

SAFEGUARDS INFORMATION

December 19, 2011

EA-11-269

Mr. Thomas Joyce, President and CNO
PSEG Nuclear, LLC
P.O. Box 236 N-09
Hancocks Bridge, NJ 08038

SUBJECT: NRC SECURITY INSPECTION REPORT 05000272/2012201,
05000311/2012201 AND 05000354/2012201; PRELIMINARY
GREATER-THAN-GREEN FINDING, SALEM AND HOPE CREEK NUCLEAR
GENERATING STATIONS

Dear Mr. Joyce:

This letter transmits a finding that has preliminarily been determined to be Greater-than-Green (i.e., a finding of greater than very low safety significance) that may result in the need for further evaluation to determine significance, and therefore the need for additional U.S. Nuclear Regulatory Commission (NRC) action. The finding is described in the enclosed inspection report. The finding assessed is based on the best available information using the Physical Security Significance Determination Process (SDP).

The licensee promptly implemented compensatory measures for the deficiency, and the site was in compliance with applicable physical protection and security requirements within the scope of the inspection before the inspectors left the site. The finding is also an apparent violation of NRC requirements and is being considered for escalated enforcement action in accordance with the 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 safety significance within 90 days of the date of this letter. The SDP 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 our final significance determination, we are providing you with an opportunity 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. The Regulatory Conference will be held within 30 days of the receipt of this letter and we encourage you to submit supporting documentation at least 1 week prior to the conference in an effort to make the conference more efficient and effective. In the interest of protecting sensitive,

<p>The enclosure transmitted herewith contains Safeguards Information. When separated from the enclosure, this transmittal document is decontrolled.</p>
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security-related information, the Regulatory Conference will not be open for public observation. If you decline to participate in a Regulatory Conference, you relinquish your right to appeal the final SDP determination, in that, you fail to meet the appeal requirements stated in the Prerequisite and Limitation sections of Attachment 2 of IMC 0609.

Please contact Mr. Robert C. Johnson, Branch Chief, at (301) 415-6640 and in writing within 10 business 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 a separate correspondence.

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

In accordance with Title 10 of the *Code of Federal Regulations* (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 component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

However, the material enclosed herewith contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material in the enclosure 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>. If Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21. Otherwise, if Security-Related Information is necessary to provide an acceptable response, please mark your entire response Security-Related Information in accordance with

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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/

James W. Clifford, Acting Director
Division of Security Operations
Office of Nuclear Security and Incident Response

Docket Nos.: 50-272, 50-311, and 50-354

License Nos.: DPR-70, DPR-75, and NPF-57

Enclosure: Inspection Report No. 05000272/2012201; 05000311/2012201; and
05000354/2012201

cc w/encl: M. Bruecks, Salem and Hope Creek Nuclear Generating Stations

cc w/o encl: C. Fricker, PSEG Nuclear, LLC
J. Perry, PSEG Nuclear, LLC
P. Duke, PSEG Nuclear, LLC

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D. Brady, NSIR SLES

ADAMS ACCESSION NO.: ML11342A013

OFFICE	NSIR/DSO/SPEB	TL:DSO/SPEB	RI	NSIR/DSO/SPEB	NSIR/DDSO	NSIR/DSO
NAME	C. Grigsby	K. Brooks	J. Trapp	R. Johnson	B. Westreich	J. Clifford
DATE	12/9/11	12/9/11	12/8/11	12/15/11	12/16/11	12/19/11

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