

March 1, 2010

EA-10-034

Mr. John Herron
President, CEO and CNO
Entergy Nuclear Operations
1340 Echelon Parkway
Jackson, MS 39213

SUBJECT: DEMAND FOR INFORMATION

Dear Mr. Herron:

The Nuclear Regulatory Commission (NRC) has been monitoring the activities between Entergy and the State of Vermont regarding the veracity of statements made by Entergy officials and staff to the State related to underground piping at the Vermont Yankee Nuclear Power Station. On February 24, 2010, Entergy verbally informed the NRC of actions that Entergy has taken regarding certain employees, including some who were removed from their site positions at Vermont Yankee and placed on administrative leave, as a result of its independent internal investigation into alleged contradictory or misleading information provided to the State of Vermont that was not corrected. While the NRC does not have jurisdiction over communications between Entergy and the State of Vermont, the NRC is aware that some of these individuals have responsibilities that involve decision-making communications that are material to the NRC and/or involve NRC-regulated activities, such as Regulatory Licensing, Security, and Emergency Preparedness Programs.

The NRC relies on licensees to provide complete and accurate information in order to make certain licensing and oversight decisions, as required by Title 10 of the Code of Federal Regulations (CFR) 50.9. To date, the NRC has not identified any instances in which Entergy staff or officials have provided incomplete or inaccurate information to the NRC. However, in light of the above, the NRC requires additional information from Entergy, as summarized in the enclosed Demand for Information, to confirm that information provided by these individuals is accurate and the impact of the recent personnel changes is assessed with regards to regulatory program performance and safety culture. Additionally, the NRC will independently review and assess the results of Entergy's independent investigation, and determine any implications on NRC-regulated activities at the facility.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response 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 Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary

information is necessary to provide an acceptable response, please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information.

If you request withholding of such information, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection, described in 10 CFR 73.21.

Sincerely,

/RA/

Roy P. Zimmerman
Director, Office of Enforcement

Docket No. 05000271
License No. DPR-28

Enclosure: Demand for Information

cc: via Listserve

information is necessary to provide an acceptable response, please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information.

If you request withholding of such information, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection, described in 10 CFR 73.21.

Sincerely,

/RA/

Roy P. Zimmerman
Director, Office of Enforcement

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SUNSI Review Complete: MMM (Reviewer's Initials)

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	Docket No. 05000271
Entergy Nuclear Operations)	License No. DPR-28
Vermont Yankee Nuclear Power Station)	EA-10-034

DEMAND FOR INFORMATION

I

Entergy Nuclear Operations (Entergy) is the holder of Facility Operating License No. DPR-28, issued by the Nuclear Regulatory Commission (NRC) pursuant to 10 CFR Part 50 on February 28, 1973. The license authorizes the operation of the Vermont Yankee Nuclear Power Station (Vermont Yankee) in accordance with conditions specified therein. The facility is located in Vernon, Vermont.

II

The NRC has been monitoring the activities between Entergy and the State of Vermont regarding the veracity of statements made by Entergy officials and staff to the State related to underground piping at Vermont Yankee. On February 24, 2010, Entergy verbally informed the NRC of actions that Entergy has taken regarding certain employees, including some who were removed from their site positions at Vermont Yankee and placed on administrative leave, as a result of its independent internal investigation into alleged contradictory or misleading information provided to the State of Vermont that was not corrected. While the NRC does not have jurisdiction over the communications between Entergy and the State of Vermont, the NRC is aware that some of these individuals have responsibilities that involve decision-making

communications material to the NRC and/or involve NRC-regulated activities, such as Regulatory Licensing, Security, and Emergency Preparedness Programs.

III

The NRC relies on licensees to provide complete and accurate information in order to make certain licensing and oversight decisions, as required by Title 10 of the Code of Federal Regulations (CFR) 50.9. To date, the NRC has not identified any instances in which Entergy staff or officials have provided incomplete or inaccurate information to the NRC. However, in light of the above, the NRC requires additional information from Entergy to confirm that information provided by these individuals is accurate and the impact of the organizational changes is assessed in the areas of regulatory program performance and safety culture. In addition, Entergy has not provided the NRC with information describing how the recent personnel changes resulting from the independent internal investigation will affect Entergy's ability to implement NRC-regulated programs at Vermont Yankee, and any compensatory measures Entergy has taken in response. The NRC will independently review and assess the results of Entergy's independent investigation, and determine any implications on NRC-regulated activities at the facility.

IV

Accordingly, pursuant to Sections 161c, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.204 and 10 CFR 50.54(f), in order for the Commission to determine whether Vermont Yankee's license should be modified, suspended, or revoked, or other enforcement action taken to ensure compliance with NRC

regulatory requirements, Entergy is required to submit to the Regional Administrator, NRC Region I, 475 Allendale Road, King of Prussia, PA, 19406 (with copies to the Director, Office of Enforcement and to the Assistant General Counsel for Materials Litigation and Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001), within 30 days of the date of this Demand for Information, the following information, in writing, and under oath or affirmation:

- a. Information regarding whether communications over the past five years to the NRC by the aforementioned employees that were material to NRC-regulated activities were complete and accurate, and the basis for that conclusion. The communications shall include, but not be limited to, required reports to the NRC, interactions with NRC inspection staff, and submittals to support NRC licensing decisions, including the license renewal process. The information shall also describe any impacts on safety and security for any communications to the NRC found to be incomplete or inaccurate.
- b. Any corrective actions or compensatory measures taken or planned to address any incomplete or inaccurate communications provided to the NRC by the aforementioned employees identified by your review conducted in response to Item 1.
- c. A description of how, in light of the organizational changes made in response to the independent internal investigation, Entergy is providing for appropriate implementation of NRC-regulated programs (e.g., Regulatory Licensing, Security, Emergency Preparedness, etc.)

- d. A description of how Entergy is identifying and responding to any adverse implications to the Vermont Yankee site safety culture as a result of this investigation, its findings, and the actions taken regarding the aforementioned employees.

5. Confirmation that Entergy intends to make the independent internal investigation available to the NRC to allow the NRC to independently evaluate Entergy's investigation for any impact on NRC-regulated activities.

The Director, Office of Enforcement, may relax or rescind any of these items for good cause shown.

V

After reviewing your response, the NRC will determine whether further action is necessary to ensure compliance with regulatory requirements.

Dated at Rockville, Maryland, this 1st day of March, 2010

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Roy P. Zimmerman, Director
Office of Enforcement