



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
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March 3, 2004

R. T. Ridenoure
Vice President
Omaha Public Power District
Fort Calhoun Station FC-2-4 Adm.
P.O. Box 550
Fort Calhoun, NE 68023-0550

**SUBJECT: ANNUAL ASSESSMENT LETTER - FORT CALHOUN STATION
(NRC REPORT 05000285/2004001)**

Dear Mr. Ridenoure:

On February 4, 2004, the NRC staff completed its end-of-cycle plant performance assessment of the Fort Calhoun Station. The end-of-cycle review for the Fort Calhoun Station involved the participation of all technical divisions in evaluating performance indicators for the most recent quarter and inspection results for the period from January 1 through December 31, 2003. 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.

Overall, the Fort Calhoun Station operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix, based on a White performance indicator for Occupational Exposure Control Effectiveness (Occupational Radiation Safety Cornerstone). Associated findings pertaining to this performance indicator included three examples in which restricted high radiation areas were either not properly barricaded, conspicuously posted, or locked or guarded to prevent unauthorized entry as required by the Technical Specifications.

We plan to conduct a supplemental inspection in accordance with NRC Inspection Procedure 95001, "Inspection for One or Two White Inputs in a Strategic Performance Area," to review the actions taken in response to this White performance indicator. The purpose of this supplemental inspection will be to provide assurance that the root and contributing causes for the White performance indicator are understood, to provide assurance that the extent of condition and extent of cause are identified, and to provide assurance that the corrective actions are sufficient to address the root and contributing causes and prevent their recurrence. Also, we plan to conduct baseline inspections and Temporary Instructions (TI) 2515/150, "Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC Bulletin 2002-02)," TI 2515/153, "Reactor Containment Sump Blockage," and TI 2515/154, "Spent Fuel Material Control and Accounting at Nuclear Power Plants," at your facility through September 30, 2005.

Plant performance during the first quarter of the assessment cycle was also within the Regulatory Response Column of the NRC's Action Matrix based on a White finding in the Public Radiation cornerstone. This White finding had previously been identified in the second quarter of 2002. An NRC supplemental inspection, conducted in August 2002, in accordance with Inspection Procedure 95001, determined that the identification of the root causes, contributing causes, and corrective actions associated with the White finding were comprehensive and broad-based. As a result, this finding was closed following the first quarter of this assessment period. Fort Calhoun Station transitioned from the Regulatory Response Column of the Action Matrix to the Licensee Response Column in the second quarter of 2003.

As you are aware, the NRC has issued several Orders and threat advisories to enhance security capabilities and improve guard force readiness since the terrorist attacks on September 11, 2001. We have conducted inspections to review your implementation of these requirements and have monitored your actions in response to changing threat conditions. For calendar year 2004, we plan to continue inspections of Order implementation combined with newly developed portions of the security baseline inspection program. The enclosed inspection plan details the inspections scheduled through September 30, 2005. 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 12 months of the inspection plan are tentative and may be revised at the midcycle 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 Mr. Kriss Kennedy at 817/860-8144 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/ by MASatorius for

Arthur T. Howell III, Director
Division of Reactor Projects

Docket: 50-285
License: DPR-40

Enclosure:
Fort Calhoun Station Inspection/Activity Plan

cc w/enclosure:

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Publicly Available Non-Publicly Available Sensitive Non-Sensitive

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RIV:C:DRP/C	D:DRS	D:DRP		
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WCWalker for	/RA/	MASatorius for		
2/19/04	2/26/04	3/3/04		

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Fort Calhoun
Inspection / Activity Plan
03/01/2004 - 10/01/2005

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	TI-153	- TEMPORARY INSTRUCTION TI-153	1			
1	IP 2515/153	Reactor Containment Sump Blockage (NRC Bulletin 2003-01)		01/01/2004	03/31/2004	Safety Issues
	TI154FCS	- TI154FCS SPENT FUEL MATERIAL CONTROL	1			
1	IP 2515/154	Spent Fuel Material Control and Accounting at Nuclear Power Plants		01/01/2004	03/31/2004	Safety Issues
	OB-IN	- INITIAL EXAM	4			
1	X02259	FT. CALHOUN - INITIAL EXAM (03/04)		03/15/2004	03/19/2004	Not Applicable
	PSB-S1	- AC-AA-PI-FFD	2			
1	IP 7113001	Access Authorization		04/12/2004	04/16/2004	Baseline Inspections
1	IP 7113002	Access Control		04/12/2004	04/16/2004	Baseline Inspections
1	IP 7113008	Fitness For Duty Program		04/12/2004	04/16/2004	Baseline Inspections
1	IP 71151	Performance Indicator Verification		04/12/2004	04/16/2004	Baseline Inspections
	OB-EP1	- EP PROGRAM INSPECTION	1			
1	IP 7111402	Alert and Notification System Testing		04/19/2004	04/23/2004	Baseline Inspections
1	IP 7111403	Emergency Response Organization Augmentation Testing		04/19/2004	04/23/2004	Baseline Inspections
1	IP 7111404	Emergency Action Level and Emergency Plan Changes		04/19/2004	04/23/2004	Baseline Inspections
1	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		04/19/2004	04/23/2004	Baseline Inspections
1	IP 71151	Performance Indicator Verification		04/19/2004	04/23/2004	Baseline Inspections
	ALARA1	- ALARA PLANNING AND CONTROLS	1			
1	IP 7112102	ALARA Planning and Controls		05/03/2004	05/07/2004	Baseline Inspections
	PEB-07B	- HX PERFORMANCE TESTING	2			
1	IP 7111107B	Heat Sink Performance		05/10/2004	05/14/2004	Baseline Inspections
	ACCESSPI	- ACRSA/PIV	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		07/26/2004	07/30/2004	Baseline Inspections
	RP TEAM	- RP SAFETY TEAM	4			
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		09/20/2004	09/24/2004	Baseline Inspections
1	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		09/20/2004	09/24/2004	Baseline Inspections
1	IP 7112202	Radioactive Material Processing and Transportation		09/20/2004	09/24/2004	Baseline Inspections
1	IP 7112203	Radiological Environmental Monitoring Program		09/20/2004	09/24/2004	Baseline Inspections
	OB-RQ	- OB-REQUALIFICATION	3			
1	IP 7111111B	Licensed Operator Requalification Program		10/04/2004	10/08/2004	Baseline Inspections
	TI-150	- TEMPORARY INSTRUCTION TI-150	1			
1	IP 2515/150	Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC Bulletin 2002-0)		01/01/2005	03/26/2005	Safety Issues
	ACRSA	- ACCESS CONTROLS TO RAD SIGNIFICANT AREAS	1			
1	IP 7112101	Access Control to Radiologically Significant Areas		03/21/2005	03/25/2005	Baseline Inspections

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

Fort Calhoun
Inspection / Activity Plan
03/01/2004 - 10/01/2005

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	EB17B	- PERMANENT PLANT MODS	2			
1	IP 711117B	Permanent Plant Modifications		03/28/2005	04/01/2005	Baseline Inspections
	ALARA2	- ALARA PLANNING AND CONTROLS	1			
1	IP 7112102	ALARA Planning and Controls		04/04/2005	04/08/2005	Baseline Inspections
	EB08P	- ISI	1			
1	IP 7111108P	Inservice Inspection Activities - PWR		04/11/2005	04/15/2005	Baseline Inspections
1	IP 7111108P	Inservice Inspection Activities - PWR		04/18/2005	04/22/2005	Baseline Inspections
	PEB-12B	- MAINTENANCE RULE BIENNIAL	1			
1	IP 7111112B	Maintenance Effectiveness		05/09/2005	05/13/2005	Baseline Inspections
	OB-INIT	- INITIAL EXAM	4			
1	X02281	FT. CALHOUN (04/05) - INITIAL EXAM		06/20/2005	06/24/2005	Not Applicable
1	X02281	FT. CALHOUN (04/05) - INITIAL EXAM		07/11/2005	07/15/2005	Not Applicable
	PEB-05T	- TRIENNIAL FIRE PROTECTION	4			
1	IP 7111105T	Fire Protection		07/25/2005	07/29/2005	Baseline Inspections
1	IP 7111105T	Fire Protection		08/08/2005	08/12/2005	Baseline Inspections
	ALARA3	- ALARA PLANNING AND CONTROLS	1			
1	IP 7112102	ALARA Planning and Controls		07/11/2005	07/15/2005	Baseline Inspections
	PEB-52	- FCS PIR INSPECTION	2			
1	IP 71152B	Identification and Resolution of Problems		09/12/2005	09/16/2005	Baseline Inspections
1	IP 71152B	Identification and Resolution of Problems		09/26/2005	09/30/2005	Baseline Inspections
	EP1	- EMERG PREPAREDNESS EXERCISE	4			
1	IP 7111401	Exercise Evaluation		09/26/2005	09/30/2005	Baseline Inspections
1	IP 7111404	Emergency Action Level and Emergency Plan Changes		09/26/2005	09/30/2005	Baseline Inspections
1	IP 71151	Performance Indicator Verification		09/26/2005	09/30/2005	Baseline Inspections