OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION

July 27, 2010

Mr. Thomas P. Joyce President and Chief Nuclear Officer PSEG Nuclear LLC P.O. Box 236 Hancock's Bridge, NJ 08038

SUBJECT: HOPE CREEK GENERATING STATION - NRC MATERIAL CONTROL AND

ACCOUNTING PROGRAM INSPECTION REPORT NO. 05000354/2010404

ACCOUNTING FROGRAM MOPEOTION REPORT NO. 03000334/2010404

Dear Mr. Joyce:

On July 21, 2010, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Hope Creek Generating Station. The inspection covered one 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 July 21, 2010, with Mr. Tom Valcich, Director of Nuclear Fuels, 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 inspector reviewed selected procedures and records, observed activities, and interviewed personnel.

Based on the results of this inspection, no findings were identified.

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 the NRC's Agencywide Documents Access and Management 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.

When separated from the Enclosure, this document is DECONTROLLED.

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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/

Raymond J. Powell, Chief

Technical Support and Assessment Branch

Division of Reactor Projects

Docket Nos: 50-354 License Nos: NPF-57

Nonpublic Enclosure:

NRC Inspection Report 05000354/2010404

w/Attachment: Supplemental Information

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F. Fisher-Tyler, SLO, State of Delaware

P. Baldauf, Assistant Director, NJ Radiation Protection Programs

K. Reuther, DE Homeland Security Advisor

C. McKenna, Director, Office of Homeland Security & Preparedness, State of NJ

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