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

SUBJECT: ANNUAL ASSESSMENT LETTER - BYRON STATION, UNITS 1 AND 2

(REPORT 50-454/02-01; 50-455/02-01)

Dear Mr. Skolds:

On January 30, 2002, the NRC staff completed its end-of-cycle plant performance assessment of the Byron Station, Units 1 and 2. The end-of-cycle review for Byron Station, Units 1 and 2 involved the participation of all technical divisions in evaluating performance indicators (Pls) for the most recent quarter and inspection results for the period from April 1 through 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, the Byron Station, Units 1 and 2 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 two 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 March 31, 2003.

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 inspection plan for the last 6 months is tentative and may be revised at the Mid-Cycle Review meeting.

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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 the Byron Station, Units 1 and 2, 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 Exelon's actions in response to the terrorist attacks through a series of audits. With the issuance of the Order, we will evaluate Exelon'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 <a href="http://www.nrc.gov/NRC/ADAMS/index.html">http://www.nrc.gov/NRC/ADAMS/index.html</a> (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 630-829-9729 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Ann Marie Stone, Chief Branch 3 Division of Reactor Projects

Docket Nos. 50-454; 50-455 License Nos. NPF-37; NPF-66

Enclosure: Byron Station, Units 1 and 2 Inspection/Activity Plan

See Attached Distribution

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cc w/encl: J. Skolds, Chief Operating Officer

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H. Stanley, Vice President, Midwest ROG Operations

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## Byron

Inspection / Activity Plan 03/04/2002 - 03/31/2003

Ke	port 22	2	
	Unit	_	

Unit			No. of Staff	Planne	d Dates	Inspection	
Number	Inspection Activity	Title	on Site	Start	End	Туре	
	7111120 - REFUELING AND OUTAGE ACTIVITIES 4						
1	IP 7111120	Refueling and Outage Activities		02/12/2002	03/31/2002	Baseline Inspections	
	IP 71121 - OUTA	GE RP ALARA & ACCESS CTRL INSP	1				
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/11/2002	03/15/2002	Baseline Inspections	
1, 2	IP 7112102	ALARA Planning and Controls		03/11/2002	03/15/2002	Baseline Inspections	
1, 2	IP 71151	Performance Indicator Verification		03/11/2002	03/15/2002	Baseline Inspections	
	ISI - INSER	RVICE INSPECTION UNIT 1	1				
1	IP 7111108	Inservice Inspection Activities		03/18/2002	03/29/2002	Baseline Inspections	
	71111.06 - FLOO	D PROTECTION MEASURES	2				
1, 2	IP 7111106	Flood Protection Measures		04/01/2002	05/18/2002	Baseline Inspections	
	MOD50.59 - BIENN	IIAL PLANT MODS AND 50.59	5				
1, 2	IP 7111102	Evaluation of Changes, Tests, or Experiments		04/15/2002	04/19/2002	Baseline Inspections	
1, 2	IP 7111117B	Permanent Plant Modifications		04/15/2002	04/19/2002	Baseline Inspections	
	IP 71122 - RAM F	PROC/SHIPPING INSP	1				
1, 2	IP 7112202	Radioactive Material Processing and Transportation		05/06/2002	05/10/2002	Baseline Inspections	
1, 2	IP 71151	Performance Indicator Verification		05/06/2002	05/10/2002	Baseline Inspections	
	71111.01 - ADVE	RSE WEATHER HOT	2				
1, 2	IP 7111101	Adverse Weather Protection		05/19/2002	06/30/2002	Baseline Inspections	
	71111.07 - HEAT	SINK PERFORMANCE	2				
1, 2	IP 7111107A	Heat Sink Performance		05/19/2002	06/30/2002	Baseline Inspections	
	MAINT B - BIENN	IIAL MAINTENANCE RULE	1				
1, 2	IP 7111112B	Maintenance Rule Implementation		06/24/2002	06/28/2002	Baseline Inspections	
	IP 71114 - EP BA	ASELINE INSPECTION (NON-EXERCISE)	1				
1, 2	IP 7111402	Alert and Notification System Testing		07/22/2002	07/26/2002	Baseline Inspections	
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		07/22/2002	07/26/2002	Baseline Inspections	
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		07/22/2002	07/26/2002	Baseline Inspections	
1, 2	IP 71151	Performance Indicator Verification		07/22/2002	07/26/2002	Baseline Inspections	
	7111120 - REFU	ELING AND OUTAGE ACTIVITIES	3				
2	IP 7111120	Refueling and Outage Activities		08/18/2002	09/30/2002	Baseline Inspections	
	IP 71121 - OUTA	GE RP ALARA & ACCESS CTRL INSPECTION	1				
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		09/23/2002	09/27/2002	Baseline Inspections	
1, 2	IP 7112102	ALARA Planning and Controls		09/23/2002	09/27/2002	Baseline Inspections	
1, 2	IP 71151	Performance Indicator Verification		09/23/2002	09/27/2002	Baseline Inspections	

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## Byron Inspection / Acti

Inspection / Activity Plan 03/04/2002 - 03/31/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planne Start	d Dates End	Inspection Type
		RVICE INSPECTION UNIT 2	1			
2	IP 7111108	Inservice Inspection Activities		09/30/2002	10/11/2002	Baseline Inspections
	7111120 - REFU	JELING AND OUTAGE ACTIVITIES	3			
2	IP 7111120	Refueling and Outage Activities		10/01/2002	11/13/2002	Baseline Inspections
	71111.01 - ADVE	ERSE WEATHER COLD	2			
1, 2	IP 7111101	Adverse Weather Protection		10/01/2002	11/16/2002	Baseline Inspections
	71111.11 - LIC C	PERATOR REQUAL PROGRAM EVALUATION	2			
1, 2	IP 7111111B	Licensed Operator Requalification		10/07/2002	10/11/2002	Baseline Inspections
	71130 - SAFE	EGUARDS INSPECTION-AA/AC/PI/PC	1			
1, 2	IP 7113001	Access Authorization Program (Behavior Observation Only)		11/18/2002	11/22/2002	Baseline Inspections
1, 2	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorization		11/18/2002	11/22/2002	Baseline Inspections
1, 2	IP 7113004	Security Plan Changes		11/18/2002	11/22/2002	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		11/18/2002	11/22/2002	Baseline Inspections
	IP 71121 - RAD	INSTRUMENTATION INSPECTION	1			
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
1, 2	IP 7112103	Radiation Monitoring Instrumentation		01/13/2003	01/17/2003	Baseline Inspections
	IP 71121 - RAD	INSTRUMENTATION INSPECTION	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/10/2003	03/14/2003	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation		03/10/2003	03/14/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		03/10/2003	03/14/2003	Baseline Inspections
	HTSINKB - BIEN	NIAL HEAT SINK	1			
1, 2	IP 7111107B	Heat Sink Performance		03/31/2003	04/04/2003	Baseline Inspections