Mr. William O'Connor, Jr. Vice President Nuclear Generation Detroit Edison Company 6400 North Dixie Highway Newport, MI 48166

SUBJECT: ANNUAL ASSESSMENT LETTER - FERMI 2 NUCLEAR PLANT

(REPORT 50-341/01-01)

Dear Mr. O'Connor:

On May 1, 2001, the NRC staff completed its End-of-Cycle plant performance assessment of Fermi 2. The End-of-Cycle review for Fermi 2 involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period April 2, 2000 to March 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.

Overall, Fermi operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix, based on the Emergency AC Power System unavailability White performance indicator. This PI went White in the 3rd Quarter of 2000. This was due to fault exposure hours identified after a catastrophic failure of the outboard bearing for Emergency Diesel Generator 14 on March 21, 2001. A supplemental inspection is planned for July 2001. All inspection findings for the most recent quarter were classified as having very low safety significance (Green).

The enclosure details the scheduled inspections that will occur through May 31, 2002. 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.

For your information, the NRC is in the process of aligning the inspection and assessment cycle with the calendar year. In order to transition to a calendar year cycle (January 1 - December 31), the next inspection and assessment cycle will consist of only three quarters (i.e., the second, third, and fourth calendar quarters of CY 2001). As a result, a quarterly review will be conducted for the third calendar quarter (July 1 - September 30) in lieu of a mid-cycle review. The impact on the inspection plan, which is included as an enclosure, is minimal.

Activities planned for the transition cycle represent only 60-80 percent of those activities that would be accomplished during a typical 12-month inspection and assessment cycle.

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 http://www.nrc.gov/NRC/ADAMS/index.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 Mark Ring at (630) 829-9703 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Geoffrey E. Grant, Director Division of Reactor Projects

Docket No. 50-341 License No. NPF-43

Enclosure: Fermi Inspection/Activity Plan

See Attached Distribution

DOCUMENT NAME: G:\secy\eoc letters\fermi 2001.wpd

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cc w/encl: N. Peterson, Director, Nuclear Licensing

P. Marquardt, Corporate Legal Department

Compliance Supervisor

R. Whale, Michigan Public Service Commission Michigan Department of Environmental Quality Monroe County, Emergency Management Division

Emergency Management Division MI Department of State Police

ADAMS Distribution:

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Fermi Inspection / Activity Plan

06/01/2001 - 05/31/2002

Unit	<u> </u>		No. of Staff	Planned Dates		Inspection
Number	Inspection Activity	Title	on Site	Start	End	Туре
	71111.01 - ADVE	ERSE HOT WEATHER	2			_
2	IP 7111101	Adverse Weather Protection		05/12/2001	06/30/2001	Baseline Inspections
	FY 2001 - FERM	MI INIT EXAM 06/2001	4			
2	W90030	OL - INITIAL EXAM - FERMI - 2001		06/04/2001	06/15/2001	Not Applicable
	95001 - SUPF	PLEMENTAL WHITE FINDING EMERGENCY AC	2			
2	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		07/23/2001	07/27/2001	Supplemental Progran
	71111.07 - HEAT	T SINK BIENNIAL	2			
2	IP 7111107B	Heat Sink Performance		07/30/2001	08/03/2001	Baseline Inspections
		NGES TESTS EXPERIMENTS	1			
2	IP 7111102	Evaluation of Changes, Tests, or Experiments		08/06/2001	08/10/2001	Baseline Inspections
	71130 - SAFE	EGUARDS INSPECTION-AA/AC/PI/SP	1			
2	IP 7113001	Access Authorization Program (Behavior Observation Only)		08/06/2001	08/10/2001	Baseline Inspections
2	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorization		08/06/2001	08/10/2001	Baseline Inspections
2	IP 7113004	Security Plan Changes		08/06/2001	08/10/2001	Baseline Inspections
2	IP 71151	Performance Indicator Verification		08/06/2001	08/10/2001	Baseline Inspections
	71111.11 - LIC O	PPERATOR REQUAL PROGRAM EVALUATION	2			
2	IP 7111111B	Licensed Operator Requalification		08/27/2001	08/31/2001	Baseline Inspections
	IP 71121 - RP A	CCESS CONTROL & ALARA INSP	1			
2	IP 7112101	Access Control to Radiologically Significant Areas		09/24/2001	09/28/2001	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		09/24/2001	09/28/2001	Baseline Inspections
2	IP 71151	Performance Indicator Verification		09/24/2001	09/28/2001	Baseline Inspections
	PI&R - PRO	BLEM IDENTIFICATION AND RESOLUTION	3			
2	IP 71152	Identification and Resolution of Problems		09/24/2001	10/05/2001	Baseline Inspections
	71111.20 - REFU	JELING AND OUTAGE ACTIVITIES	2			
2	IP 7111120	Refueling and Outage Activities		10/01/2001	11/16/2001	Baseline Inspections
	IP 71121 - OUT	AGE RP ALARA INSP	1			
2	IP 7112101	Access Control to Radiologically Significant Areas		10/22/2001	11/16/2001	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		10/22/2001	11/16/2001	Baseline Inspections
	71111.07 - HEAT	SINK PERFORMANCE	2			
2	IP 7111107A	Heat Sink Performance		10/29/2001	11/23/2001	Baseline Inspections
	ISI - INSE	RVICE INSPECTION	1			
2	IP 7111108	Inservice Inspection Activities		11/05/2001	11/09/2001	Baseline Inspections
	71111.01 - ADVE	ERSE COLD WEATHER	2			
2	IP 7111101	Adverse Weather Protection		11/17/2001	12/28/2001	Baseline Inspections
	CONT B - SAFE	EGUARDS INSPECTION-RESPONSE TESTING	2			
2	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Strategy		12/03/2001	12/07/2001	Baseline Inspections

This report does not include INPO and OUTAGE activities.

This report shows only on-site and announced inspection procedures.

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Fermi

Inspection / Activity Plan

06/01/2001 - 05/31/2002

Unit				Planned Dates		Inspection
Number	Inspection Activity	/ Title	on Site	Start	End	Туре
•	IP 71122 - RP	TRANSPORTATION & RAM PROCESSING INSP	1			
2	IP 7112102	ALARA Planning and Controls		12/03/2001	12/07/2001	Baseline Inspections
2	IP 7112202	Radioactive Material Processing and Transportation		12/03/2001	12/07/2001	Baseline Inspections
	IP 71122 - RP	REMP & RAM CONTROL INSP	1			
2	IP 7112101	Access Control to Radiologically Significant Areas		02/04/2002	02/08/2002	Baseline Inspections
2	IP 7112203	Radiological Environmental Monitoring Program		02/04/2002	02/08/2002	Baseline Inspections
	71111.06 - FLC	OOD PROTECTION	2			
2	IP 7111106	Flood Protection Measures		02/20/2002	04/06/2002	Baseline Inspections
	MR - MA	INTENANCE RULE INSPECTION	3			
2	IP 7111112B	Maintenance Rule Implementation		03/18/2002	03/22/2002	Baseline Inspections
	IP 71121 - RP	INSTRUMENTATION INSP	1			
2	IP 7112103	Radiation Monitoring Instrumentation		04/08/2002	04/12/2002	Baseline Inspections
2	IP 71151	Performance Indicator Verification		04/08/2002	04/12/2002	Baseline Inspections
	MOD - MO	D & 50.59 INSPECTION	4			
2	IP 7111102	Evaluation of Changes, Tests, or Experiments		05/06/2002	05/10/2002	Baseline Inspections
2	IP 7111117B	Permanent Plant Modifications		05/06/2002	05/10/2002	Baseline Inspections
	71111.01 - AD\	VERSE HOT WEATHER	2			
2	IP 7111101	Adverse Weather Protection		05/20/2002	06/30/2002	Baseline Inspections