

March 2, 2005

Mr. Mark Peifer
Site Vice-President
Duane Arnold Energy Center
Nuclear Management Company, LLC
3277 DAEC Road
Palo, IA 52324

SUBJECT: ANNUAL ASSESSMENT LETTER - DUANE ARNOLD ENERGY CENTER
(REPORT 05000331/200501)

Dear Mr. Peifer:

On February 9, the NRC staff completed its end-of-cycle plant performance assessment of Duane Arnold Energy Center. The end-of-cycle review for Duane Arnold Energy Center involved the participation of the reactor technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2004. 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.

This performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Exempt from Public Disclosure in accordance with 10 CFR 2.390" will include the physical protection review and resultant inspection plan.

Overall, Duane Arnold Energy Center operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first three 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 only reactor oversight process (ROP) baseline inspections at your facility through September 30, 2006.

The enclosed inspection plan details the inspections, less those related to physical protection scheduled through September 30, 2006. Significant inspections planned for this year include a biennial PI&R inspection in May 2005, a modifications/50.59 inspection in November 2005, and a fire protection inspection in March 2006. 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 9 months of the inspection plan are tentative and may be revised at the mid-cycle review meeting.

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). 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) 829-9629 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Bruce Burgess, Chief
Reactor Projects Branch 2
Division of Reactor Projects

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

Enclosure: Duane Arnold Energy Center Inspection/Activity Plan

cc w/encl: E. Protsch, Executive Vice President -
Energy Delivery, Alliant;
President, IES Utilities, Inc.
C. Anderson, Senior Vice President, Group Operations
J. Cowan, Executive Vice President and Chief Nuclear Officer
J. Bjorseth, Plant Manager
S. Catron, Manager, Regulatory Affairs
J. Rogoff, Vice President, Counsel, & Secretary
B. Lacy, Nuclear Asset Manager
Chairman, Linn County Board of Supervisors
Chairperson, Iowa Utilities Board
The Honorable Charles W. Larson, Jr.
Iowa State Senator
D. McGhee - Department of Public Health

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Institute of Nuclear Power Operations (INPO)

Duane Arnold
Inspection / Activity Plan
03/01/2005 - 09/30/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	ISI	- ISI INSPECTION	1			
1	IP 7111108G	Inservice Inspection Activities - BWR		04/04/2005	04/08/2005	Baseline Inspections
	INSPECT	- ACCESS CONTROL AND ALARA	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		04/04/2005	04/08/2005	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		04/04/2005	04/08/2005	Baseline Inspections
	71114	- BASELINE EP INSP	1			
1	IP 7111402	Alert and Notification System Testing		04/25/2005	04/29/2005	Baseline Inspections
1	IP 7111403	Emergency Response Organization Augmentation Testing		04/25/2005	04/29/2005	Baseline Inspections
1	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		04/25/2005	04/29/2005	Baseline Inspections
1	IP 71151	Performance Indicator Verification		04/25/2005	04/29/2005	Baseline Inspections
	PI&R	- BIENNIAL PI&R	1			
1	IP 71152B	Identification and Resolution of Problems		05/16/2005	06/03/2005	Baseline Inspections
	MAINT	- BIENNIAL MAINTENANCE RULE INSPECTION	1			
1	IP 7111112B	Maintenance Effectiveness		06/13/2005	06/17/2005	Baseline Inspections
	HEATSKB	- BIENNIAL HEAT SINK INSPECTION	1			
1	IP 7111107B	Heat Sink Performance		06/13/2005	06/17/2005	Baseline Inspections
	MOD/5059	- MODIFICATIONS/50.59 INSPECTION	3			
1	IP 7111102	Evaluation of Changes, Tests, or Experiments		11/28/2005	12/02/2005	Baseline Inspections
1	IP 7111117B	Permanent Plant Modifications		11/28/2005	12/02/2005	Baseline Inspections
	BI	- GASEOUS AND LIQUID EFFLUENTS	1			
1	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		01/30/2006	02/03/2006	Baseline Inspections
	FPI	- TRIENNIAL FIRE PROTECTION INSPECTION	3			
1	IP 7111105T	Fire Protection		03/13/2006	03/31/2006	Baseline Inspections
	BI	- NON-OUTAGE ALARA AND ACCESS CONTROL	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		04/10/2006	04/14/2006	Baseline Inspections
	BI	- RAD INSTRUMENTATION	1			
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		08/07/2006	08/11/2006	Baseline Inspections