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UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
1600 EAST LAMAR BLVD
ARLINGTON, TEXAS 76011-4511

April 24, 2013

Louis Cortopassi, Vice President
and Chief Nuclear Officer
Omaha Public Power District
Fort Calhoun Station FC-2-4
P.O. Box 550
Fort Calhoun, NE 68023-0550

SUBJECT: FORT CALHOUN STATION - NRC IMC 0350 SECURITY INSPECTION
REPORT 05000285/2013405

Dear Mr. Cortopassi:

On March 14, 2013, the U.S. Nuclear Regulatory Commission (NRC) completed a supplemental inspection at your Fort Calhoun Station. The enclosed inspection report documents the inspection results, which were discussed on March 14, 2013, with you and other members of your staff.

In accordance with Inspection Manual Chapter (IMC) 0350, "Oversight of Reactor Facilities in a Shutdown Condition Due to Significant Performance and/or Operational Concerns," this supplemental inspection was performed to follow-up on performance issues which occurred in the first, second, and third quarter of 2011, and again during the second quarter of 2012. These issues were previously documented and assessed in NRC Inspection Reports 05000285/2011404, 05000285/2011406, and 05000285/2012403.

The objectives of this supplemental inspection were to provide assurance that: (1) the root causes and the contributing causes for the significant issues were understood; (2) the extent of condition and extent of cause of the issues were identified; and (3) corrective actions were or will be sufficient to address and preclude repetition of the root and contributing causes.

During this inspection, the NRC determined that your staff had not performed a comprehensive evaluation of the causes for the Greater-than-Green findings. Specifically, the team identified significant problems with your staff's collective evaluation of the events and the extent of cause reviews. This led the NRC to conclude that the fundamental performance issues within security, and their impact on security processes, have yet to be identified and corrected.

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L. Cortopassi

- 2 -

Based on these findings, the Greater-than-Green security violations will be held open until adequate causal analyses, extent of cause reviews, and corrective actions are completed by your staff, and are assessed by the NRC during a future inspection.

Additionally, nine NRC identified findings of very low security significance (i.e., Green as determined by the Physical Protection Significance Determination Process) were identified during this inspection. The deficiencies were promptly corrected or compensated for, and the plant was in compliance with applicable physical protection and security requirements within the scope of this inspection before the team left the area.

Nine of these findings were determined to involve violations of NRC requirements. Further, a licensee-identified violation which was determined to be of very low security significance is listed in this report. The NRC is treating these violations as noncited violations (NCVs) consistent with Section 2.3.2.a of the Enforcement Policy.

If you contest these violations or the significance of these NCVs, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator, Region IV; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspectors at Fort Calhoun Station

Seven cross-cutting aspects were assigned to the findings in the area of Human Performance, and two cross-cutting aspects were assigned in the area of Problem Identification and Resolution. Cross-cutting aspects were assigned in the area of Human Performance because your staff failed to: 1) make safety-significant decisions using a systemic process [H1.(a)]; 2) use conservative assumptions in decision making [H1.(b)]; 3) ensure the availability of complete, accurate, and up-to-date procedures [H.2(c)]; and 4) ensure the availability of adequate equipment [H2.(d)]. Cross-cutting aspects were assigned in the area of Problem Identification and Resolution because your staff failed to thoroughly evaluate problems such that the resolutions address causes and extent of conditions, as necessary [P1.(c)]. If you disagree with a cross-cutting aspect assignment in this report, you should provide a response within 30 days of the date of this inspection report, with the basis for your disagreement, to the Regional Administrator, Region IV; and the NRC Resident Inspectors at Fort Calhoun Station.

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 NRC's Agencywide Document 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 contains Security-Related Information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the PARS component of NRC's

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L. Cortopassi

- 3 -

ADAMS. If you choose to provide a response and Security-Related Information is necessary to provide an acceptable response, please mark your entire response "Security-Related Information – Withhold from public disclosure under 10 CFR 2.390" in accordance with 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/

Michael C. Hay, Chief
Project Branch F
Division of Reactor Projects

Docket No.: 50-285
License No.: DPR-40

Nonpublic Enclosure:
NRC Inspection Report 05000285/2013405
w/Attachment: Supplemental Information

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Manager, Site Security
Omaha Public Power District
Fort Calhoun Station
Mail Stop FC-2-1
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Blair, NE 68008

cc w/o enclosure:
Electronic Distribution for Fort Calhoun Station

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- 4 -

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