

March 2, 2007

Mr. Donald K. Cobb
Assistant Vice President
Nuclear Generation
Detroit Edison Company
6400 North Dixie Highway
Newport, MI 48166

SUBJECT: ANNUAL ASSESSMENT LETTER - FERMI NUCLEAR POWER PLANT, UNIT 2
(REPORT 05000341/2007001)

Dear Mr. Cobb:

On February 14, 2007, the NRC staff completed its performance review of the Fermi 2 Nuclear Power Plant. 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, Fermi 2 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 reactor oversight process baseline inspections at your facility.

In our mid-cycle assessment letter, dated August 31, 2006, [ADAMS Ref. ML062430336] we advised you of a substantive cross-cutting issue in the area of problem identification and resolution, based on a number of findings with ineffective evaluations. The end-of-cycle assessment of the cross-cutting issue included a review of inspection results over the 12-month period of January 1 through December 31, 2006. During this period, we observed improvement in the effectiveness of your corrective actions to address the issue, although the staff identified more than three green inspection findings for the current 12-month assessment period with documented cross-cutting aspects in the area of problem identification and resolution, and the continued presence of a cross-cutting theme associated with these findings. Specifically, management and staff at the facility have taken a number of steps to improve the corrective action program including, training staff and management on apparent cause evaluations,

reorganizing the corrective action review board, changing the corrective action manager, and enforcing due dates more rigorously. Based on this observed improvement, the staff no longer has a concern with the scope of your efforts or progress in the cross-cutting area of problem identification and resolution because the range of corrective actions and observable trends indicate you have effectively addressed the cross-cutting theme associated with these findings. Therefore, the cross-cutting issue is now closed. The staff notes that sustained licensee progress will require continued strong management involvement given the number of findings in the problem identification and resolution area and the continued presence of the cross-cutting theme. We will continue to monitor your performance in this area during NRC baseline inspections.

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 for the resolution of any scheduling conflicts and personnel availability issues well 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.

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 me at 630-829-9619 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Christine A. Lipa, Chief
Branch 4
Division of Reactor Projects

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

Enclosure: Fermi 2 Inspection/Activity Plan

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Sincerely,
 /RA/
 Christine A. Lipa, Chief
 Branch 4
 Division of Reactor Projects

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

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D. Cobb

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cc w/encl: K. Hlavaty, Plant Manager
R. Gaston, Manager, Nuclear Licensing
D. Pettinari, Legal Department
Michigan Department of Environmental Quality
Waste and Hazardous Materials Division
M. Yudasz, Jr., Director, Monroe County
Emergency Management Division
Supervisor - Electric Operators
State Liaison Officer, State of Michigan
Wayne County Emergency Management Division
Chair, Wayne County Board of Commissioners
Wayne County Sheriff
Director, Wayne County Emergency
Management Agency
Mayor of Flat Rock
Mayor of Gibraltar
City Administrator of Gibraltar
Monroe County Board Chairman
Monroe County Sheriff
Director, Monroe County Emergency
Management Agency
Director, Monroe County Health Department
Mayor of Monroe
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Carleton Village President
Mayor of Rockwood
Rockwood City Administrator
Supervisor, Frenchtown Charter Township
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Fermi
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
	EP BI	- BASELINE EP INSPECTION	1			
2	IP 7111402	Alert and Notification System Testing		03/05/2007	03/09/2007	Baseline Inspections
2	IP 7111403	Emergency Response Organization Augmentation Testing		03/05/2007	03/09/2007	Baseline Inspections
2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		03/05/2007	03/09/2007	Baseline Inspections
2	IP 71151	Performance Indicator Verification		03/05/2007	03/09/2007	Baseline Inspections
	7112103	- INSTRUMENTATION & ACCESS CONTROL	1			
2	IP 7112101	Access Control to Radiologically Significant Areas		03/19/2007	03/23/2007	Baseline Inspections
2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		03/19/2007	03/23/2007	Baseline Inspections
	HEATSINK	- HEAT SINK INSPECTION	1			
2	IP 7111107B	Heat Sink Performance		03/19/2007	03/23/2007	Baseline Inspections
	MAINT EF	- MAINTENANCE EFFECTIVENESS BIENNIAL	1			
2	IP 7111112B	Maintenance Effectiveness		04/23/2007	04/27/2007	Baseline Inspections
	CDBI	- COMPONENT DESIGN BASES INSPECTION	6			
2	IP 7111121	Component Design Bases Inspection		06/25/2007	07/27/2007	Baseline Inspections
	7112101	- ACCESS CONTROL	1			
2	IP 7112101	Access Control to Radiologically Significant Areas		07/23/2007	07/27/2007	Baseline Inspections
2	IP 71151	Performance Indicator Verification		07/23/2007	07/27/2007	Baseline Inspections
	PI&R	- PI&R BIENNIAL INSP	3			
2	IP 71152B	Identification and Resolution of Problems		08/27/2007	09/14/2007	Baseline Inspections
	7111111B	- LIC OPERATOR REQUAL PROGRAM EVALUATION	2			
2	IP 7111111B	Licensed Operator Requalification Program		08/27/2007	08/31/2007	Baseline Inspections
	ISI	- ISI BASELINE INSPECTION	1			
2	IP 7111108G	Inservice Inspection Activities - BWR		10/01/2007	10/05/2007	Baseline Inspections
	7112102	- ALARA PLANNING AND CONTROLS (OUTAGE)	1			
2	IP 7112102	ALARA Planning and Controls		10/15/2007	10/19/2007	Baseline Inspections
	7112202	- RAD MATERIAL PROCESSING / TRANSPORTATION	1			
2	IP 7112202	Radioactive Material Processing and Transportation		12/03/2007	12/07/2007	Baseline Inspections
	FY 2008	- FERMI INIT PREP 06/2007	3			
2	W90161	OL - INITIAL EXAM - FERMI 2 - JUN/JUL 2007		01/07/2008	01/11/2008	Not Applicable
	FY 2008	- FERMI INIT EXAM 01/2008	3			
2	W90161	OL - INITIAL EXAM - FERMI 2 - JUN/JUL 2007		01/21/2008	01/25/2008	Not Applicable
	MOD/5059	- MODIFICATIONS/50.59 INSPECTION	1			
2	IP 7111102	Evaluation of Changes, Tests, or Experiments		02/11/2008	02/29/2008	Baseline Inspections
2	IP 7111117B	Permanent Plant Modifications		02/11/2008	02/29/2008	Baseline Inspections

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

Fermi
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	
	7112101	- RADIOLOGICAL ACCESS CONTROL	1			
2	IP 7112101	Access Control to Radiologically Significant Areas		02/25/2008	02/29/2008	Baseline Inspections
	EP	- EP EXER AND PI INSP	1			
2	IP 7111401	Exercise Evaluation		05/19/2008	05/23/2008	Baseline Inspections
2	IP 71151	Performance Indicator Verification		05/19/2008	05/23/2008	Baseline Inspections
	FPI	- TRIENNIAL FIRE PROTECTION INSPECTION	1			
2	IP 7111105T	Fire Protection [Triennial]		04/21/2008	05/09/2008	Baseline Inspections
	7112203	- REMP AND RAD MATERIAL CONTROL	1			
2	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control P		04/28/2008	05/02/2008	Baseline Inspections
	7112103	- INSTRUMENTATION	1			
2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		06/23/2008	06/27/2008	Baseline Inspections
2	IP 71151-BI01	Reactor Coolant System Activity		06/23/2008	06/27/2008	Baseline Inspections
2	IP 71151-OR01	Occupational Exposure Control Effectiveness		06/23/2008	06/27/2008	Baseline Inspections
2	IP 71151-PR01	RETS/ODCM Radiological Effluent		06/23/2008	06/27/2008	Baseline Inspections