SAFEGUARDS INFORMATION

May 6, 2002

Mr. John L. Skolds, President
Exelon Nuclear
Exelon Generation Company, LLC
4300 Winfield Road
Warrenville, IL 60555

Dear Mr. Skolds:

SUBJECT: DRESDEN NUCLEAR POWER STATION
NRC INSPECTION REPORT 50-237/02-09(DRS); 50-249/02-09(DRS)

On April 12, 2002, the NRC completed an inspection at your Dresden Nuclear Power Station, Units 2 and 3. The enclosed report presents the inspection findings which were discussed with Mr. P. Swafford and other members of your staff on April 12, 2002.

The inspection was an examination of activities conducted under your license as they relate to the Safeguards Strategic Performance Area and compliance with the Commission's rules and regulations and with the conditions of your license. Within this area, the inspection consisted of a selected examination of procedures and representative records, observation of activities, and interviews with personnel. Specifically, this inspection focused on Access Control; Access Authorization; and Security Performance Indicator Verification.

One issue of very low risk significance (Green) was identified by inspector. The issue related to your access control program and was determined to involve a violation of NRC requirements. However, because of its very low safety significance and because it was entered into your corrective action program, the NRC is treating the issue as a Non-Cited Violation in accordance with Section VI.A.1 of the NRC's Enforcement Policy. If you contest the Non-Cited Violation, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-001, with copies to the Regional Administrator, Region III; Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at the Dresden Station.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter will be 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/NRC/ADAMS/index.html (the Public Electronic Reading Room).

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Sincerely,

/RA/

James R. Creed,
Safeguards Program Manager
Division of Reactor Safety

Docket Nos. 50-237; 50-249
License Nos. DPR-19; DPR-25

Enclosure: Inspection Report 50-237/02-02(DRS); 50-249/02-09(DRS) (**SAFEGUARDS INFORMATION)**

cc w/encls: Site Vice President - Dresden Nuclear Power Station
Dresden Nuclear Power Station Plant Manager
Regulatory Assurance Manager - Dresden
Chief Operating Officer
Senior Vice President - Nuclear Services
Senior Vice President - Mid-West Regional Operating Group
Vice President - Mid-West Operations Support
Vice President - Licensing and Regulatory Affairs
Director Licensing - Mid-West Regional Operating Group
Manager Licensing - Dresden and Quad Cities
Senior Counsel, Nuclear, Mid-West Regional Operating Group
Document Control Desk - Licensing
NRR/DIPM/IOLB/RSS

cc w/encl w/o SAFEGUARDS INFORMATION: M. Aguilar, Assistant Attorney General
Illinois Department of Nuclear Safety
State Liaison Officer
Chairman, Illinois Commerce Commission

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Dresden Nuclear Power Station Plant Manager
Regulatory Assurance Manager - Dresden
Chief Operating Officer
Senior Vice President - Nuclear Services
Senior Vice President - Mid-West Regional Operating Group
Vice President - Mid-West Operations Support
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Director Licensing - Mid-West Regional Operating Group
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Senior Counsel, Nuclear, Mid-West Regional Operating Group
Document Control Desk - Licensing
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cc w/encl w/o SAFEGUARDS INFORMATION:
M. Aguilar, Assistant Attorney General
Illinois Department of Nuclear Safety
State Liaison Officer
Chairman, Illinois Commerce Commission

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U. S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket Nos:	50-237: 50-249
License Nos:	DPR-19; DPR-25
Report No:	50-237/02-09(DRS); 50-249/02-09(DRS)
Licensee:	Exelon Generation Company
Facility:	Dresden Nuclear Power Station, Units 2 and 3
Location:	6500 North Dresden Road Morris, IL 60450
Dates:	April 8 through April 12, 2002
Inspectors:	T. Madeda, Physical Security Inspector
Approved by:	James R. Creed Safeguards Manager Division of Reactor Safety

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SUMMARY OF FINDINGS

IR 05000237-02-09(DRS), IR 05000249-02-09(DRS), on April 12, 2002, Exelon Generation Company, Dresden Nuclear Power Station, Units 2 and 3. Physical Protection.

The inspection was conducted by one regional safeguards inspector. The inspection identified one Green finding which was considered to be a Non-Cited Violation. the significance of most findings is indicated by their color (Green, White, Yellow, Red) using Inspection Manual Chapter 0609, "Significance Determination Process" (SDP). Findings for which the SDP does not apply are indicated by "No Color" or by the severity level of the applicable violation. The NRC's program for overseeing the safe operation of commercial nuclear power reactors is described at its Reactor Oversight Process website at http://www.nrc.gov/NRR/OVERSIGHT/index.html.

A. Inspector Identified Findings

Cornerstone: Physical Protection

Green. The inspector identified a failure to search several items prior to their access to the protected area (NCV 50-237/02-09-01; 50-249/02-09-01).

This finding had a credible impact on safety because unauthorized material could have entered the site undetected, and the failure to conduct an adequate search is a violation of the NRC approved Dresden security plan. This finding was evaluated through the SDP and determined to be of very low safety significance. The failure represented a vulnerability in the licensee's access control program; however, it was not a malevolent act, and there had not been greater than two similar findings in the last four calendar quarters (Section 3PP2).

B. Licensee Identified Findings

No findings of significance were identified.

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