



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PA 19406-1415

June 17, 2010

EA-10-034

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

SUBJECT: VERMONT YANKEE NUCLEAR POWER STATION –
CLOSURE OF DEMAND FOR INFORMATION

Dear Mr. Herron:

This letter refers to the Demand for Information (DFI) (ML100570237)¹ issued by the U.S. Nuclear Regulatory Commission (NRC) on March 1, 2010, to Entergy Nuclear Operations, Inc. (Entergy). On February 24, 2010, Entergy verbally notified the NRC that it had taken actions regarding certain employees, including some who were removed from their site positions at the Vermont Yankee Nuclear Power Station (Vermont Yankee) and placed on administrative leave, as a result of its investigation into alleged contradictory or misleading information, concerning Vermont Yankee, provided to the State of Vermont, which was not corrected. While the NRC does not have jurisdiction over the alleged contradictory or misleading information provided to the state, the NRC was aware that some of these individuals had responsibilities that involved decision-making communications that were material to the NRC and/or involved NRC-regulated activities. As a result, the NRC issued a DFI which required that Entergy: 1) confirm that 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 provide the basis for that conclusion; 2) describe corrective actions for any identified incomplete or inaccurate communications provided to the NRC by the aforementioned employees; 3) describe how appropriate regulatory program implementation is being provided for, in light of organizational changes resulting from Entergy's investigation; 4) describe how adverse implications to site safety culture resulting from Entergy's investigation are being identified and addressed; and 5) make the results of Entergy's investigation available to the NRC for review.

Entergy submitted its response to the DFI on March 31, 2010 (ML100910420). Entergy concluded, in part, that based on the results of its assessment, the information provided to the NRC by the aforementioned employees was complete and accurate. The NRC conducted independent inspections and reviews of the areas identified in the DFI to evaluate Entergy's response. The inspections and reviews were conducted by a team of nineteen regional and headquarters staff members, including regional inspectors, licensing reviewers, qualified safety

¹ Designation in parentheses refers to an Agencywide Documents Access and Management System (ADAMS) accession number. Documents referenced in this letter are publicly-available using the accession number in ADAMS.

culture assessors, a special agent from the NRC Office of Investigations (OI), a senior enforcement specialist, and a regional counsel. The team conducted on-site inspections, personnel interviews, and document reviews. The NRC activities were conducted at Vermont Yankee, Entergy's Corporate White Plains, New York office, and the Philadelphia, Pennsylvania office of Morgan, Lewis & Bockius, LLP. The results of the inspection were discussed with Entergy at the Entergy White Plains office on June 11, 2010. On June 17, 2010, the NRC documented the results of the inspection in Inspection Report No. 05000271/2010007 (ML101680051).

Based on its independent review, the NRC inspection team concluded that: 1) Entergy information to and communications with the NRC, which were reviewed by the NRC and were material to the NRC and/or NRC-regulated activities, were complete and accurate; 2) because there were no instances in which incomplete or inaccurate information, that was material to the NRC and/or NRC-regulated activities, was provided by the aforementioned employees, no corrective actions were required; 3) in light of the organizational changes Entergy implemented as a result of its investigation, Entergy has provided for continued acceptable regulatory program performance at Vermont Yankee; 4) the Entergy investigation and resulting actions taken against the aforementioned employees did not have a negative impact on the site safety conscious work environment (SCWE), a key component of safety culture; and, 5) Entergy made its investigation available to the NRC for review.

Although the team identified no findings during its inspection, there were two observations noted in the report. One observation involved an instance, identified by Entergy, in which inaccurate information that was not material to NRC decision-making had been provided in a March 2005 response to a Request for Additional Information. The second observation involved an instance in an Entergy safety culture survey in which Entergy's initial follow-up of a respondent's interview was not appropriate, although subsequent licensee follow-up with the respondent indicated that there were no SCWE-related concerns. The NRC will follow up on Entergy's corrective actions initiated in response to these observations under the NRC's baseline inspection program.

As a result of the above, the NRC has determined that Entergy has met the requirements of the DFI and that no further NRC regulatory action concerning this matter is warranted. Therefore, I have been authorized, after consultation with the Director, Office of Enforcement, to issue this letter closing the DFI. Nonetheless, we emphasize the importance of the accuracy and completeness of information provided by licensees. The NRC relies on licensees to act with integrity and to communicate with candor. A failure to do so may raise questions about a licensee's commitment to safety or fundamental trustworthiness. Therefore, the NRC will continue to independently verify information and communications provided by Entergy (as with all licensees) in accordance with our regulatory process.

J. Herron

3

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response (if any) will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of the NRC's document system (ADAMS). ADAMS is accessible from the NRC Web Site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,


Samuel J. Collins
Regional Administrator

Docket No. 50-271
License No. DPR-28

cc: Distribution via ListServ

J. Herron

3

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response (if any) will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of the NRC's document system (ADAMS). ADAMS is accessible from the NRC Web Site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,
/RA/
Samuel J. Collins
Regional Administrator

Docket No. 50-271
License No. DPR-28

Distribution: (via e-mail)

S. Collins, RA
M. Dapas, DRA
K. Farrar, ORA
D. Lew, DRP
J. Clifford, DRP
D. Roberts, DRS
P. Wilson, DRS
J. White, DRS
D. Jackson, DRP
T. Setzer, DRP
K. Heater, DRP
H. Balian, DRP
D. Spindler, DRP, SRI
H. Jones, DRP, RI
J. Heinly, DRP

A. Rancourt, DRP
L. Trocine, OEDO
M. Barkman, OGC
N. Salgado, NRR
D. Pelton, NRR
J. Kim, PM, NRR
ROPreports.Resource@nrc.gov
Region I Docket Room (with concurrences)
RIDSEDOMAILCENTER RESOURCE
RIDSOGMAILCENTER RESOURCE
RIDSNNRRMAILCENTER RESOURCE
R1ORAMAIL RESOURCE
R1DRPMAIL RESOURCE
R1DRSMAIL RESOURCE

DOCUMENT NAME: G:\DRP\BRANCH5\1-VY\DFI\DFI Closeout Letter Draft.doc
SUNSI Review Complete: MMM (Reviewer's Initials) ML101670271
After declaring this document "An Official Agency Record" it will be released to the Public.

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	RI/OR	RI/DRP	RI/DRS	RI/DRP	RI/OR	RI/RA
NAME	M McLaughlin/ MMM*	D Jackson/DEJ*	D Roberts/ P Wilson for*	D Lew/DCL*	D Holody / DJH*	K Farrar/KLF*
DATE	06/14/10	06/14/10	06/14/10	06/17/10	06/14/10	06/16/10
OFFICE	OE	OGC				RI/OR
NAME	R Zimmerman via email	M Barkman NLO via email				S Collins
DATE	06/15/10	06/15/10				06/17/10

* See concurrence on previous sheet

OFFICIAL RECORD COPY