however, the cross-cutting issue was left open as a result of additional findings related to longstanding equipment deficiencies and narrowly focused operability assessments.

During the current assessment period, we continued to see some improvement in this area and our inspection activities did not identify a substantial number of additional PI&R findings. Therefore, the NRC no longer considers Nine Mile Point Nuclear Station's performance indicative of a substantive cross-cutting issue in PI&R. However, the NRC notes that sustained improvement in PI&R remains a challenge for the station. Making further progress at Nine Mile Point will require strong management involvement given the continuing large scope of station projects and activities. Although the NRC plans no further focused review in this area, we will continue to monitor your performance through the baseline inspection program.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through March 31, 2006. The plan includes those inspections being conducted for license renewal. 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 twelve months of the inspection plan are tentative and may be revised at the end-of-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.govreading-room/adams.html> (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 Mr. James Trapp, Chief, 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
License Nos. DPR-63, DPR-59

Enclosure: Nine Mile Point Inspection/Activity Plan

Mr. James A. Spina

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cc w/encl:

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J. M. Petro, Jr., Esquire, Counsel, Constellation Energy Group, Inc.

M. J. Wetterhahn, Esquire, Winston and Strawn

P. R. Smith, President, New York State Energy, Research, and Development Authority

J. Spath, Program Director, New York State Energy Research and Development Authority

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Institute of Nuclear Power Operations (INPO)

Mr. James A. Spina

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Distribution w/encl: (via E-mail)

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OFFICE	RI/DRP		RI/DRP		RI/DRP				
NAME	NPerry/ NSP		JTrapp/ JMT		ABlough/ ARB				
DATE	08/25/04		08/30/04		08/26/04		08/ /04		08/ /04

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Nine Mile Point
Inspection / Activity Plan
07/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
11/1 EXM - U1 OPERATOR LICENSING INITIAL EXAMS			3			
1	U01524	NINE MILE POINT UNIT 1 INITIAL EXAM (8/2-6/04)		10/04/2004	10/07/2004	Not Applicable
1	U01524	NINE MILE POINT UNIT 1 INITIAL EXAM (8/2-6/04)		11/01/2004	11/13/2004	Not Applicable
71114 - EP PROGRAM INSPECTION & PI VERIFICATION			1			
1, 2	IP 7111402	Alert and Notification System Testing		07/19/2004	07/23/2004	Baseline Inspections
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		07/19/2004	07/23/2004	Baseline Inspections
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		07/19/2004	07/23/2004	Baseline Inspections
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		07/19/2004	07/23/2004	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		07/19/2004	07/23/2004	Baseline Inspections
71152 - PIR SAMP EQ			1			
1	IP 71152	Identification and Resolution of Problems		07/12/2004	07/16/2004	Allegation Follow-up
1, 2	IP 71152	Identification and Resolution of Problems		08/30/2004	09/03/2004	Allegation Follow-up
7111121 - SSDI			7			
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
71121 - OCC RAD SAFETY			1			
1	IP 7112101	Access Control to Radiologically Significant Areas		09/20/2004	09/24/2004	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		09/20/2004	09/24/2004	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		09/20/2004	09/24/2004	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		09/20/2004	09/24/2004	Baseline Inspections
95001 - WHITE PI - UNIT 2 SCRAMS - SUPPLEMENTAL			1			
2	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		09/20/2004	09/24/2004	Supplemental Program
7111111B - LO REQUALIFICATION PROGRAM UNIT 2			4			
2	IP 7111111B	Licensed Operator Requalification Program		11/14/2004	11/19/2004	Baseline Inspections
7112202 - PUB RAD SAFETY - RADWASTE			1			
1, 2	IP 7112202	Radioactive Material Processing and Transportation		11/01/2004	11/05/2004	Baseline Inspections
7111107B - HEAT SINK			1			
1, 2	IP 7111107B	Heat Sink Performance		11/15/2004	11/19/2004	Baseline Inspections
71002 - LICENSE RENEWAL - SCOPING			4			
1, 2	IP 71002	License Renewal Inspection		01/10/2005	01/14/2005	License Renewal Insp
71002 - LICENSE RENEWAL - AGING MGMT			4			
1, 2	IP 71002	License Renewal Inspection		02/14/2005	02/18/2005	License Renewal Insp
1, 2	IP 71002	License Renewal Inspection		02/28/2005	03/04/2005	License Renewal Insp

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This report shows only on-site and announced inspection procedures.

Nine Mile Point
Inspection / Activity Plan
07/01/2004 - 03/31/2006

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				Start	End	
	7112201	- PUB RAD SAFETY - RETS (UNIT 1 ONLY)	1			
1	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		02/28/2005	03/04/2005	Baseline Inspections
	7111108G	- INSERVICE INSPECTION - U1	2			
1	IP 7111108G	Inservice Inspection Activities - BWR		03/21/2005	03/25/2005	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/28/2005	04/01/2005	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		03/28/2005	04/01/2005	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/28/2005	04/01/2005	Baseline Inspections
	5/2+EXM	- U2 OPERATOR LICENSING INITIAL EXAMS	3			
2	U01520	NINE MILE POINT UNIT 2 INITIAL EXAM (4/19-23/04)		04/04/2005	04/08/2005	Not Applicable
2	U01520	NINE MILE POINT UNIT 2 INITIAL EXAM (4/19-23/04)		05/02/2005	05/06/2005	Not Applicable
	7112201	- PUB RAD SAFETY - REMP	1			
1, 2	IP 7112203	Radiological Environmental Monitoring Program		04/25/2005	04/29/2005	Baseline Inspections
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		06/27/2005	07/01/2005	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		06/27/2005	07/01/2005	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		06/27/2005	07/01/2005	Baseline Inspections
	7111401	- EXERCISE EVALUATION & EP PI VERIFICATION	1			
1, 2	IP 7111401	Exercise Evaluation		08/15/2005	08/19/2005	Baseline Inspections
1, 2	IP 711151	Performance Indicator Verification		08/15/2005	08/19/2005	Baseline Inspections
	7112203	- PUB RAD SAFETY - RETS (UNIT 2 ONLY)	1			
2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		08/29/2005	09/02/2005	Baseline Inspections
	MODS	- MODS & 50.59	3			
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
	71121	- OCC RAD SAFETY	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		09/26/2005	09/30/2005	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		09/26/2005	09/30/2005	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		09/26/2005	09/30/2005	Baseline Inspections
1, 2	IP 711151	Performance Indicator Verification		09/26/2005	09/30/2005	Baseline Inspections
	71152B	- PROBLEM IDENTIFICATION AND RESOLUTION	4			
1, 2	IP 71152B	Identification and Resolution of Problems		10/17/2005	10/21/2005	Baseline Inspections
1, 2	IP 71152B	Identification and Resolution of Problems		10/31/2005	11/04/2005	Baseline Inspections

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Inspection / Activity Plan**

07/01/2004 - 03/31/2006

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				Start	End	
	7111111B - LO REQUAL PROGRAM INSPECTION		2			
1	IP 7111111B	Licensed Operator Requalification Program		11/14/2005	11/18/2005	Baseline Inspections
	1/16+EXM - U1 OPERATOR LICENSING INITIAL EXAM		1			
1	U01588	NINE MILE, UNIT 1 INITIAL EXAM (8/06)		12/12/2005	12/16/2005	Not Applicable
1	U01588	NINE MILE, UNIT 1 INITIAL EXAM (8/06)		01/16/2006	01/20/2006	Not Applicable
	7111108G - INSERVICE INSPECTION - UNIT 2		1			
2	IP 7111108G	Inservice Inspection Activities - BWR		03/20/2006	03/24/2006	Baseline Inspections
	71121 - OCC RAD SAFETY		1			
2	IP 7112101	Access Control to Radiologically Significant Areas		03/27/2006	03/31/2006	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		03/27/2006	03/31/2006	Baseline Inspections
2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/27/2006	03/31/2006	Baseline Inspections

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