

SAFEGUARDS INFORMATION

May 22, 2008

Enclosure Contains Safeguards Information.
When Separated from enclosure, this document is
not Safeguards Information.

Mr. William Levis
President and Chief Nuclear Officer
PSEG Nuclear, LLC - 4B
80 Park Plaza
P. O. Box 570
Newark, NJ 07101

SUBJECT: SALEM AND HOPE CREEK GENERATING STATIONS - NRC PHYSICAL
SECURITY PROBLEM IDENTIFICATION AND RESOLUTION SAMPLE
INSPECTION REPORT NOS. 0500272/2008402, 05000311/2008402 AND
05000354/2008402

Dear Mr. Levis:

On April 18, 2008, the U.S. Nuclear Regulatory Commission (NRC) completed a security Problem Identification and Resolution Sample inspection at your Salem and Hope Creek Generating Stations. The inspection covered one or more of the key attributes of the security cornerstone of the NRC's Reactor Oversight Process. The enclosed inspection report documents the inspection results, which were discussed on April 18, 2008, with Mr. George Barnes, Mr. Robert Braun and other members of your staff.

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

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| <p>Warning: Violation of section 147 of the Atomic Energy Act, "Safeguards Information" is subject to civil and criminal penalties</p> | <p>SAFEGUARDS INFORMATION DETERMINATION MADE BY: NAME/TITLE: <u>James M. Trapp, Chief</u> ORGANIZATION: RI/DRS/PSB1 BASIS - DG-SG-1 (300) Physical Protection Program SIGNATURE _____/RA/_____ DATE: 05/22/08</p> |
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W. Levis

This report documents three findings of very low security significance (i.e., Green as determined by the Physical Protection Significance Determination Process). The program deficiencies were promptly corrected or compensated for, and the plant was in compliance with applicable physical protection and security requirements within the scope of this inspection before the inspectors left the site. Two of the findings had a cross-cutting aspect in the area of Performance Identification and Resolution P.1(a) and P.1(c). Additionally, two licensee - identified violations which were determined to be of very low safety significance are listed in this report. However, because of the very low safety significance and because they were entered into your corrective action program, the NRC is treating these violations as non-cited violations (NCVs) consistent with Section VI.A.1 of the NRC Enforcement Policy. If you contest 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 Nuclear Regulatory Commission, ATTN.: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator Region I; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at the Salem and Hope Creek Generating Stations.

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 information contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of 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 the 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).

Sincerely,

/RA/

James M. Trapp, Chief
Plant Support Branch 1
Division of Reactor Safety

Docket Nos. 50-72, 50-311, 50-354
License Nos. DPR-70, DPR-75, NPF-57

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W. Levis

This report documents three findings of very low security significance (i.e., Green as determined by the Physical Protection Significance Determination Process). The program deficiencies were promptly corrected or compensated for, and the plant was in compliance with applicable physical protection and security requirements within the scope of this inspection before the inspectors left the site. Two of the findings had a cross-cutting aspect in the area of Performance Identification and Resolution P.1(a) and P.1(c). Additionally, two licensee - identified violations which were determined to be of very low safety significance are listed in this report. However, because of the very low safety significance and because they were entered into your corrective action program, the NRC is treating these violations as non-cited violations (NCVs) consistent with Section VI.A.1 of the NRC Enforcement Policy. If you contest 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 Nuclear Regulatory Commission, ATTN.: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator Region I; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at the Salem and Hope Creek Generating Stations.

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Sincerely,
/RA/
James M. Trapp, Chief
Plant Support Branch 1
Division of Reactor Safety

Docket Nos. 50-72, 50-311, 50-354
License Nos. DPR-70, DPR-75, NPF-57

SUNSI Review Complete: JMT (Reviewer's Initials)

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|--------|----------------|--------------------|--------------|--------------|------------|
| OFFICE | RI/DRS | RI/DRS | RI/DRS | RI/DRP | RI/DRS |
| NAME | JCherubini/JRC | PFrechette/JRC for | WSchmidt/WLS | ABurritt/ALB | JTrapp/JMT |
| DATE | 05/19/08 | 05/20/08 | 05/20/08 | 05/19/08 | 05/22/08 |

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W. Levis

Non-Public Enclosure: Inspection Report 0500272/2008402, 05000311/2008402 and
05000354/2008402 w/Attachment: Supplemental Information
(CONTAINS SAFEGUARDS INFORMATION (SGI))

cc w/encl; w/SGI:

M. Bruecks, Site Security Director
R. Canas, Director, NJ Office of Homeland Security & Preparedness
P. Baldauf, Assistant Director, NJ Radiation Protection Programs
H. Otto, DE Div of Natural Resources & Environmental Control

cc w/o encl:

T. Joyce, Senior Vice President, Operations
G. Barnes, Site Vice President
K. Chambliss, Director, Nuclear Oversight
J. Spears, Acting Director of Finance
J. Perry, Hope Creek Plant Manager
J. Keenan, General Solicitor, PSEG
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L. Peterson, Chief of Police and Emergency Management Coordinator
N. Cohen, Coordinator - Unplug Salem Campaign
E. Zobian, Coordinator - Jersey Shore Anti Nuclear Alliance

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