



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

REGION IV  
1600 E LAMAR BLVD  
ARLINGTON, TX 76011-4511

June 25, 2014

Lou Cortopassi, Vice President  
and Chief Nuclear Officer  
Omaha Public Power District  
Fort Calhoun Station FC-2-4  
P.O. Box 550  
Fort Calhoun, NE 68023-0550

**SUBJECT: FORT CALHOUN STATION - NRC TEMPORARY INSTRUCTION 2201/004,  
“INSPECTION OF IMPLEMENTATION OF INTERIM CYBER SECURITY  
MILESTONES 1-7,” INSPECTION REPORT 05000285/2014405**

Dear Mr. Cortopassi:

On May 30, 2014, the U.S. Nuclear Regulatory Commission (NRC) completed a cyber security inspection at your Fort Calhoun Station. The inspection covered the implementation of interim milestones associated with your cyber security program, as outlined in your approved cyber security plan and described in Temporary Instruction 2201/004, “Inspection of Implementation of Interim Cyber Security Milestones 1-7.” The enclosed inspection report documents the inspection results, which were discussed on May 30, 2014, with you and other members of your staff.

The inspection examined activities conducted under your license as they relate to cyber security and compliance with the Commission’s rules and regulations and conditions of your license. The team reviewed selected procedures and records, observed activities, and interviewed personnel.

Based on the results of this inspection, the NRC has identified three findings that were evaluated under the risk significance determination process as having very low significance. The team also documented two licensee-identified violations that were determined to be of very low significance in Section 4OA7 of this report. The NRC is treating these violations as non-cited violations consistent with Section 2.3.2.a of the Enforcement Policy. In accordance with the Security Issues Forum Charter, the NRC can exercise enforcement discretion during inspection of the interim cyber security measures for licensees who demonstrate a “good-faith” attempt to implement Milestones 1-7. This discretion applies to licensees who have tried to implement the new requirements but failed to be in full compliance. The issues identified in this report were discussed and reviewed during the Security Issues Forum meeting conducted on May 28, 2014. The results of the Security Issues Forum panel review concluded that although these issues constitute violations of 10 CFR 73.54, the NRC is not pursuing enforcement action because of your “good-faith” attempt to interpret and implement Milestones 1–7 and because of

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your prompt actions to enter these issues into your corrective action program. As described in Enclosure 1 of NRC Enforcement Guidance Memorandum, “Enhanced Guidance for Licensee Near-Term Corrective Actions to Address Cyber Security Inspection Findings and Licensee Eligibility for ‘Good-Faith’ Attempt Discretion,” dated July 1, 2013, Omaha Public Power District is requested to provide written notification to the NRC’s regional office when the corrective actions for the identified issues have been completed and closed.

If you contest the violations or significance of these non-cited violations, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator, Region IV; the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC resident inspector at the Fort Calhoun Station.

In accordance with Title 10 of the Code of Federal Regulations (10 CFR) 2.390, “Public Inspections, Exemptions, Requests for Withholding,” a copy of this letter, its enclosure, and your response (if any) will be available electronically for public inspection in the NRC’s Public Document Room or from the Publicly Available Records (PARS) component of the NRC’s Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, the material enclosed herewith contains Security-Related Information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the PARS component of NRC’s ADAMS

If you choose to provide a response and Security-Related Information is necessary to provide an acceptable response, please mark your entire response “Security-Related Information – Withhold from Public Disclosure Under 10 CFR 2.390” in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390 (b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA/

John L. Dixon, Jr, Acting Chief  
Engineering Branch 2  
Division of Reactor Safety

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Report to Lou Cortopassi from John Dixon

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