

August 14, 2007

Mr. Keith Polson  
Vice President, Nine Mile Point  
Nine Mile Point Nuclear Station, LLC  
P.O. Box 63  
Lycoming, NY 13093

SUBJECT: NINE MILE POINT NUCLEAR STATION UNITS 1 & 2 - NRC MATERIAL  
CONTROL AND ACCOUNTING PROGRAM INSPECTION - REPORT  
05000220/2007201 AND 05000410/2007201

Dear Mr. Polson:

On June 28, 2007, the U.S. Nuclear Regulatory Commission (NRC) completed a material control and accounting (MC&A) safeguards program inspection at your Nine Mile Point Nuclear Station. The enclosed inspection report documents the inspection findings, which were discussed during an exit meeting on that date with you and other members of your staff, and in a supplemental exit meeting by telephone on July 19, 2007.

The inspection examined activities conducted under your license as they relate to safety, security and compliance with the Commission's rules and regulations and with the conditions of your license. Areas examined during the inspection included: MC&A management and procedures, fuel assembly and fuel rod histories, self assessments, spent fuel pool operations, annual physical inventories, and SNM related corrective actions. Through sampling techniques, the inspection verified the accuracy of the location of the spent fuel assemblies in the spent fuel pools.

Based on the results of this inspection, no findings of significance were identified. However, a licensee-identified violation, which was determined to be of very low safety significance is discussed in the report. The NRC is treating this violation as a non-cited violation (NCV) consistent with Section VI.A.1 of the Enforcement Policy because of the very low safety significance of the violation and because it was corrected. If you contest this non-cited violation you should provide a response within 30 days of the date of this report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator, Region I; Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001: and the NRC Resident Inspector at the Nine Mile Point Nuclear Station.

When separated from the Enclosure, this document is DECONTROLLED.

K. Polson

-2-

In accordance with 10 CFR 2.390 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 Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390, this letter's enclosure will not be available for public inspection.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. This practice will ensure that your response will not be made available electronically for public inspection in the NRC Public Document Room or from NRC's document system ADAMS. If Safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21. Otherwise, mark your entire response "Security-Related Information - Withhold Under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Should you have any questions concerning this report, please contact Martha Williams at (301) 415-7878 or Dori Votolato at (301) 415-7633.

Sincerely,

Barry Westreich, Chief /RA by "FP" for/  
Reactor Oversight Branch  
Division of Security Operations  
Office of Nuclear Security and Incident Response

Docket Nos. 50-220 and 50-410  
License Nos. DPR-63 and NPF-69

Enclosure: MC&A Inspection Report 05000220/2007201 and 05000410/2007201  
w/Attachment: Supplemental Information

**OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION**

K. Polson

-2-

In accordance with 10 CFR 2.390 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 Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390, this letter's enclosure will not be available for public inspection.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. This practice will ensure that your response will not be made available electronically for public inspection in the NRC Public Document Room or from NRC's document system ADAMS. If Safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21. Otherwise, mark your entire response "Security-Related Information - Withhold Under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Should you have any questions concerning this report, please contact Martha Williams at (301) 415-7878 or Dori Votolato at (301) 415-7633.

Sincerely,

Barry Westreich, Chief /RA by "FP" for/  
Reactor Oversight Branch  
Division of Security Operations  
Office of Nuclear Security and Incident Response

Docket No. 50-220 and 50-410  
License No. DPR-63 and NPF-69

Enclosure: MC&A Inspection Report 05000220/2007201 and 05000410/2007201  
w/Attachment: Supplemental Information

Distribution w/encl:

MDavid, NRR            JWhite, RI            GDentel, RI    EKnutson, RI  
JShedlosky, NSIR    JWilliams, NSIR    LCline, RI    JRobinson, NRR  
AmcLeod, NSIR      CAdkison, NSIR

\*See Previous Concurrence

Package: ML 072080430    Cover Letter: ML072080440    Enclosure: ML0720804    Log-In #

OFFICE	DSO/RSOB	E	DSO/RSOB	E	RI/DRS	DSO/RSOB
NAME	DVotolato*		MWilliams*		JWhite* email	BWestreich FP for
DATE	8/9/2007		8/14/2007		8/6/2007	8/14/2007

INDICATE IN BOX: "C"=COPY W/O ATTACHMENT/ENCLOSURE, "E"=COPY W/ATT/ENCL, "N"=NO COPY

OFFICIAL RECORD COPY

K. Polson

-3-

cc w/enclosure:

Michael Balboni, Deputy Secretary for Public Safety  
State Capitol, Room 229  
Albany, NY 12224

cc w/o enclosure:

M. J. Wallace, President, Constellation Generation  
J.M. Heffley, Senior Vice President and Chief Nuclear Officer