



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

**REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931**

March 4, 2003

Virginia Electric and Power Company
ATTN: Mr. David A. Christian
Sr. Vice President and
Chief Nuclear Officer
Innsbrook Technical Center - 2SW
5000 Dominion Boulevard
Glen Allen, VA 23060-6711

**SUBJECT: ANNUAL ASSESSMENT LETTER - SURRY POWER STATION REPORTS
50-280/03-01 AND 50-281/03-01**

Dear Mr. Christian:

On February 4, 2003, the NRC staff completed its end-of-cycle plant performance assessment of the Surry Power Station. The end-of-cycle review for Surry involved the participation of all technical divisions in evaluating performance indicators (PIs) 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, Surry operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Unit 1 performance for the most recent quarter (fourth quarter of 2002) was within the Regulatory Response Column of the NRC's Action Matrix. This was due to a Mitigating Systems cornerstone PI (the Safety System Unavailability - Emergency AC Power PI) that reflected performance at a level requiring increased regulatory response (White). This PI was White since the fourth quarter of 2001. A major contributor to the total unavailability time was the damaged bearings on the number 3 emergency diesel generator, which resulted in a White Finding in the third quarter of 2001. In April 2002, the NRC completed a supplemental inspection for that White Finding, which was applicable to both Unit 1 and 2. In accordance with the NRC's Action Matrix, a supplemental inspection would normally be performed for the White PI. However, based upon previous inspection activities, including the results of the supplemental inspection for the White Finding, the NRC does not plan to conduct a separate supplemental inspection for this White PI.

The performance of Unit 2 for the most recent quarter, as well as for the first three quarters of the 2002 assessment period, was within the Regulatory Response Column of the NRC's Action Matrix due to a White Safety System Unavailability - Emergency AC Power PI. This PI has been White since the third quarter of 2001. The supplemental inspection discussed above also addressed this White PI on Unit 2. The licensee's cause determinations and corrective actions were determined to be acceptable.

For your information, the six unresolved items identified during a triennial fire protection inspection, which was completed on February 14, 2003, are under staff review as part of the Significance Determination Process and may warrant a supplemental inspection if any are determined to be of greater than very low safety significance.

The enclosed inspection plan details the inspections scheduled through March 31, 2004. In addition to baseline inspection activities, the plan currently includes: (1) special inspection activities associated with planned reactor vessel head replacements; (2) operator licensing examinations; and (3) routine inspections of activities associated with your Independent Spent Fuel Storage Installation. 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 Mr. Kerry Landis at 404-562-4510 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Loren R. Plisco, Director
Division of Reactor Projects

Docket Nos: 50-280, 50-281
License Nos: DPR-32, DPR-37

Enclosure: Surry Inspection/Activity Plan

cc w/encl: (See page 3)

VEPCO

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cc w/encl.:

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Surry
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	
	OL RQ	- REQUAL INSPECTION	2			
1, 2	IP 711111B	Licensed Operator Requalification		03/10/2003	03/14/2003	Baseline Inspections
	RX HEAD	- REACTOR HEAD LIFTING PROCEDURES	2			
1	IP 71007	Reactor Vessel Head Replacement Inspection		04/21/2003	04/23/2003	Other Routine
	EB2-ISI	- INSERVICE INSPECTION-U1	2			
1	IP 7111108P	Inservice Inspection Activities - PWR		04/28/2003	05/02/2003	Baseline Inspections
	S/G-ISI	- S/G INSERVICE INSPECTION-U1	1			
1	IP 7111108P	Inservice Inspection Activities - PWR		05/05/2003	05/07/2003	Baseline Inspections
	RX HEAD	- REACTOR HEAD REPLACEMENT	1			
1	IP 71007	Reactor Vessel Head Replacement Inspection		05/12/2003	05/16/2003	Other Routine
	CONT REP	- CONTAINMENT REPAIR	2			
1	IP 71007	Reactor Vessel Head Replacement Inspection		05/19/2003	05/23/2003	Other Routine
	PS-RP	- RAD PROTECTION AND HEAD REPLACEMENT	1			
1, 2	IP 71007	Reactor Vessel Head Replacement Inspection		06/02/2003	06/06/2003	Other Routine
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		06/02/2003	06/06/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		06/02/2003	06/06/2003	Baseline Inspections
	ISFSI	- ISFSI OPS	1			
1	IP 60855	Operation Of An ISFSI		06/16/2003	06/19/2003	Other Routine
	OL EP	- EMERGENCY EXERCISE	2			
1, 2	IP 7111401	Exercise Evaluation		07/14/2003	07/18/2003	Baseline Inspections
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		07/14/2003	07/18/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		07/14/2003	07/18/2003	Baseline Inspections
	EB2-MODS	- MODIFICATIONS/10CFR50.59	3			
1, 2	IP 7111102	Evaluation of Changes, Tests, or Experiments		07/28/2003	08/01/2003	Baseline Inspections
1, 2	IP 711117B	Permanent Plant Modifications		07/28/2003	08/01/2003	Baseline Inspections
	PS-RP	- RADIATION PROTECTION - ISFSI	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		09/08/2003	09/11/2003	Baseline Inspections
	EB2 HR	- REACTOR HEAD REPLACEMENT	1			
2	IP 71007	Reactor Vessel Head Replacement Inspection		09/29/2003	10/03/2003	Other Routine
	PS-RP	- RAD PROTECTION AND HEAD REPLACEMENT	3			
1, 2	IP 71007	Reactor Vessel Head Replacement Inspection		09/29/2003	10/03/2003	Other Routine
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 7112202	Radioactive Material Processing and Transportation		09/29/2003	10/03/2003	Baseline Inspections

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

Surry
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	
	PS-RP	- RAD PROTECTION AND HEAD REPLACEMENT	3			
1,2	IP 71151	Performance Indicator Verification		09/29/2003	10/03/2003	Baseline Inspections
	EB2-ISI	- INSERVICE INSPECTION-U2	1			
2	IP 7111108P	Inservice Inspection Activities - PWR		10/06/2003	10/10/2003	Baseline Inspections
	S/G-ISI	- S/G INSERVICE INSPECTION-U2	1			
2	IP 7111108P	Inservice Inspection Activities - PWR		10/27/2003	10/30/2003	Baseline Inspections
	PS-RP	- RAD PROTECTION AND HEAD REPLACEMENT	2			
1,2	IP 71007	Reactor Vessel Head Replacement Inspection		10/27/2003	10/31/2003	Other Routine
1,2	IP 7112101	Access Control to Radiologically Significant Areas		10/27/2003	10/31/2003	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		10/27/2003	10/31/2003	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		10/27/2003	10/31/2003	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		10/27/2003	10/31/2003	Baseline Inspections
	RX HEAD	- CONTAINMENT REPAIR & HEAD REPLACEMENT	1			
2	IP 71007	Reactor Vessel Head Replacement Inspection		11/10/2003	11/13/2003	Other Routine
	PI&R	- PROBLEM IDENTIFICATION & RESOLUTION	3			
1,2	IP 71152B	Identification and Resolution of Problems		11/17/2003	11/21/2003	Baseline Inspections
1,2	IP 71152B	Identification and Resolution of Problems		12/01/2003	12/05/2003	Baseline Inspections
	EB2-HS	- HEAT SINK	1			
1,2	IP 7111107B	Heat Sink Performance		01/12/2004	01/16/2004	Baseline Inspections
	EB2-MR	- MAINTENANCE RULE	1			
1,2	IP 7111112B	Maintenance Effectiveness		02/02/2004	02/06/2004	Baseline Inspections
	OL PREP	- INITIAL EXAM PREP	3			
1	V23210	SURRY/EXAMS AT POWER FACILITIES		02/02/2004	02/06/2004	Not Applicable
	OL EXAM	- INITIAL EXAM PREP	3			
1	V23210	SURRY/EXAMS AT POWER FACILITIES		02/23/2004	02/27/2004	Not Applicable
	EB1SSDPC	- SSDPC PRE-INSPECTION VISIT	2			
1,2	IP 7111121	Safety System Design and Performance Capability		03/01/2004	03/05/2004	Baseline Inspections
	OL EXAM	- INITIAL EXAM	3			
1	V23210	SURRY/EXAMS AT POWER FACILITIES		03/08/2004	03/12/2004	Not Applicable
	EB1SSDPC	- SAFETY SYS DESIGN & PERFROMANCE CAPABILI	5			
1,2	IP 7111121	Safety System Design and Performance Capability		03/22/2004	03/26/2004	Baseline Inspections

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