

*Release all - proposed resolutions are
not justified - info is in NRC notes
at 10 CFR 73.1 and 73.5*

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May 14, 2009

Mr. Charles G. Pardee
Senior Vice President, Exelon Generation Company, LLC
President and Chief Nuclear Officer (CNO), Exelon Nuclear
4300 Winfield Road
Warrenville IL 60555

SUBJECT: CLINTON POWER STATION
NRC SECURITY BASELINE INSPECTION REPORT 05000461/2009402(DRS)

Dear Mr. Pardee:

On April 10, 2009, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Clinton Power Station and Exelon Nuclear Corporate Office. 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 10, 2009, with Mr. F. A. Kearney 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.

No findings of significance 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 System (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns 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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A/7

C. Pardee

-2-

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

/RA/

Eric Duncan, Chief
Plant Support Branch
Division of Reactor Safety

Docket Nos. 50-461
License Nos. NPF-62

Nonpublic Enclosure: Inspection Report 05000461/2009402(DRS)
w/Attachment: Supplemental Information

cc w/encl: D. Riffle, NSIR/DSO/DDSO
J. Klinger, State Liaison Officer,
Illinois Emergency Management Agency
C. Williamson, Clinton Site Security Manager

cc w/encl: Site Vice President - Clinton Power Station
Plant Manager - Clinton Power Station
Manager Regulatory Assurance - Clinton Power Station
Senior Vice President - Midwest Operations
Senior Vice President - Operations Support
Vice President - Licensing and Regulatory Affairs
Director - Licensing and Regulatory Affairs
Manager Licensing - Clinton, Dresden and Quad Cities
Associate General Counsel
Document Control Desk - Licensing
Assistant Attorney General
Chairman, Illinois Commerce Commission

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Plant Manager - Clinton Power Station
Manager Regulatory Assurance - Clinton Power Station
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Manager Licensing - Clinton, Dresden and Quad Cities
Associate General Counsel
Document Control Desk - Licensing
Assistant Attorney General
Chairman, Illinois Commerce Commission

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U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket No: 05000461

License No: NPF-62

Report No: 05000461/2009402(DRS)

Licensee: Exelon Generation Company, LLC

Facility: Clinton Power Station

Location: Clinton, Illinois

Dates: January 20 through 22, 2009 (Exelon Nuclear Corporate)
April 6 through 10, 2009 (On-site)

Inspectors: T. Eck, Physical Security Inspector
D. Funk, Senior Projects Specialist
G. Hansen, Physical Security Inspector
M. Martin, Physical Security Inspector

Approved by: E. Duncan, Chief
Plant Support Branch
Division of Reactor Safety

Enclosure

SUMMARY OF FINDINGS

IR 05000461/2009402(DRS); 01/20/2009 – 01/22/2009, Exelon Nuclear Corporate;
04/06/2009 - 04/10/2009; Clinton Power Station; Routine Security Baseline Inspection.

This report covers a 2-week period of announced routine baseline inspection on security. The inspection was conducted by four Region III physical security inspectors. No findings of significance were identified. The NRC's program for overseeing the safe operation of commercial nuclear power reactors is described in NUREG-1649, "Reactor Oversight Process."

A. Inspector-Identified and Self-Revealed Findings

Cornerstone: Physical Protection

No findings of significance were identified.

B. Licensee-Identified Violations

None.

REPORT DETAILS

3. SAFEGUARDS

Cornerstone: Physical Protection (PP)

S01 Access Authorization (71130.01)

a. Inspection Scope

The inspectors evaluated this area by: reviewing program procedures, implementing procedures, and records; and conducting interviews with responsible personnel and plant employees.

The inspectors verified the licensee's access authorization program: (1) complied with the NRC-approved security plan and other regulatory requirements; (2) provided high assurance that personnel granted unescorted access were trustworthy, reliable, and did not constitute an unreasonable risk to public health and safety, or the common defense and security; (3) established a behavioral observation program that provided high assurance of continued reliability and trustworthiness of personnel with unescorted access; and (4) implemented the provisions of the insider mitigation program to effectively mitigate against the active and active violent insider.

The inspectors conducted the following inspection activities:

- reviewed and evaluated licensee event reports, safeguards log entries, and corrective action documents dated between March 2008 and April 2009 which were associated with Access Authorization (no licensee event reports were documented);
- verified for access authorization implementing procedures that the licensee:
 - (a) implemented a method which ensured all individuals who maintained unescorted access to the Protected Area (PA), including supervisors and escorts, were subject to a behavioral observation program and received behavior observation training;
 - (b) developed and implemented procedures and processes for all categories of unescorted access;
 - (c) developed and implemented procedures that provided details on behavioral observation training;
 - (d) developed and implemented procedures that described how the licensee protects personal information maintained in the licensee's personnel information management system and that the records on which the access authorization was based or denied had been retained for the duration of the unescorted access or for 5 years following access denial or access termination;
 - (e) developed, implemented, and maintained procedures to ensure that personnel denied unescorted access after January 1, 1997, were included in a common industry database;
 - (f) developed, implemented, and maintained procedures to ensure that individuals performing background investigations met criteria consistent with the requirements for persons undergoing background investigations; and
 - (g) developed, implemented, and maintained procedures and training for ensuring that persons granted unescorted access were aware and remained

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aware of their responsibility to report arrests, were knowledgeable about the elements of the behavioral observation program, and were notified in writing of their responsibilities;

- verified for granting unescorted access that the licensee: (a) developed, implemented, and maintained access authorization categories and processes for determinations regarding initial unescorted access, updated unescorted access, and reinstatement of unescorted access; (b) implemented adequate provisions to obtain sufficient information to determine the true identity of applicants for unescorted access; (c) conducted employment and/or education verifications and suitable inquiries within the required time constraints; (d) required applicants to undergo professionally accepted and standardized psychological evaluations as required; (e) ensured that any psychological abnormality identified during the process resulted in a clinical review by a licensed psychologist or psychiatrist and, as applicable, a medical review by a medical practitioner; (f) reviewed and evaluated the Federal Bureau of Investigation's criminal history record before authorizing unescorted access; (g) conducted an assessment of trustworthiness and reliability before authorizing unescorted access; (h) reviewed credit history summaries for the entire period covered by the credit history summary; (i) implemented extended inquiries for credit history summaries to determine fraud or misuse of social security numbers or other financial identifiers; (j) compared the data in the credit history summary with information contained in the applicant's personal history questionnaire to validate the information provided by the applicant; (k) appropriately implemented the standard of best effort associated with the verification of past or present employment information of the applicant; (l) appropriately implemented the requirements for submitting fingerprints, including the restrictions on requesting name searches; (m) effectively implemented a pre-access drug and alcohol testing program for persons requesting unescorted access and a random drug and alcohol testing program for persons maintaining unescorted access; and (n) conducted a holistic review of the information developed in making an access authorization decision;
- verified that the licensee had provisions in place to reassess and reevaluate, on the day of discovery, information received by or provided to the licensee on the day of discovery that may have had an effect on the trustworthiness or reliability of a person with unescorted access authorization;
- verified for the common industry database that the licensee: (a) developed, implemented, and maintained a method to ensure individuals who have unescorted access authorization are identifiable in an industry-wide database, which is accessible by other NRC-licensed facilities; (b) included in the industry-wide database, personnel who have been denied access for a certain period; (c) developed, implemented, and maintained procedures to ensure that personnel who are denied access have been included in an industry-wide database; (d) implemented measures to ensure the timely entry of information into the common industry database needed for a licensee to make an informed access authorization decision; (e) denied access to the PA to personnel who have been denied access based on NRC requirements; (f) ensured that personnel with unescorted access authorization who are in a licensee or contractor/vendor follow-up program are identified to enable continuation of the

follow-up activities by the receiving licensee; (g) developed, implemented, and maintained backup manual procedures and processes for sharing information; and (h) ensured that personnel potentially affected by any licensee violation of any 10 CFR Part 26 program element are identified to any licensee having taken credit for the activities of the licensee in violation and to any licensee who may attempt to take credit for the activities of the licensee in violation;

- verified for the reinvestigations that the licensee: (a) performed reinvestigations of all personnel having unescorted access to NRC-licensed facilities as required; and (b) developed, implemented, and maintained criteria for individuals performing background investigations, and ensured that the criteria were consistent with the requirements for those undergoing background investigations;
- verified for the insider threat and mitigation that the licensee: (a) reassessed and re-approved personnel access lists for Vital Areas (VA) at the prescribed frequency to confirm that personnel on the VA access list had a continued need to access VA; (b) screened individuals on personnel access lists to ensure that they had a "continued need" for access to VA, not just a possibility of needing unescorted access at some undefined time in the future; (c) implemented provisions for conducting psychological reassessments for critical group members at intervals not to exceed 5 years; (d) implemented provisions for conducting and reviewing annual supervisory reviews; (e) maintained a training program for security personnel that ensured security personnel recognized obvious indications of tampering, and that these conditions were reported in a timely manner and compensated where appropriate; and (f) maintained a training program for operations personnel that ensured personnel were alert to changes in configurations that indicated possible tampering and that these conditions were reported in a timely manner and compensated where appropriate;
- verified for the licensee's behavioral observation program that the licensee: (a) designed its program to ensure recognition of behaviors adverse to the safe operation and security of the facility; (b) documented behavioral observation program training and refresher training; (c) established provisions for initial and annual re-qualification behavior observation training for both the employees and their supervisors that were off-site to maintain unescorted access; and (d) included a method to validate the implementation of the licensee's behavior observation program for off-site employees who maintained unescorted access;
- verified for its personnel information management system that the licensee: (a) developed, implemented, and maintained a personnel information management system to protect personal and confidential information; (b) provided protection of information stored or transmitted in electronic format; and (c) designed its system to prohibit unauthorized access to the information and to prohibit modification of the data without proper authorization; and
- verified for safeguards information that the licensee: (a) developed, implemented, and maintained procedures to control access authorization to safeguards information; and (b) if appropriate, developed, implemented, and maintained procedures to control access authorization to safeguards information at contractor facilities.

The inspectors reviewed access authorization-related issues during baseline inspection activities to verify that they were being entered into the licensee's corrective action system at an appropriate threshold, that adequate attention was being given to timely corrective actions, and that adverse trends were identified and adequately addressed.

The inspectors completed 48 of the required 48 samples.

b. Findings

No findings of significance were identified.

S02 Access Control (71130.02)

a. Inspection Scope

The inspectors evaluated this area by: reviewing program procedures, implementing procedures, and records; conducting interviews with responsible personnel and plant employees; and performing walkdowns.

The inspectors verified that: (1) the licensee's Access Control program complied with the NRC-approved security plan and regulatory requirements; (2) the licensee had control measures and equipment in place to detect and prevent the introduction of contraband into the PA; and (3) the licensee's identification and authorization processes ensured that only those personnel that have been properly screened are granted unescorted access to the PA and VA.

The inspectors conducted the following specific inspection activities:

- reviewed and evaluated licensee event reports, safeguards log entries and corrective action documents dated between March 2008 and April 2009 which were associate with Access Control (no licensee event reports were documented);
- verified that: (a) the licensee had a procedure that adequately described the method to immediately notify security to block badges for personnel who have had their access suspended; (b) individuals responsible for implementing personnel access denial procedures were knowledgeable of how to effectively implement the procedures; (c) identified procedure changes have not reduced the effectiveness of any of the security plans; and (d) the licensee implemented and maintained measures, as necessary, to protect badging and/or other access control activities;
- verified that: (a) in-processing searches of personnel, packages, and vehicles at access locations during peak ingress times were performed in compliance with established procedures; (b) any collateral duty that security personnel conducting access control or search activities may perform did not adversely impact their ability to perform their primary duty in accordance with the security plan and implementing procedures; (c) the licensee had sufficient staffing for processing personnel and equipment at the access control points in accordance with the

security plan and implementing procedures; and (d) the licensee properly implemented processes for control of packages and materials, and for material that was exempted from search;

- verified that the licensee manually controlled access to VAs when electronic controls were not in service; and
- verified that: (a) the licensee had a program in place for controlling and accounting for hard keys to PA and VA, and for the replacement or changing of lock cores if a key was lost or compromised; (b) personnel granted escorted access to the PA were badged to indicate that an escort was required; had registered his or her name, date, time, purpose of visit, employment affiliation, citizenship, and name of the individual visited; and the licensee had records of the escorted access retained for 3 years; (c) the licensee had control of all locations (designed and used for access) where packages, personnel, and vehicles could be brought into the protected area; (d) access control personnel identified authorized packages and could identify unauthorized packages and materials; and (e) the licensee implemented and maintained control functions for vehicles delivering hazardous material within the site's PA.

The inspectors routinely reviewed access control program-related issues during baseline inspection activities to verify that they were being entered into the licensee's corrective action system at an appropriate threshold, that adequate attention was being given to timely corrective actions, and that adverse trends were identified and adequately addressed.

The inspectors completed 16 of the required 16 samples.

b. Findings

No findings of significance were identified.

4OA1 Performance Indicator Verification (71151)

Cornerstone: Physical Protection

.1 Safeguards Strategic Area

a. Inspection Scope

The inspectors sampled licensee submittals for the performance indicator (PIs) listed below for the period from March 2008 through April 2009. To verify the accuracy of the PI data reported during that period, PI definitions and guidance contained in NEI 99-02, "Regulatory Assessment Performance Indicator Guideline," Revision 5, was used to verify the basis for reporting each data element. A sample of plant reports related to security events, and security shift activity logs were also reviewed. The following PI was reviewed:

- Protected Area Security Equipment.

The inspectors completed 1 of the required 1 sample.

b. Findings

No findings of significance were identified.

4OA6 Meetings

Exit Meeting

The inspectors presented the inspection results to Mr. F. A. Kearney and other members of licensee management at the conclusion of the inspection on April 10, 2009. The inspectors asked the licensee whether any materials examined during the inspection should be considered proprietary. No proprietary information was identified.

ATTACHMENT: SUPPLEMENTAL INFORMATION

SUPPLEMENTAL INFORMATION

KEY POINTS OF CONTACT

Licensee

F. Kearney, Site Vice President
M. Kanavos, Plant Manager
M. Hiter, Security Analyst
S. Gackstetter, Regulatory Assurance Manager
C. Williamson, Security Manager
J. Waddell, Security Supervisor
D. Montgomery, Access Authorization

Nuclear Regulatory Commission

B. Kemker, Senior Resident Inspector
D. Lords, Resident Inspector

LIST OF ITEMS OPENED, CLOSED, AND DISCUSSED

Opened, Closed, and Discussed

None

LIST OF DOCUMENTS REVIEWED

The following is a list of documents reviewed during the inspection. Inclusion on this list does not imply that the NRC inspector reviewed the documents in their entirety but rather that selected sections or portions of the documents were evaluated as part of the overall inspection effort. Inclusion of a document on this list does not imply NRC acceptance of the document, or any part of it, unless this is stated in the body of the inspection report.

S01 Access Authorization (71130.01)

<u>Number</u>	<u>Description or Title</u>	<u>Date or Revision</u>
	Clinton Power Station Security Plan (SGI)	5
SY-AA-103-500	Access Authorization Program	8
SY-AA-103-501	Access Authorization Categories and Requirements	7
SY-AA-103-502	Processing of Personal History Questionnaire	6
SY-AA-103-503	Psychological Assessments	5
SY-AA-103-504	Review of Background Investigation and Unescorted Access Denial Appeal	9
SY-AA-103-506	Utilizing the Personnel Access Database System (PADS)	10
SY-AA-103-507	Review Criteria for Unescorted Access	18
SY-AA-103-508	Conducting Background Investigations	4
SY-AA-103-509	Protection of Personal Information	4
SY-AA-103-510	Critical Group Security Requirements	0
SY-AA-103-511	Request for Unescorted Access	18
SY-AA-103-513	Behavior Observation Program	6
SY-AA-103-514	Fabrication of Security Badges	13
SY-AA-103-517	Inprocessing of Personnel (Employer and Contractor)	6
SY-AA-103-518	Outprocessing of Personnel (Employer and Contractor)	11
NOSA-NCS-09-03 (AR 855534)	Security Plan, FFD, Access Authorization, and PADS Audit Report	January 5, 2009 January 9, 2009
QAA/2255-08-01 VEQ-2008-80	Exelon Corporate Access Authorization Audit: NE 2008-015 for Illinois Emergency Management Agency- Division of Nuclear Safety, Progress energy NEI Access Authorization and FFD Audit Follow-up	May 6, 2008 July 2, 2008
LS-AA-126-1001	FASA Self-Assessment	January 26, 2009
	Sample Access Authorization Records (Initials)	
	Sample Access Authorization Records (Updates)	

<u>Number</u>	<u>Description or Title</u>	<u>Date or Revision</u>
	Sample Access Authorization Records (Reinstatements 31-365 days)	
	Sample Access Authorization Records (Reinstatements 30 days or less)	
	Sample Access Authorization Records (3-5 year)	
	Sample Nuclear Generating Employee Training (NGET) Records	
	Sample Annual Supervisor Reviews	
	Sample Security Training Lesson Plan (VA, PA Patrols)	00
	Corrective Action Program Reports (Security-Related);	March 2008 – April 2009
	Security Event Reports (SER);	March 2008 – April 2009

S02 Access Control (71130.02)

<u>Number</u>	<u>Description or Title</u>	<u>Date or Revision</u>
	Clinton Power Station Security Plan (SGI)	5
SY-AA-101-107	Control and Confiscation of Contraband or Prohibited Items	5
SY-AA-101-110	Maintaining Search Integrity between Stations	4
SY-AA-101-111-1002	Guidance Document for the Implementation of Safeguards Advisory Actions	6
SY-AA-101-112	Searching Personnel, Vehicles, Packages, and Cargo	13
SY-AA-101-113	Escorting Personnel and Vehicles	6
SY-AA-101-114	Processing Emergency Response Vehicles and Personnel	4
SY-AA-101-115	Controlling Gates	5
SY-AA-101-117	Routine Processing and Escorting of Personnel and Vehicles	15
SY-AA-101-118	Control of Badges	2
SY-AA-101-119	Control of Receiving Warehouses	3
SY-AA-101-120	Control of Security Keys and Cores	2
SY-AA-101-120	Attachment 1, Key Issuance Log	Sample
SY-AA-101-120	Attachment 2, Key Inventory	Sample
SY-AA-101-123	Searching Vehicles and Cargo/Material	8

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<u>Number</u>	<u>Description or Title</u>	<u>Date or Revision</u>
SY-AA-1013	General Guidance for Use of the Itemiser 3 Explosive Detector	2
SY-AA-103-511	Request for Unescorted Access	17
SY-AA-150-1001	Non-Member/Temporary Member of the Security Organization Individual Qualification Record (Sample)	Figure 5-5
SY-AA-101-125-1002	Weapons and Ammunition Control	2
	Security Key Inventory; Non-Issued P Key and Cores	2007-2009
	Security Key Inventory; V and P Key Inventory	2007-2009
LS-AA-125	Corrective Action Program (CAP) Procedure	11
	Corrective Action Program Reports (Security-Related)	March 2008 – April 2009
	Security Event Reports (SER)	March 2008 – April 2009
AR 00904201	AR Report (NRC Identified)	April 7, 2009
AR 00905200	AR Report (NRC Identified)	April 9, 2009

40A1 Performance Indicator Verification (71151)

<u>Number</u>	<u>Description or Title</u>	<u>Date or Revision</u>
NEI 99-02	Regulatory Assessment Performance Indicator Guideline	5
LS-AA-2160	Monthly (PI) Data Elements for Protected A Security Equipment Performance Index	4
	Exelon Security Monthly Performance Indicator Summary Report	March 2008 – April 2009
	Nuclear Security Performance Summary Report	March 2008 – April 2009
	SERs	March 2008 – April 2009

LIST OF ACRONYMS USED

CAP	Corrective Action Program
CFR	Code of Federal Regulations
DRS	Division of Reactor Safety
FASA	Focus Area Self-Assessment
FFD	Fitness-for-Duty
NOS	Nuclear Oversight
NRC	Nuclear Regulatory Commission
OCA	Owner-Controlled Area
PA	Protected Area
PI	Performance Indicator
VA	Vital Area
SER	Security Event Reports