



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931**

August 30, 2004

Duke Energy Corporation
ATTN: Mr. G. R. Peterson
Vice President
McGuire Nuclear Station
12700 Hagers Ferry Road
Huntersville, NC 28078-8985

**SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN - MCGUIRE
NUCLEAR STATION**

Dear Mr. Peterson:

On August 3, 2004, the NRC staff completed its mid-cycle plant performance assessment of the McGuire Nuclear Station. The mid-cycle review for McGuire 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. 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 mid-cycle performance review letter, designated and marked as "Proprietary Information in accordance with 10 CFR 2.390(d)(1)," will include the physical protection review results and corresponding 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 baseline inspections at your facility through March 31, 2006, as well as the following non-reactor oversight program inspections: (1) routine inspections of activities associated with your Independent Spent Fuel Storage Installation; and (2) operator licensing examinations.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through March 31, 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 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.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 me at (404)562-4550 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Robert C. Haag, Chief
Reactor Projects Branch 1
Division of Reactor Projects

Docket Nos. 50-369, 50-370
License Nos. NPF-9, NPF-17

Enclosure: McGuire Inspection/ Activity Plan

cc w/encl:

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McGuire
Inspection / Activity Plan
09/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	EB1-F/UP - OPEN ITEM FOLLOWUP		2			
1,2	IP 7111105T	Fire Protection		08/30/2004	09/03/2004	Baseline Inspections
	PB1PIR - PI&R INSPECTION		4			
1,2	IP 71152B	Identification and Resolution of Problems		10/18/2004	10/22/2004	Baseline Inspections
1,2	IP 71152B	Identification and Resolution of Problems		11/01/2004	11/05/2004	Baseline Inspections
	60854 - ISFSI DRY RUNS		4			
1,2	IP 60853	On-Site Fabrication Of Components And Construction On An ISFSI		11/29/2004	12/03/2004	Other Routine
1,2	IP 60854	Preoperational Testing Of An ISFSI		11/29/2004	12/03/2004	Other Routine
1,2	IP 60855	Operation Of An ISFSI		11/29/2004	12/03/2004	Other Routine
	OL PREP - INITIAL EXAM PREP		3			
1	V23235	MCGUIRE/EXAMS AT POWER FACILITIES		01/17/2005	01/21/2005	Not Applicable
	PS-RP - RP PUBLIC BASELINE AND ISFSI		3			
1,2	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		01/31/2005	02/04/2005	Other Routine
1,2	IP 7112101	Access Control to Radiologically Significant Areas		01/31/2005	02/04/2005	Baseline Inspections
1,2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		01/31/2005	02/04/2005	Baseline Inspections
1,2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		01/31/2005	02/04/2005	Baseline Inspections
1,2	IP 7112203	Radiological Environmental Monitoring Program		01/31/2005	02/04/2005	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		01/31/2005	02/04/2005	Baseline Inspections
	OL EXAM - INITIAL EXAM		3			
1	V23235	MCGUIRE/EXAMS AT POWER FACILITIES		02/07/2005	02/18/2005	Not Applicable
	EB2-ISI - INSERVICE INSPECTION-U2		1			
2	IP 7111108P	Inservice Inspection Activities - PWR		03/14/2005	03/18/2005	Baseline Inspections
	EB2SGISI - STEAM GENERATOR ISI		1			
2	IP 7111107B	Heat Sink Performance		03/21/2005	03/25/2005	Baseline Inspections
	EB2-HS - HEAT SINK		1			
1,2	IP 7111107B	Heat Sink Performance		04/25/2005	04/29/2005	Baseline Inspections
	EB2-MR - MAINTENANCE RULE		1			
1,2	IP 7111112B	Maintenance Effectiveness		06/06/2005	06/10/2005	Baseline Inspections
	EB2-MODS - MODIFICATIONS/10CFR50.59		5			
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		06/20/2005	06/24/2005	Baseline Inspections
1,2	IP 7111117B	Permanent Plant Modifications		06/20/2005	06/24/2005	Baseline Inspections
	OL EP - EMERGENCY EXERCISE		2			
1,2	IP 7111401	Exercise Evaluation		08/08/2005	08/12/2005	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		08/08/2005	08/12/2005	Baseline Inspections

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

ENCLASURE

McGuire
Inspection / Activity Plan
09/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	OL EP	- EMERGENCY EXERCISE	2			
1, 2	IP 71151	Performance Indicator Verification		08/08/2005	08/12/2005	Baseline Inspections
	EB2-ISI	- INSERVICE INSPECTION-U1	1			
1	IP 7111108P	Inservice Inspection Activities - PWR		09/12/2005	09/16/2005	Baseline Inspections
	EB2SGISI	- STEAM GENERATOR ISI	1			
1	IP 7111108P	Inservice Inspection Activities - PWR		09/26/2005	09/30/2005	Baseline Inspections
	EB1-TFP	- FIRE PROTECTION-TRIENNIAL PRE INSP VISIT	4			
1, 2	IP 7111105T	Fire Protection		02/27/2006	03/03/2006	Baseline Inspections
	EB1-TFP	- FIRE PROTECTION-TRIENNIAL	4			
1, 2	IP 7111105T	Fire Protection		03/20/2006	03/24/2006	Baseline Inspections