

March 31, 2000

Mr. Dave Wilson
Vice President, Nuclear
Alliant Tower
200 First Street SE
P. O. Box 351
Cedar Rapids, IA 52406-0351

SUBJECT: PLANT PERFORMANCE REVIEW - DUANE ARNOLD ENERGY CENTER

Dear Mr. Wilson:

The purpose of this letter is to communicate our assessment of your performance and to inform you of our planned inspections at your facility. On March 6, 1999, we completed a Plant Performance Review (PPR) of the Duane Arnold Energy Center. We conduct these reviews to develop an integrated overview of the safety performance of each operating nuclear power plant. We use the results of the PPR in planning and allocating inspection resources and as inputs to our senior management meeting (SMM) process. This PPR evaluated inspection results and safety performance information for the period from February 1, 1999, to January 31, 2000, but emphasized the last 6 months to ensure that our assessment reflected your current performance. Our most recent summary of plant performance at the Duane Arnold Energy Center was provided to you in a letter dated March 6, 1999, and was discussed with you in a public meeting on July 15, 1999.

The NRC has been developing a revised reactor oversight process that will replace our existing inspection and assessment processes, including the PPR, the SMM, and the Systematic Assessment of Licensee Performance (SALP). We recently completed a pilot program for the revised reactor oversight process at nine participating sites and are making necessary adjustments based on feedback and lessons learned. We plan to begin initial implementation of the revised reactor oversight process industry-wide, including your facility, on April 2, 2000.

This PPR reflects continued process improvements as we make the transition into the revised reactor oversight process. You will notice that the following summary of plant performance is organized differently from our previous performance summaries. Instead of characterizing our assessment results by SALP functional area, we are organizing the results into the strategic performance areas embodied in the revised reactor oversight process. In addition, we have considered the historical performance indicator data that you submitted in January 2000 in conjunction with the inspection results in assessing your performance. The results of this PPR were used to establish the inspection plan in accordance with the new risk-informed inspection program (consisting of baseline and supplemental inspections). Although this letter incorporates some terms and concepts associated with the new oversight process, it does not reflect the much broader changes in inspection and assessment that will be evident after we have fully implemented our revised reactor oversight process.

During the assessment period, the Duane Arnold Energy Center operated at or near full power with the following exceptions noted. Due to cooling tower material condition deficiencies, between August 29, 1999, and September 17, 1999, the plant was operated in a cyclical manner corresponding to changes in outside temperature and main condenser back-pressure. Maximum reactor power was 78 percent. On October 22, 1999, the main generator was disconnected from the grid to commence a planned refueling outage. On December 1, 1999, the generator was synchronized to the grid, ending the refueling outage. On January 5, 2000, an automatic scram occurred when instrumentation and control technicians attempted to restore a reactor water level transmitter to service after a calibration. On January 10, 2000, the main generator was synchronized to the grid; the plant operated at 100 percent power for the remainder of the period.

We have not identified any significant performance issues in the Reactor Safety, Radiation Safety, or Safeguards strategic performance areas during this assessment period and note that the Duane Arnold Energy Center continues to operate in a safe manner. Therefore, we plan to conduct only baseline inspections at your facility as noted in the enclosed inspection plan. In addition, we plan to conduct an Operational Safeguards Response Evaluation (OSRE) based upon the amount of time since the last OSRE. We will continue with OSRE inspections until the industry proposed Self Assessment Program (SAP) is approved by the NRC staff as an acceptable substitute for the OSRE inspections.

Enclosure 1 contains a historical listing of plant issues, referred to as the Plant Issues Matrix (PIM), that were used during this PPR process to arrive at our integrated view of your performance trends. The PIM for this assessment is grouped by the prior SALP functional areas of operations, maintenance, engineering and plant support, although the future PIM will be organized along the cornerstones of safety as described in the revised reactor oversight process. The enclosed PIM includes items summarized from inspection reports or other docketed correspondence between the NRC and IES Utilities, Inc., regarding the Duane Arnold Energy Center. We did not document all aspects of licensee programs and performance that may be functioning appropriately. Rather, we only documented issues that we believe warrant management attention or represent noteworthy aspects of performance. In addition, the PPR may also have considered some predecisional and draft material that does not appear in the enclosed PIM, including observations from events and inspections that had occurred since our last inspection report was issued, but had not yet received full review and consideration. We will make this material publically available as part of the normal issuance of our inspection reports and other correspondence.

Enclosure 2 lists our planned inspections for the period April 2000 through March 2001 at the Duane Arnold Energy Center to allow you to resolve scheduling conflicts and personnel availability in advance of our inspector arrival onsite. The inspection schedule for the latter half of the period is more tentative and may be adjusted in the future due to emerging performance issues at the Duane Arnold Energy Center or other Region III facilities. Routine resident inspections are not listed due to their ongoing and continuous nature.

D. Wilson

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We will inform you of any changes to the inspection plan. If you have any questions, please contact me at (630) 829-9757.

Sincerely,

/RA/

Kenneth R. Riemer, Acting Chief
Reactor Projects Branch 2
Division of Reactor Projects

Docket No. 50-331
License No. DPR-49

- Enclosures:
1. Plant Issues Matrix
 2. Inspection Plan

See Attached Distribution

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cc w/encls: E. Protsch, Executive Vice President -
Energy Delivery, Alliant;
President, IES Utilities, Inc.
Richard L. Anderson, Plant Manager
K. Peveler, Manager, Regulatory Performance
State Liaison Officer
Chairperson, Iowa Utilities Board
E. Bresht, Chairman, Benton County Supervisors
K. Popenhagen, Benton County Sheriff
Scott Hansen, Director of Emergency Services
The Honorable Robert Wenger
The Honorable Rick Grimm
The Honorable Lloyd Benson
J. Houser, Board of Supervisors
L. Dostal, Linn County Supervisor
D. Zeller, Linn County Sheriff
L. Barran, Chairman, Board of Supervisors
N. Popenhagen, Linn County Safety Director
W. Wright, Linn County Emergency
Management Coordinator
The Honorable Vaughn Holmes
The Honorable Lee R. Clancey
The Honorable Victor Klopfenstein
J. Schott, City Manager, Marion
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The Honorable Charles W. Larson, Jr.
Iowa House Representative
INPO

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Sincerely,

Kenneth R. Riemer, Acting Chief
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