

March 2, 2007

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 05000237/2007001; 05000249/2007001)

Dear Mr. Crane:

On February 14, 2007, the Nuclear Regulatory Commission (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, 2006. 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 as "Exempt from Public Disclosure in Accordance with 10 CFR 2.390" and marked as "Official Use Only - Security-Related Information" 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. Dresden Unit 2 performance for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix based on one White PI having crossed the threshold from Green to White for the Scrams With Loss of Normal Heat Removal performance indicator. This White PI was acknowledged in an assessment follow-up letter dated November 8, 2006. In addition to conducting the reactor oversight process (ROP) baseline inspections of Unit 2, a supplemental inspection using Inspection Procedure 95001, "Inspection for One or Two White Inputs in a Strategic Performance Area," will be performed during the first quarter of 2007.

Dresden Unit 3 plant performance for the most recent quarter, as well as for the first 3 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). Therefore, we plan to conduct ROP baseline inspections of Unit 3.

The enclosed inspection plan details the inspections, less those related to physical protection scheduled through June 30, 2008. The inspection plan is provided to allow 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. We also plan to perform Inspection Procedure 71004, "Power Uprate," to inspect activities related to the steam dryer replacement on Unit 2. 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) 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 Mark A. Ring at (630) 829-9703 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Mark A. Satorius, Director
Division of Reactor Projects

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

Enclosure: Dresden Inspection/Activity Plan

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Mark A. Satorius, Director
Division of Reactor Projects

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| OFFICE | RIII | E | RIII | | | | |
| NAME | MRing*.dtp | | MSatorius | | | | |
| DATE | 02/26/07 | | 03/02/07 | | | | |

OFFICIAL RECORD COPY

cc w/encl: Site Vice President - Dresden Nuclear Power Station
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
Vice President - Licensing and Regulatory Affairs
Director Licensing - Mid-West Regional
Operating Group
Manager Licensing - Dresden and Quad Cities
Senior Counsel, Nuclear, Mid-West Regional
Operating Group
Document Control Desk - Licensing
Assistant Attorney General
Illinois Emergency Management Agency
State Liaison Officer
Chairman, Illinois Commerce Commission
Will County Executive
Will County Sheriff
Director, Will County Emergency
Management Agency
Mayor of Joliet
City Manager of Joliet
Kendall County Board Chairman
Kendall County Sheriff
Grundy County Board Chairman
Grundy County Sheriff
Grundy County Emergency Management Agency
Mayor of Morris
Minooka Village President
Mayor of Coal City
Mayor of Carbon Hill
Mayor of Diamond
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Mayor of Wilmington
Channahon Village President
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Dresden
Inspection / Activity Plan
03/01/2007 - 06/30/2008

| Unit Number | Inspection Activity | Title | No. of Staff on Site | Planned Dates Start | Planned Dates End | Inspection Type |
|-------------|---------------------|---|----------------------|---------------------|-------------------|----------------------|
| | ISFSI | - ISFSI INSPECTION | 4 | | | |
| 2 | IP 60854.1 | Preoperational Testing of Independent Spent Fuel Storage Facility Installation at Operating F | | 03/19/2007 | 04/30/2007 | Other Routine |
| 2 | IP 60855.1 | Operation of an Independent Spent Fuel Storage Installation at Operating Plants | | 03/19/2007 | 04/30/2007 | Other Routine |
| | MAINT EF | - MAINTENANCE EFFECTIVENESS | 1 | | | |
| 2, 3 | IP 7111112B | Maintenance Effectiveness | | 02/26/2007 | 03/02/2007 | Baseline Inspections |
| | 71122.01 | - RADIOLOGICAL EFFLUENTS | 1 | | | |
| 2, 3 | IP 7112201 | Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems | | 03/05/2007 | 03/09/2007 | Baseline Inspections |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 03/05/2007 | 03/09/2007 | 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 |
| | CDBI | - COMPONENT DESIGN BASES INSPECTION | 6 | | | |
| 2, 3 | IP 7111121 | Component Design Bases Inspection | | 04/16/2007 | 05/18/2007 | Baseline Inspections |
| | 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 |
| | 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 | | 06/18/2007 | 06/22/2007 | Baseline Inspections |
| 2, 3 | IP 7112102 | ALARA Planning and Controls | | 06/18/2007 | 06/22/2007 | Baseline Inspections |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 06/18/2007 | 06/22/2007 | Baseline Inspections |
| | 71121.02 | - ALARA PROGRAM | 1 | | | |
| 2, 3 | IP 7112102 | ALARA Planning and Controls | | 10/29/2007 | 11/02/2007 | Baseline Inspections |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 10/29/2007 | 11/02/2007 | Baseline Inspections |
| | ISI | - ISI BASELINE INSPECTION | 1 | | | |
| 2 | IP 7111108G | Inservice Inspection Activities - BWR | | 11/05/2007 | 11/09/2007 | Baseline Inspections |
| | EP | - EP INSPECTION | 1 | | | |
| 2, 3 | IP 7111402 | Alert and Notification System Testing | | 01/28/2008 | 02/01/2008 | Baseline Inspections |
| 2, 3 | IP 7111403 | Emergency Response Organization Augmentation Testing | | 01/28/2008 | 02/01/2008 | Baseline Inspections |
| 2, 3 | IP 7111405 | Correction of Emergency Preparedness Weaknesses and Deficiencies | | 01/28/2008 | 02/01/2008 | Baseline Inspections |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 01/28/2008 | 02/01/2008 | Baseline Inspections |
| | 71121.03 | - INSTRUMENTATION & SCBA | 1 | | | |
| 2, 3 | IP 7112103 | Radiation Monitoring Instrumentation and Protective Equipment | | 01/14/2008 | 01/18/2008 | Baseline Inspections |
| 2, 3 | IP 71151 | Performance Indicator Verification | | 01/14/2008 | 01/18/2008 | 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
03/01/2007 - 06/30/2008

| Unit Number | Inspection Activity | Title | No. of Staff on Site | Planned Dates | | Inspection Type |
|-------------|---------------------|---|----------------------|---------------|------------|----------------------|
| | | | | Start | End | |
| | FPI | - TRIENNIAL FIRE PROTECTION INSPECTION | 3 | | | |
| 2, 3 | IP 7111105T | Fire Protection [Triennial] | | 01/28/2008 | 02/15/2008 | Baseline Inspections |
| | HEATSINK | - HEAT SINK INSPECTION | 1 | | | |
| 2, 3 | IP 7111107B | Heat Sink Performance | | 02/25/2008 | 02/29/2008 | Baseline Inspections |
| | ISFSI | - ISFSI | 1 | | | |
| 2 | IP 60855.1 | Operation of an Independent Spent Fuel Storage Installation at Operating Plants | | 03/03/2008 | 04/30/2008 | Other Routine |
| | 7112101 | - ACCESS CONTROL & ALARA | 1 | | | |
| 2, 3 | IP 7112101 | Access Control to Radiologically Significant Areas | | 05/05/2008 | 05/09/2008 | Baseline Inspections |
| 2, 3 | IP 7112102 | ALARA Planning and Controls | | 05/05/2008 | 05/09/2008 | Baseline Inspections |
| | 7111111B | - LICENSED OPERATOR REQUAL PROGRAM INSP | 4 | | | |
| 2, 3 | IP 7111111B | Licensed Operator Requalification Program | | 05/19/2008 | 05/23/2008 | Baseline Inspections |
| | FY 2008 | - DRESDEN INITIAL LICENSE EXAM VALIDATION | 6 | | | |
| 2 | W90182 | DRESDEN - INITIAL EXAM - JUNE/JULY 2008 | | 06/23/2008 | 06/27/2008 | Not Applicable |