

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION IV 611 RYAN PLAZA DRIVE, SUITE 400 ARLINGTON, TEXAS 76011-4005

August 31, 2006

Charles D. Naslund, Senior Vice President and Chief Nuclear Officer Union Electric Company P.O. Box 620 Fulton, MO 65251

SUBJECT: MIDCYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -

CALLAWAY PLANT

Dear Mr. Naslund:

On August 10, 2006, the NRC staff completed its performance review of Callaway Plant for the first half of the calendar year 2006 assessment cycle. Our technical staff reviewed performance indicators (Pls) for the most recent quarter and inspection results over the previous 12 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 performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Official Use Only - Security-Related Information" will include the physical protection review and resultant inspection plan.

Plant performance for the most recent quarter was within the Regulatory Response column of the NRC's Action Matrix based on one White PI in the Mitigating Systems Cornerstone. Specifically, the current quarter results for the new Mitigating Systems Performance Index (MSPI) indicator for the Heat Removal System is White. As discussed in NRC Regulatory Issue Summary 2006-07, "Changes to the Safety System Performance Indicators," the NRC, on April 1, 2006, replaced the safety system unavailability PIs with MSPI.

On August 16, 2006, we were notified by your staff of your readiness for the NRC to conduct a supplemental inspection to review the actions taken to address the White MSPI indicator result. Therefore, we plan to implement Supplemental Inspection Procedure 95001, "Inspection For One Or Two White Inputs In A Strategic Performance Area," beginning on October 2, 2006. The purpose of this supplemental inspection is to determine whether the root and contributing causes are understood, the extent of condition and cause are identified, and the corrective actions prevent recurrence.

In our assessment letters dated March 2 and August 30, 2005, and March 2, 2006, we advised you of a substantive crosscutting issue in the area of human performance. We indicated that personnel errors that occurred in the Initiating Events, Mitigating Systems, and Barrier Integrity cornerstones resulted from instances of plant personnel failing to follow procedures that resulted in increased challenges to plant equipment from preventable transients and events.

These errors stemmed from instances of failing to follow procedures and from inadequate procedures. The NRC recognizes that progress has been made by AmerenUE in addressing human performance issues, particularly with respect to procedure implementation, as measured by the an overall decrease in the human performance error rate. Also, during this assessment period, there were fewer findings involving inadequate procedures and instructions. We have concluded that the improved performance stems directly from the implementation of your human performance improvement plan. Because of this improved performance, we consider this issue closed and we plan no further focused inspections.

The enclosed inspection plan details the inspections, except those related to physical protection, scheduled through March 31, 2008. We also plan to conduct the temporary instructions specified in the inspection plan. In addition, as previously discussed, we plan to conduct a supplemental inspection using Procedure 95001, Supplemental Inspection. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last 9 months of the inspection plan are tentative and may be revised at the annual performance assessment review

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 William B. Jones at (817) 860-8141 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

Arthur T. Howell III, Director Division of Reactor Projects

Docket: 50-483 License: NPF-30

Enclosure:

Callaway Plant Inspection/Activity Plan

cc w/enclosure: Professional Nuclear Consulting, Inc. 19041 Raines Drive Derwood, MD 20855 John O'Neill, Esq. Pillsbury Winthrop Shaw Pittman LLP 2300 N. Street, N.W. Washington, DC 20037

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Callaway

Inspection / Activity Plan

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Supplemental Progra Baseline Inspections Inspection Type Safety Issues Safety Issues 09/23/2006 12/31/2006 10/20/2006 12/15/2006 05/04/2007 04/27/2007 09/01/2006 11/03/2006 10/27/2006 10/27/2006 11/17/2006 12/01/2006 01/12/2007 01/12/2007 05/10/2007 06/08/2007 06/08/2007 09/01/2006 09/01/2006 10/27/2006 04/27/2007 04/27/2007 End Planned Dates 12/11/2006 04/15/2007 36/24/2006 38/28/2006 09/24/2006 0/16/2006 0/30/2006 0/23/2006 11/13/2006 01/08/2007 01/02/2007 04/23/2007 04/23/2007 06/04/2007 06/04/2007 38/28/2006 0/23/2006 11/27/2006 34/23/2007 38/28/2006 0/23/2006 04/23/2007 Start No. of Staff S on Site Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC ORDER EA-03 Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems Radiation Monitoring Instrumentation and Protective Equipment Access Control to Radiologically Significant Areas Mitigating Systems Performance Index Verification Access Control to Radiologically Significant Areas Access Control to Radiologically Significant Areas Title Licensed Operator Requalification Program Identification and Resolution of Problems Identification and Resolution of Problems Inservice Inspection Activities - PWR Component Design Bases Inspection Component Design Bases Inspection OCCUPATIONAL RADIATION SAFETY - OCCUPATIONAL RADIATION SAFETY - OCCUPATIONAL RADIATION SAFETY Performance Indicator Verification Performance Indicator Verification Performance Indicator Verification ALARA Planning and Controls ALARA Planning and Controls ALARA Planning and Controls - TRIENNIAL FIRE PROTECTION Fire Protection [Triennial] Fire Protection [Triennial] - RADIATION SAFETY TEAM - RPV AND VHP NOZZLES - CAL PIR INSPECTION - MSPI VERIFICATION 95001 INSPECTION - BIENNIAL REQUAL - CDB PART 2 CDB PART 1 nspection Activity <u>.</u> IP 7111108P IP 7111111B IP 7111105T IP 7111105T IP 2515/150 IP 2515/169 IP 7112102 IP 7112102 IP 7111121 IP 7111121 IP 7112101 IP 7112103 IP 7112201 IP 7112101 IP 7112102 IP 7112101 IP 71152B IP 71152B **REAM** PR-ORS REQUAL EB1-08P IP 71151 IP 71151 RP-ORS IP 71151 IP 95001 **EB2-52B EB2-05T** RP-ORS EB1-21 TI - 150 EB1-21 95001 Number Unit

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

Callaway

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Inspection / Activity Plan

07/01/2006 - 03/31/2008

Baseline Inspections 07/27/2007 Baseline Inspections Baseline Inspections Baseline Inspections Baseline Inspections Baseline Inspections 03/28/2008 Baseline Inspections Inspection Not Applicable Not Applicable Type 10/26/2007 08/10/2007 08/10/2007 09/14/2007 12/01/2007 06/08/2007 06/08/2007 07/27/2007 08/24/2007 08/31/2007 08/10/2007 08/31/2007 08/31/2007 Planned Dates Start End 03/24/2008 07/23/2007 06/04/2007 06/04/2007 07/23/2007 38/06/2007 38/06/2007 08/06/2007 08/20/2007 08/27/2007 08/27/2007 09/10/2007 10/22/2007 11/26/2007 08/27/2007 No. of Staff on Site Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control F Emergency Action Level and Emergency Plan Changes Radioactive Material Processing and Transportation Access Control to Radiologically Significant Areas - TRIENNIAL MAINTENANCE RULE INSPECTION Evaluation of Changes, Tests, or Experiments Licensed Operator Requalification Program CALLAWAY - INITIAL EXAM (10/07) - OCCUPATIONAL RADIATION SAFETY CALLAWAY - INITIAL EXAM (10/07) - 50.59 & PERMANENT PLANT MODS Performance Indicator Verification Performance Indicator Verification Permanent Plant Modifications ALARA Planning and Controls Maintenance Effectiveness Heat Sink Performance - RADIATION SAFETY TEAM - EMERG PREP EXERCISE - HEAT SINK INSPECTION - BIENNIAL RQ SIM ONLY Exercise Evaluation - INITIAL EXAM nspection Activity IP 7111117B IP 7111111B IP 7111107B IP 7111112B IP 7112203 X02355 IP 7111102 IP 7111404 IP 7112102 IP 7112202 IP 7111401 IP 7112101 R TEAM X02355 EB1-2/17 **BRQ SIM** IP 71151 RP-ORS EB2-07B IP 71151 EB2-12T EXAM EP1 Number Spit