



UNITED STATES
NUCLEAR REGULATORY COMMISSION

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

March 2, 2005

Duke Energy Corporation
ATTN: Mr. G. R. Peterson
Vice President
McGuire Nuclear Station
12700 Hagers Ferry Road
Huntersville, NC 28078-8985

SUBJECT: ANNUAL ASSESSMENT LETTER - MCGUIRE NUCLEAR STATION
(NRC INSPECTION REPORT 05000369/2005001 AND 05000370/2005001)

Dear Mr. Peterson:

On February 8, 2005, the NRC staff completed its end-of-cycle plant performance assessment of the McGuire Nuclear Station. The end-of-cycle review for McGuire 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, 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. This will allow you an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities. The following performance review and the enclosed inspection plan do not include physical protection information. A separate end-of-cycle performance review letter, designated and marked as "Exempt from Public Disclosure in accordance with 10 CFR 2.390," will include the physical protection review and a resultant inspection plan.

Overall, McGuire 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, as well as the following non-reactor oversight program inspections: (1) routine inspections of activities associated with your Independent Spent Fuel Storage Installation; (2) safety issue inspections concerning pressurizer penetration nozzles and steam space piping connections (NRC Bulletin 2004-01); and (3) operator licensing examinations.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through September 30, 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 nine 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 our inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at (404) 562-4540 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

//RA//

Michael E. Ernstes, Chief
Reactor Projects Branch 1
Division of Reactor Projects

Docket Nos.: 50-369, 50-370, 72-38
License Nos.: NPF-9, NPF-17

Enclosure: McGuire Inspection/Activity Plan

cc w/encl:

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McGuire
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
	MTN-ISI - U2 INSERVICE INSPECTION		1			
2	IP 7111108P	Inservice Inspection Activities - PWR		03/08/2005	03/14/2005	Baseline Inspections
	MTNSGISI - STEAM GENERATOR ISI		1			
2	IP 7111108P	Inservice Inspection Activities - PWR		03/28/2005	03/31/2005	Baseline Inspections
	MTNSGISI - U2 SG ISI		1			
2	IP 7111108P	Inservice Inspection Activities - PWR		04/01/2005	04/01/2005	Baseline Inspections
	MTN-HS - HEAT SINK		1			
1,2	IP 7111107B	Heat Sink Performance		04/18/2005	04/22/2005	Baseline Inspections
	MTN-MR - MR EFFECTIVENESS		1			
1,2	IP 7111112B	Maintenance Effectiveness		06/06/2005	06/10/2005	Baseline Inspections
	EB1-MODS - MODIFICATIONS/10CFR50.59		3			
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		06/20/2005	06/24/2005	Baseline Inspections
1,2	IP 7111117B	Permanent Plant Modifications		06/20/2005	06/24/2005	Baseline Inspections
	PS EP - EMERGENCY EXERCISE		2			
1,2	IP 7111401	Exercise Evaluation		08/08/2005	08/12/2005	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		08/08/2005	08/12/2005	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		08/08/2005	08/12/2005	Baseline Inspections
	MTN-ISI - U1 INSERVICE INSPECTION		2			
1	IP 7111108P	Inservice Inspection Activities - PWR		09/26/2005	09/30/2005	Baseline Inspections
	MTNT1160 - 2515/160 U-1: PZR PENETRATION NOZZLES		1			
1	IP 2515/160	Pzr Pene Nozzles & Stm Space Piping Connections in U.S. PWRs [NRC Bulletin 2004-01]		09/26/2005	09/30/2005	Safety Issues
	MTNSGISI - STEAM GENERATOR ISI		1			
1	IP 7111108P	Inservice Inspection Activities - PWR		10/03/2005	10/07/2005	Baseline Inspections
	EB1SSDPC - SSDPC - PRE-INSPECTION VISIT		1			
1,2	IP 7111121	Safety System Design and Performance Capability		04/10/2006	04/12/2006	Baseline Inspections
	EB1SSDPC - SAFETY SYSTEM DESIGN & PERF. CAPABILITY		5			
1,2	IP 7111121	Safety System Design and Performance Capability		05/08/2006	05/12/2006	Baseline Inspections
1,2	IP 7111121	Safety System Design and Performance Capability		05/22/2006	05/26/2006	Baseline Inspections
	OL RQ - REQUAL INSPECTION		2			
1,2	IP 7111111B	Licensed Operator Requalification Program		05/15/2006	05/19/2006	Baseline Inspections
	PS1-RP - RP BASELINE OCCUPATIONAL WK1		3			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		09/18/2006	09/22/2006	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		09/18/2006	09/22/2006	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		09/18/2006	09/22/2006	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		09/18/2006	09/22/2006	Baseline Inspections

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

Enclosure

McGuire
Inspection / Activity Plan
03/01/2005 - 09/30/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start End	Inspection Type
2	MTN-ISI - U2 INSERVICE INSPECTION IP 7111108P	Inservice Inspection Activities - PWR	1	09/25/2006 09/29/2006	Baseline Inspections

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

Enclosure