

August 30, 2004

Mr. David A. Christian
Sr. Vice President and Chief Nuclear Officer
Dominion Resources
5000 Dominion Boulevard
Glenn Allen, VA 23060-6711

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN - MILLSTONE
POWER STATION UNIT 2 AND UNIT 3

Dear Mr. Christian:

On August 4, 2004, the NRC staff completed its mid-cycle plant performance assessment of Millstone Power Station Unit 2 and Unit 3. The mid-cycle review for Millstone involved the participation of all technical divisions in evaluating performance for the first half of the calendar year 2004 assessment cycle. The process included a review of performance indicators (PIs) for the most recent quarter and inspection results over the previous twelve months. 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 "Proprietary Information in accordance with 10 CFR 2.390(d)(1)" will include the physical protection review and resultant inspection plan.

Plant performance at Unit 2 for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and the PI for Unplanned Scrams per 7000 Critical Hours exceeding the Green/White threshold. This PI first crossed the Green/White threshold during the first quarter of 2004 due to two unplanned scrams during the fourth quarter of 2003 and two unplanned scrams during the first quarter of 2004. The NRC staff sent an Assessment Follow-Up Letter, dated May 5, 2004, to inform you of your transition into the Regulatory Response Column of NRC's Action Matrix. A Supplemental Inspection is currently in progress to review your actions related to crossing this PI threshold.

Plant performance at Unit 3 for the most recent quarter 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 March 31, 2006.

The enclosed inspection plan details the inspections scheduled through March 31, 2006. The plan contains an inspection using Temporary Instruction (TI) 2515/159 "Review of Generic Letter 89-13, "Service Water System Problems Affecting Safety-Related Equipment." This TI is in

response to the Davis-Besse Reactor Vessel Head Degradation Lessons-Learned Task Force and is being performed at a sampling of nuclear power plants across the country. 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 twelve months of the inspection plan are tentative and may be revised at the end-of-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 610-337-5200 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Ronald R. Bellamy, Chief
Projects Branch 6
Division of Reactor Projects

Docket Nos. 50-336, 50-423
License Nos. DPR-65, NPF-49

Enclosure: Millstone Inspection/Activity Plan

cc w/encl:

J. A. Price, Site Vice President - Millstone
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D. W. Dodson, Supervisor, Station Licensing
L. M. Cuoco, Senior Counsel
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W. Meinert, Massachusetts Municipal Wholesale Electric Company
First Selectmen, Town of Waterford
V. Juliano, Waterford Library
J. Markowicz, Co-Chair, NEAC
E. Woollacott, Co-Chair, NEAC
E. Wilds, Director, State of Connecticut SLO Designee
J. Buckingham, Department of Public Utility Control
G. Proisio, Suffolk County Planning Dept.
R. Shadis, New England Coalition Staff
G. Winslow, Citizens Regulatory Commission (CRC)
S. Comley, We The People
D. Katz, Citizens Awareness Network (CAN)
R. Bassilakis, CAN
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Mr. Dave A. Christian

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Millstone
Inspection / Activity Plan
07/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	40801	- SELF ASSESSMENT AND CORRECTIVE ACTION	1			
1	IP 40801	Self-Assessment, Auditing, And Corrective Action At Permanently Shutdown Reactors		01/10/2004	07/31/2004	Other Routine
	83750	- OCCUPATIONAL RADIATION EXPOSURE	1			
1	IP 83750	Occupational Radiation Exposure		01/10/2004	07/31/2004	Other Routine
	7119 EXM	- UNIT3 OPERATOR LICENSING INITIAL EXAM	4			
3	U01521	MILLSTONE UNIT 3 INITIAL EXAM (5/1-5/04)		06/28/2004	07/02/2004	Not Applicable
3	U01521	MILLSTONE UNIT 3 INITIAL EXAM (5/1-5/04)		07/19/2004	07/23/2004	Not Applicable
	40801	- SELF ASSESSMENT AND CORRECTIVE ACTION	1			
1	IP 40801	Self-Assessment, Auditing, And Corrective Action At Permanently Shutdown Reactors		06/01/2004	07/31/2004	Other Routine
	62801	- MAINTENANCE AND SURVEILLANCE	1			
1	IP 36801	Organization, Management, And Cost Controls At Permanently Shutdown Reactors		06/01/2004	07/31/2004	Other Routine
	7112202	- PUB RAD SAFETY - RADWASTE	1			
2, 3	IP 7112202	Radioactive Material Processing and Transportation		06/28/2004	07/02/2004	Baseline Inspections
	95001	- WHITE PI - UNPLANNED SCRAMS	1			
2	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		08/23/2004	08/27/2004	Supplemental Program
	7111105T	- TRIENNIAL FIRE PROTECTION INSPECTION-U3	4			
3	IP 7111105T	Fire Protection		07/26/2004	07/30/2004	Baseline Inspections
3	IP 7111105T	Fire Protection		08/09/2004	08/13/2004	Baseline Inspections
	71002	- LICENSE RENEWAL - SCOPING	6			
2, 3	IP 71002	License Renewal Inspection		07/26/2004	07/30/2004	License Renewal Insp
	7111111B	- LO REQUAL PROGRAM UNIT 2	3			
2	IP 7111111B	Licensed Operator Requalification Program		10/04/2004	10/08/2004	Baseline Inspections
	7111111B	- LO REQUAL INSPECTION UNIT 3	4			
3	IP 7111111B	Licensed Operator Requalification Program		10/25/2004	10/29/2004	Baseline Inspections
	7111112B	- MAINTENANCE RULE	1			
2, 3	IP 7111112B	Maintenance Effectiveness		08/16/2004	08/20/2004	Baseline Inspections
	7111107B	- HEAT SINK U2	1			
2	IP 7111107B	Heat Sink Performance		08/30/2004	09/03/2004	Baseline Inspections
	TI-159	- DAVIS BESSE ACTION- GL 89-13 REVIEW	4			
2	IP 2515/159	Review of Generic Letter 89-13: Service Water System Problems Affecting Safety-Related Equi		08/30/2004	09/03/2004	Safety Issues
	7111401	- EXERCISE EVALUATION & EP PI VERIFICATION	7			
2, 3	IP 7111401	Exercise Evaluation		09/13/2004	09/17/2004	Baseline Inspections
2, 3	IP 71151	Performance Indicator Verification		09/13/2004	09/17/2004	Baseline Inspections
	7112103	- OCC RAD SAFETY - INSTRUMENTS	1			
2, 3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		09/13/2004	09/17/2004	Baseline Inspections

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71002 - LICENSE RENEWAL - AGING MGMT			7			
2, 3	IP 71002	License Renewal Inspection		09/13/2004	09/17/2004	License Renewal Insp
2, 3	IP 71002	License Renewal Inspection		09/27/2004	10/01/2004	License Renewal Insp
3/21 EXM - UNIT 2 OPERATOR LICENSING INITIAL EXAM			3			
2	U01535	MILLSTONE, UNIT 2 INITIAL EXAM (12/1-5/04)		02/14/2005	02/18/2005	Not Applicable
2	U01535	MILLSTONE, UNIT 2 INITIAL EXAM (12/1-5/04)		03/21/2005	03/25/2005	Not Applicable
7112203 - PUB RAD SAFETY - REMP			1			
2, 3	IP 7112203	Radiological Environmental Monitoring Program		10/25/2004	10/29/2004	Baseline Inspections
7111121 - U2 SSDI			6			
2	IP 7111121	Safety System Design and Performance Capability		11/01/2004	11/05/2004	Baseline Inspections
2	IP 7111121	Safety System Design and Performance Capability		11/15/2004	11/19/2004	Baseline Inspections
7111107B - HEAT SINK			1			
3	IP 7111107B	Heat Sink Performance		02/07/2005	02/11/2005	Baseline Inspections
7111108P - INSERVICE INSPECTION - U2			3			
2	IP 7111108P	Inservice Inspection Activities - PWR		04/11/2005	04/15/2005	Baseline Inspections
7112102 - OCC RAD SAFETY - ALARA			1			
2	IP 7112102	ALARA Planning and Controls		05/09/2005	05/13/2005	Baseline Inspections
71111.05 - TRIENNIAL FIRE PROTECTION INSPECTION-U2			3			
2	IP 7111105T	Fire Protection		05/23/2005	05/27/2005	Baseline Inspections
2	IP 7111105T	Fire Protection		06/06/2005	06/10/2005	Baseline Inspections
7112102 - OCC RAD SAFETY - ALARA			1			
2, 3	IP 7112102	ALARA Planning and Controls		08/08/2005	08/12/2005	Baseline Inspections
7112201 - PUB RAD SAFETY - RETS			1			
2, 3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		08/08/2005	08/12/2005	Baseline Inspections
711117B - MODS & 50.59 U2/3			1			
2, 3	IP 7111102	Evaluation of Changes, Tests, or Experiments		08/15/2005	08/19/2005	Baseline Inspections
2, 3	IP 711117B	Permanent Plant Modifications		08/15/2005	08/19/2005	Baseline Inspections
7111121 - SSDI - U3			6			
3	IP 7111121	Safety System Design and Performance Capability		08/29/2005	09/02/2005	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		09/12/2005	09/16/2005	Baseline Inspections
7112101 - OCC RAD SAFETY - ACCESS			1			
2, 3	IP 7112101	Access Control to Radiologically Significant Areas		09/05/2005	09/09/2005	Baseline Inspections
71114 - EP PROGRAM INSP & PI VERIFICATION			1			
2, 3	IP 7111404	Emergency Action Level and Emergency Plan Changes		09/12/2005	09/12/2005	Baseline Inspections
2, 3	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		09/12/2005	09/12/2005	Baseline Inspections

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	71114	- EP PROGRAM INSP & PI VERIFICATION	1			
2, 3	IP 71151	Performance Indicator Verification		09/12/2005	09/12/2005	Baseline Inspections
2, 3	IP 7111402	Alert and Notification System Testing		09/12/2005	09/16/2005	Baseline Inspections
2, 3	IP 7111403	Emergency Response Organization Augmentation Testing		09/12/2005	09/16/2005	Baseline Inspections
	7111108P	- INSERVICE INSPECTION - U3	1			
3	IP 7111108P	Inservice Inspection Activities - PWR		10/17/2005	10/21/2005	Baseline Inspections
	7111111B	- LO REQUAL PROGRAM INPSECTION	2			
3	IP 7111111B	Licensed Operator Requalification Program		11/07/2005	11/11/2005	Baseline Inspections
	71152B	- PROBLEM IDENTIFICATION AND RESOLUTION	1			
2, 3	IP 71152B	Identification and Resolution of Problems		02/13/2006	02/17/2006	Baseline Inspections
2, 3	IP 71152B	Identification and Resolution of Problems		02/27/2006	03/03/2006	Baseline Inspections
	7112101	- OCC RAD SAFETY	1			
2, 3	IP 7112101	Access Control to Radiologically Significant Areas		02/27/2006	03/03/2006	Baseline Inspections

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