

March 4, 2002

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

SUBJECT: ANNUAL ASSESSMENT LETTER - QUAD CITIES  
(REPORT 50-254/02-01; 50-265/02-01)

Dear Mr. Skolds:

On January 30, 2002, the NRC staff completed its end-of-cycle plant performance assessment of Quad Cities. The end-of-cycle review for Quad Cities involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period from April 1, 2001, to December 31, 2001. 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 which may conflict with your plant activities.

As discussed in our previous annual assessment letter dated May 31, 2001, this inspection and assessment cycle consisted of three quarters (i.e., the second, third, and fourth calendar quarters of calendar year 2001) instead of the usual four quarters. This change was implemented in order to align the inspection and assessment cycle with the calendar year beginning on January 1, 2002.

Overall, Quad Cities 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 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 March 31, 2003.

While plant performance for the most recent quarter is within the licensee response column of the Action Matrix, a White finding was identified in the Occupational Radiation Safety cornerstone during the previous assessment cycle (fourth quarter of 2000) which resulted in Quad Cities being in the regulatory response column of the Action Matrix during the first two quarters of this assessment cycle. The finding involved an as low as reasonably achievable (ALARA) issue associated with the replacement of a safety relief valve during the Unit 1 refueling outage. A supplemental inspection was issued on July 27, 2001, which concluded that you had performed a comprehensive evaluation of the weaknesses. Therefore, the White finding associated with this issue was only considered through the third quarter of 2001 in assessing plant performance.

The enclosed inspection plan details the inspections scheduled through March 31, 2003. 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 last 6 months of the inspection plan are tentative and may be revised at the Mid-Cycle Review meeting.

In addition to the baseline inspection program, the NRC issued safeguards advisories recommending that nuclear power plant licensees go to the highest level of security immediately following the terrorist attacks on the World Trade Center and the Pentagon, and all promptly did so. With continued uncertainty about the possibility of additional terrorist activities, the Nation's nuclear power plants, including Quad Cities, remain at a high level of security. On February 25, 2002, the NRC issued an Order to all nuclear power plant licensees, requiring them to take certain additional interim compensatory measures to address the generalized high-level threat environment. These additional compensatory requirements will provide the NRC with reasonable assurance that public health and safety and the common defense and security continue to be adequately protected in the current generalized high-level threat environment. These requirements will remain in effect pending notification from the Commission that a significant change in the threat environment occurs, or until the Commission determines that other changes are needed following a more comprehensive re-evaluation of current safeguards and security programs. To date, we have monitored Quad Cities actions in response to the terrorist attacks through a series of audits. With the issuance of the Order, we will evaluate Quad Cities's compliance with these interim requirements.

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/index.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 me 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. 50-254; 50-265  
License Nos. DPR-29; DPR-30

Enclosure: Quad Cities Inspection/Activity Plan

See Attached Distribution

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**Quad Cities**  
**Inspection / Activity Plan**  
**03/04/2002 - 03/31/2003**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
<b>0102 - ACCESS AUTHORIZATION/ACCESS CONTROL</b>			<b>2</b>			
1, 2	IP 7113001	Access Authorization Program (Behavior Observation Only)		04/08/2002	04/12/2002	Baseline Inspections
1, 2	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizatio		04/08/2002	04/12/2002	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		04/08/2002	04/12/2002	Baseline Inspections
<b>IP 71122 - RADIOACTIVE MAT SHIP/PROC INSPECTION</b>			<b>1</b>			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		04/15/2002	04/19/2002	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		04/15/2002	04/19/2002	Baseline Inspections
1, 2	IP 7112202	Radioactive Material Processing and Transportation		04/15/2002	04/19/2002	Baseline Inspections
<b>IP 71114 - BIENNIAL EP EXERCISE INSPECTION</b>			<b>3</b>			
1, 2	IP 7111401	Exercise Evaluation		07/08/2002	07/12/2002	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		07/08/2002	07/12/2002	Baseline Inspections
<b>MAINT B - BIENNIAL MAINTENANCE RULE</b>			<b>1</b>			
1, 2	IP 711112B	Maintenance Rule Implementation		07/15/2002	07/19/2002	Baseline Inspections
<b>CONT A - SAFEGARDS INSPECTION-RESPONSE A</b>			<b>1</b>			
1, 2	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Strategie		07/29/2002	08/02/2002	Baseline Inspections
<b>IP 71122 - RAM PROC/SHIP &amp; ALARA INSP</b>			<b>1</b>			
1, 2	IP 7112102	ALARA Planning and Controls		08/12/2002	08/16/2002	Baseline Inspections
1, 2	IP 7112202	Radioactive Material Processing and Transportation		08/12/2002	08/16/2002	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		08/12/2002	08/16/2002	Baseline Inspections
<b>IP 71121 - RP ALARA INSP (OUTAGE)</b>			<b>1</b>			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		11/04/2002	11/15/2002	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		11/04/2002	11/15/2002	Baseline Inspections
<b>FY 2003 - QUAD CITIES INIT PREP 10/2002</b>			<b>3</b>			
1	W90063	OL - INITIAL EXAM - QUAD CITIES - OCT/DEC 2002		11/11/2002	11/15/2002	Not Applicable
<b>71152 - PROBLEM IDENTIFICATION AND RESOLUTION</b>			<b>3</b>			
1, 2	IP 71152	Identification and Resolution of Problems		12/02/2002	12/20/2002	Baseline Inspections
<b>FY 2003 - QUAD CITIES INIT EXAM 12/2002</b>			<b>3</b>			
1	W90063	OL - INITIAL EXAM - QUAD CITIES - OCT/DEC 2002		12/02/2002	12/13/2002	Not Applicable
<b>IP 71121 - OUTAGE ALARA INSPECTION</b>			<b>1</b>			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		01/13/2003	01/17/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		01/13/2003	01/17/2003	Baseline Inspections
<b>IP 71114 - NON-EXERCISE BASELINE EP INSPECTION</b>			<b>1</b>			
1, 2	IP 7111402	Alert and Notification System Testing		02/24/2003	02/28/2003	Baseline Inspections
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		02/24/2003	02/28/2003	Baseline Inspections

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

**Quad Cities**  
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**03/04/2002 - 03/31/2003**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>IP 71114</b>	<b>- NON-EXERCISE BASELINE EP INSPECTION</b>	<b>1</b>			
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		02/24/2003	02/28/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		02/24/2003	02/28/2003	Baseline Inspections
	<b>MOD50.59</b>	<b>- BIENNIAL PLNT MOD AND 50.59</b>	<b>3</b>			
1, 2	IP 7111102	Evaluation of Changes, Tests, or Experiments		03/17/2003	03/21/2003	Baseline Inspections
1, 2	IP 711117B	Permanent Plant Modifications		03/17/2003	03/21/2003	Baseline Inspections