

March 4, 2003

Mr. Mano Nazar  
Site General Manager  
Prairie Island Nuclear Generating Plant  
Nuclear Management Company, LLC  
1717 Wakonade Drive East  
Welch, MN 55089

SUBJECT: ANNUAL ASSESSMENT LETTER - PRAIRIE ISLAND NUCLEAR GENERATING  
PLANT (REPORT 50-282/03-01; 50-306/03-01)

Dear Mr. Nazar:

On February 12, 2003, the NRC staff completed its end-of-cycle plant performance assessment of Prairie Island Nuclear Generating Plant. The end-of-cycle review for Prairie Island Nuclear Generating Plant involved the participation of all technical divisions in evaluating performance indicators for the most recent quarter and inspection results for the period from January 1 through December 31, 2002. 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 that may conflict with your plant activities.

Overall, Prairie Island Nuclear Generating Plant 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 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 performance indicators at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct only baseline inspections at your facility through March 31, 2004.

While plant performance for the most recent quarter is within the Licensee Response Column of the Action Matrix, there was one finding of low to moderate safety significance (White) in the Mitigating Systems cornerstone that put the plant in the Regulatory Response Column during the second quarter of the assessment cycle. This finding was associated with the lubrication water source for the safety-related cooling water pumps. Prairie Island was within the Licensee Response Column for the remainder of the assessment period.

Additionally, on December 13, 2002, the staff issued a Severity Level III Notice of Violation and a Proposed Imposition of Civil Penalty in accordance with the enforcement policy. This action was issued for incomplete and inaccurate information provided in April 2001 as part of a request for a Notice of Enforcement Discretion.

The enclosed inspection plan details the inspections scheduled through March 31, 2004. In addition to baseline inspections, there will be a safety issues inspection performed in June 2003 regarding security and a safety issues inspection performed in September 2003 regarding

M. Nazar

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circumferential cracking of reactor pressure vessel head penetration nozzles. 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 inspections in the last six months of the inspection plan are tentative and may be revised at the mid-cycle review meeting.

As you are aware, since the terrorist attacks on September 11, 2001, the NRC has issued several Orders and threat advisories to enhance security capabilities and improve guard force readiness. We have conducted inspections to review your implementation of these requirements and have monitored your actions in response to changing threat conditions. For calendar year 2003, we plan to continue these inspections, conduct portions of the security baseline inspection program, as well as perform additional inspections to evaluate your compliance with new requirements that may be ordered. Based on our final determinations in this regard, we will notify you of any inspection plan changes.

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/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 630-829-9757 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

*/RA/*

Geoffrey E. Grant, Director  
Division of Reactor Projects

Docket Nos. 50-282; 50-306  
License Nos. DPR-42; DPR-60

Enclosure: Prairie Island Nuclear Generating Plant Inspection/Activity Plan

See Attached Distribution

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**OFFICIAL RECORD COPY**

cc w/encl: Plant Manager, Prairie Island  
R. Anderson, Executive Vice President and  
Chief Nuclear Officer  
Site Licensing Manager  
Nuclear Asset Manager  
J. Malcolm, Commissioner, Minnesota  
Department of Health  
State Liaison Officer, State of Wisconsin  
Tribal Council, Prairie Island Dakota Community  
J. Silberg, Esquire  
Shawn, Pittman, Potts, and Trowbridge  
A. Neblett, Assistant Attorney General  
Office of Attorney General  
S. Bloom, Administrator  
Goodhue County Courthouse  
Commissioner, Minnesota Department  
of Commerce  
K. Kuhlmann, Council Administrator  
A. Kohnen, President, Prairie Island  
Community Center  
F. Wipperling, Goodhue County Sheriff  
G. Brown, Emergency Management Director  
R. Wilhelm, Chair, Pierce County Board  
of Directors  
D. Maher, Chair, Dakota County Board of  
Commissioners  
The Honorable V. Steffenhagen  
G. Fried, Emergency Management Director  
R. Mallon, Chair, Goodhue County  
Board of Commissioners  
J. Hines, Pierce County Sheriff  
D. Gudmundson, Dakota County Sheriff  
INPO

ADAMS Distribution:

WDR

DFT

H. Nieh, OEDO

THB

Project Director, NRR

Project Manager, NRR

RidsNrrDipmlipb

J. Caldwell, RIII

G. Grant, RIII

B. Clayton, RIII

R. Lickus, RIII

SRI Prairie Island

DRP III

DRSIII

PLB1

JRK1

**Prairie Island**  
**Inspection / Activity Plan**  
**03/01/2003 - 03/31/2004**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>SSDI</b>	<b>- SAFETY SYSTEM DESIGN</b>	<b>5</b>			
1, 2	IP 711121	Safety System Design and Performance Capability		03/24/2003	04/11/2003	Baseline Inspections
	<b>INSP</b>	<b>- REMP</b>	<b>1</b>			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		04/07/2003	04/11/2003	Baseline Inspections
1, 2	IP 7112203	Radiological Environmental Monitoring Program		04/07/2003	04/11/2003	Baseline Inspections
	<b>INSP</b>	<b>- EP NON-EXERCISE INSPECTION</b>	<b>1</b>			
1, 2	IP 7111402	Alert and Notification System Testing		03/31/2003	04/04/2003	Baseline Inspections
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		03/31/2003	04/04/2003	Baseline Inspections
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		03/31/2003	04/04/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		03/31/2003	04/04/2003	Baseline Inspections
	<b>7112102</b>	<b>- NUCLEAR INSTRUMENTATION</b>	<b>1</b>			
1	IP 7112101	Access Control to Radiologically Significant Areas		06/02/2003	06/06/2003	Baseline Inspections
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		06/02/2003	06/06/2003	Baseline Inspections
	<b>TI 148</b>	<b>- TI2515/148 SECURITY ICMS</b>	<b>2</b>			
1, 2	IP 2515/148	Inspection of Nuclear Reactor Safeguards - Interim Compensatory Measures		06/23/2003	06/27/2003	Safety Issues
	<b>71111.11</b>	<b>- LIC OPERATOR REQUAL PROGRAM EVALUATION</b>	<b>2</b>			
1, 2	IP 7111111B	Licensed Operator Requalification		07/28/2003	08/01/2003	Baseline Inspections
	<b>FY 2003</b>	<b>- PRAIRIE ISLAND INIT PREP 08/2003</b>	<b>3</b>			
1	W90083	OL - INITIAL EXAM - PRAIRIE ISLAND - AUG/SEP 2003		08/11/2003	08/15/2003	Not Applicable
	<b>DRPBR5</b>	<b>- PI&amp;R INSPECTION</b>	<b>4</b>			
1, 2	IP 71152B	Identification and Resolution of Problems		08/18/2003	09/05/2003	Baseline Inspections
	<b>FY 2003</b>	<b>- PRAIRIE ISLAND INIT EXAM 09/2003</b>	<b>3</b>			
1	W90083	OL - INITIAL EXAM - PRAIRIE ISLAND - AUG/SEP 2003		09/08/2003	09/19/2003	Not Applicable
	<b>71111.08</b>	<b>- ISI FOR UNIT 2</b>	<b>1</b>			
2	IP 7111108P	Inservice Inspection Activities - PWR		09/29/2003	10/13/2003	Baseline Inspections
	<b>INSP</b>	<b>- ALARA INSPECTION</b>	<b>1</b>			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		09/29/2003	10/03/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		09/29/2003	10/03/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		09/29/2003	10/03/2003	Baseline Inspections
	<b>TI-150</b>	<b>- TI-150 FOR UNIT 2</b>	<b>1</b>			
2	IP 2515/145	Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles (NRC Bulletin .		09/29/2003	10/13/2003	Safety Issues
	<b>HT SNK B</b>	<b>- HEAT SINK BIENNIAL (DRS)</b>	<b>1</b>			
1, 2	IP 7111107B	Heat Sink Performance		12/08/2003	12/12/2003	Baseline Inspections
	<b>INSP</b>	<b>- RADIOACTIVE MATERIAL PROCESSING AND TRAN</b>	<b>1</b>			
1	IP 7112101	Access Control to Radiologically Significant Areas		01/12/2004	01/16/2004	Baseline Inspections

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

**Prairie Island**  
**Inspection / Activity Plan**  
**03/01/2003 - 03/31/2004**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>INSP</b>	<b>- RADIOACTIVE MATERIAL PROCESSING AND TRAN</b>	<b>1</b>			
1, 2	IP 7112202	Radioactive Material Processing and Transportation		01/12/2004	01/16/2004	Baseline Inspections
	<b>FPI</b>	<b>- TRIENNIAL FIRE PROTECTION</b>	<b>3</b>			
1, 2	IP 7111105T	Fire Protection		01/26/2004	02/13/2004	Baseline Inspections
	<b>MR</b>	<b>- MAINTENANCE RULE BIENNIAL (DRS)</b>	<b>1</b>			
1, 2	IP 7111112B	Maintenance Effectiveness		03/01/2004	03/05/2004	Baseline Inspections

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