

March 2, 2006

Mr. Christopher M. Crane
President and Chief Nuclear Officer
Exelon Nuclear
Exelon Generation Company, LLC
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: ANNUAL ASSESSMENT LETTER - DRESDEN NUCLEAR POWER STATION
(REPORT 50-237/06-01; 50-249/06-01)

Dear Mr. Crane:

On February 9, 2006, the NRC staff completed its performance review of Dresden Nuclear Power Station. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2005. 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 "Exempt from Public Disclosure in accordance with 10 CFR 2.390" will include the physical protection review and resultant inspection plan.

Overall, Dresden Units 2 and 3 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 three 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). Although plant performance was within the Licensee Response column, the significance of the finding associated with the failure to properly verify the adequacy of the extended power uprate design implementation to respond to changes in post-scrum reactor vessel water level is still under review as part of the Significance Determination Process which, when finalized, may change our assessment of your plant's safety performance. Based on our performance review, we plan to conduct reactor oversight process (ROP) baseline inspections at your facility. We also plan on performing inspection procedure 71004, "Power Uprate," to inspect activities related to the steam dryer replacement on Unit 3 and plan to perform the same inspection procedure during the proposed Unit 2 refueling outage in the Fall 2007.

The enclosed inspection plan details the inspections, less those related to physical protection scheduled through September 30, 2007. 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. The plan also contains inspections using Independent Spent Fuel Storage Installation procedures. 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 mid-cycle 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 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/

Mark A. Ring, Chief
Reactor Projects Branch 1
Division of Reactor Projects

Docket Nos. 50-237; 50-249
License Nos. DPR-19; DPR-25

Enclosure: Dresden Inspection/Activity Plan

See Attached Distribution

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Dresden Nuclear Power Station Plant Manager
Regulatory Assurance Manager - Dresden
Chief Operating Officer
Senior Vice President - Nuclear Services
Senior Vice President - Mid-West Regional
Operating Group
Vice President - Mid-West Operations Support
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C. Crane

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Dresden
Inspection / Activity Plan
03/01/2006 - 09/30/2007

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	HS	- HEAT SINK INSPECTION	1			
2	IP 7111107B	Heat Sink Performance		03/20/2006	03/24/2006	Baseline Inspections
	7112103	- RADIOLOGICAL INSTRUMENTATION	1			
2,3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/13/2006	03/17/2006	Baseline Inspections
	71004	- POWER UPRATE	1			
2,3	IP 71004	Power Uprate		04/01/2006	12/31/2006	Other Routine
	INSP	- ISFSI PREOPERATIONAL INSPECTION	2			
2,3	IP 60854.1	Preoperational Testing of Independent Spent Fuel Storage Facility Installation at Operating F		05/01/2006	08/15/2006	Other Routine
	71111.11	- LIC OPERATOR REQUAL PROGRAM EVALUATION	2			
2,3	IP 7111111B	Licensed Operator Requalification Program		05/15/2006	05/19/2006	Baseline Inspections
	7112101	- RADIOLOGICAL ACCESS CONTROL	1			
2,3	IP 7112101	Access Control to Radiologically Significant Areas		07/17/2006	07/21/2006	Baseline Inspections
2,3	IP 7112102	ALARA Planning and Controls		07/17/2006	07/21/2006	Baseline Inspections
2,3	IP 71151	Performance Indicator Verification		07/17/2006	07/21/2006	Baseline Inspections
	7112203	- REMP & RAD MATL CONTROL	1			
2,3	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control P		08/07/2006	08/11/2006	Baseline Inspections
2,3	IP 71151	Performance Indicator Verification		08/07/2006	08/11/2006	Baseline Inspections
	MOD5059	- MODIFICATION/50.59 INSPECTION	2			
2,3	IP 7111102	Evaluation of Changes, Tests, or Experiments		09/18/2006	10/06/2006	Baseline Inspections
2,3	IP 7111117B	Permanent Plant Modifications		09/18/2006	10/06/2006	Baseline Inspections
	ISI	- DRESDEN UNIT 3 ISI INSPECTION	1			
3	IP 7111108G	Inservice Inspection Activities - BWR		11/13/2006	11/17/2006	Baseline Inspections
	7112102	- ALARA OUTAGE INSP	1			
2,3	IP 7112101	Access Control to Radiologically Significant Areas		11/13/2006	11/17/2006	Baseline Inspections
2,3	IP 7112102	ALARA Planning and Controls		11/13/2006	11/17/2006	Baseline Inspections
	ME	- MAINTENANCE EFFECTIVENESS INSPECTION	1			
2,3	IP 7111112B	Maintenance Effectiveness		12/11/2006	12/15/2006	Baseline Inspections
	ISFSI	- ISFSI INSPECTION	4			
2	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		01/01/2007	03/31/2007	Other Routine
	71122.02	- TRANSPORTATION AND RADWASTE	1			
2,3	IP 7112202	Radioactive Material Processing and Transportation		02/05/2007	02/09/2007	Baseline Inspections
	7111401	- EP EXERCISE & PI INSP	1			
2,3	IP 7111401	Exercise Evaluation		03/19/2007	03/23/2007	Baseline Inspections
2,3	IP 71151	Performance Indicator Verification		03/19/2007	03/23/2007	Baseline Inspections

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

Dresden
Inspection / Activity Plan
03/01/2006 - 09/30/2007

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	FY 2007	- DRESDEN INIT PREP 04/2007	3			
2	W90160	OL - INITIAL EXAM - DRESDEN - APR/MAY 2007		04/02/2007	04/06/2007	Not Applicable
	71122.01	- RADIOLOGICAL EFFLUENTS	1			
2,3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		04/16/2007	04/20/2007	Baseline Inspections
2,3	IP 71151	Performance Indicator Verification		04/16/2007	04/20/2007	Baseline Inspections
	FY 2007	- DRESDEN INIT EXAM 04&05/2007	3			
2	W90160	OL - INITIAL EXAM - DRESDEN - APR/MAY 2007		04/23/2007	05/04/2007	Not Applicable
	71121.01	- RADIOLOGICAL ACCESS CONTROL	1			
2,3	IP 7112101	Access Control to Radiologically Significant Areas		07/09/2007	07/13/2007	Baseline Inspections
2,3	IP 71151	Performance Indicator Verification		07/09/2007	07/13/2007	Baseline Inspections
	CDBI	- COMPONENT DESIGN BASES INSPECTION	5			
2,3	IP 7111121	Component Design Bases Inspection		08/27/2007	09/28/2007	Baseline Inspections