



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

REGION III  
2443 WARRENVILLE ROAD, SUITE 210  
LISLE, IL 60532-4352

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September 8, 2009

EA-09-217

Mr. David A. Heacock  
President and Chief Nuclear Officer  
Dominion Energy Kewaunee, Inc.  
Innsbrook Technical Center  
5000 Dominion Boulevard  
Glen Allen, VA 23060-6711

**SUBJECT: NRC SECURITY INSPECTION REPORT 05000305/2009406; PRELIMINARY  
GREATER THAN GREEN INSPECTION FINDINGS FOR KEWAUNEE  
POWER STATION**

Dear Mr. Heacock:

On August 27, 2009, the U.S. Nuclear Regulatory Commission (NRC) completed a security inspection at your Kewaunee Power Station. 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 August 27, 2009, with Mr. M. Crist and other members of your staff.

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

The attached report documents findings that have the potential for significance of greater than very low security significance (i.e., greater than Green as determined by the Security Significance Determination Process (SDP)).

The 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. One or more of the findings had a cross-cutting aspect in the

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area of Human Performance because an approved training process for the Special Nuclear Material accountability engineer did not exist (H.2(b)).

The finding is also an apparent violation of NRC requirements and is being considered for escalated enforcement action in accordance with Enforcement Policy, which can be found on the NRC's website at <http://www.nrc.gov/reading-rm/doc-collections/enforcement>.

In accordance with NRC Inspection Manual Chapter (IMC) 0609, we intend to complete our evaluation using the best available information and issue our final determination of security significance within 90 days of the date of this letter. The significance determination process encourages an open dialogue between the NRC staff and the licensee; however, the dialogue should not impact the timeliness of the staff's final determination.

Before we make a final decision on this matter, we are providing you with an opportunity (1) to attend a Regulatory Conference where you can present to the NRC your perspective on the facts and assumptions the NRC used to arrive at the finding and assess its significance, or (2) submit your position on the finding to the NRC in writing. If you request a Regulatory Conference, it should be held within 30 days of the receipt of this letter and we encourage you to submit supporting documentation at least one week prior to the conference in an effort to make the conference more efficient and effective. In the interest of protecting sensitive, security-related information, if a Regulatory Conference is held, it will not be open for public observation. If you decide to submit only a written response, such submittal should be sent to the NRC within 30 days of your receipt of this letter. If you decline to request a Regulatory Conference or to submit a written response, you relinquish your right to appeal the final SDP determination, in that by not doing either, you fail to meet the appeal requirements stated in the Prerequisite and Limitation sections of Attachment 2 of IMC 0609.

Please contact Mr. Michael Kunowski at (630) 829-9618 and in writing within 10 days from the issue date of this letter to notify the NRC of your intentions. If we have not heard from you within 10 business days, we will continue with our significance determination and enforcement decision. The final resolution of this matter will be conveyed in separate correspondence.

Because the NRC has not made a final determination in this matter, no Notice of Violation is being issued for these inspection findings at this time. In addition, please be advised that the number and characterization of the apparent violations described in the enclosed inspection report may change as a result of further NRC review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>. 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.

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Because this issue involves security-related information, your response, should you choose to respond in writing, will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>. Mark your entire response "Proprietary Information 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/*

K. Steven West, Director  
Division of Reactor Projects

Docket No. 50-305  
License No. DPR-43

Nonpublic Enclosure: Inspection Report 05000305/2009406  
w/Attachment: Supplemental Information

cc w/encl: S. Coker, NSIR/DSO/DDSO/STSB

cc w/o encl: S. Scace, Site Vice President  
M. Wilson, Director, Nuclear Safety and Licensing  
C. Funderburk, Director, Nuclear Licensing and  
Operations Support  
T. Breene, Manager, Nuclear Licensing  
L. Cuoco, Senior Counsel  
D. Zellner, Chairman, Town of Carlton  
J. Kitsembel, Public Service Commission of Wisconsin  
P. Schmidt, State Liaison Officer

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cc w/o encl: S. Scace, Site Vice President  
M. Wilson, Director, Nuclear Safety and Licensing  
C. Funderburk, Director, Nuclear Licensing and Operations Support  
T. Breene, Manager, Nuclear Licensing  
L. Cuoco, Senior Counsel  
D. Zellner, Chairman, Town of Carlton  
J. Kitsembel, Public Service Commission of Wisconsin  
P. Schmidt, State Liaison Officer

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Letter to D. Heacock from K. West dated September 8, 2009

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POWER STATION

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