



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, IL 60532-4352

July 18, 2013

Mr. Michael J. Pacilio
Senior Vice President, Exelon Generation Company, LLC
President and Chief Nuclear Officer, Exelon Nuclear
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: BYRON STATION, UNITS 1 AND 2
INSPECTION OF TEMPORARY INSTRUCTION 2201/004, "INSPECTION OF
IMPLEMENTATION OF INTERIM CYBER SECURITY MILESTONES 1 – 7"
INSPECTION REPORT 05000454/2013408; 05000455/2013408

Dear Mr. Pacilio:

On July 8, 2013, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection at your Byron Station, Units 1 and 2. The inspection covered the interim cyber security Milestones 1 – 7 of the security cornerstone. The enclosed inspection report documents the inspection results, which were discussed on July 8, 2013, with Mr. Russ A. Kearney and other members of your staff.

The inspection examined activities conducted under your license as they relate to cyber security and compliance with the Commission's rules and regulations and with the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

Two NRC-identified findings of very low significance (Green) were identified during this inspection. The findings were determined to involve violations of NRC requirements. Further, a licensee-identified violation which was determined to be of very low significance (Green) is listed in Section 4OA7 of this report. The NRC is treating these violations as Non-Cited Violations (NCVs) consistent with Section 2.3.2 of the Enforcement Policy. However, in accordance with the Security Issues Forum (SIF) Charter, the NRC can exercise enforcement discretion during inspection of the interim cyber security measures for licensees who demonstrate a "good-faith interpretation and attempt to implement" Milestones 1 – 7. This discretion applies to licensees who have tried to implement the new requirements, but failed to be in full compliance. Before discretion is considered or granted for any issue, licensees must accept the finding, put the finding into their Corrective Action Program (CAP), and take appropriate corrective action once identified.

These issues were discussed and reviewed during the SIF Meeting conducted on June 19, 2013. The results of the SIF Panel review concluded that although these issues constituted violations of your facility operating license (FOL) and Title 10, Code of Federal Regulations

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M. Pacilio

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(CFR), Part 73, Section 54, "Protection of Digital Computer and Communication Systems and Networks," the NRC is not pursuing enforcement action because of your "good-faith" attempt to interpret and implement Milestones 1 – 7 and because of your prompt corrective actions to enter these issues into your CAP. Upon completion of all corrective actions, you are requested to provide written notification to the NRC's regional office as to the method and date of closure for the identified issue(s).

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). 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 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 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 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/

Robert C. Daley, Chief
Engineering Branch 3
Division of Reactor Safety

Docket Nos. 50-454 and 50-455
License Nos. NPF-37 and NPF-66

Nonpublic Enclosure: Inspection Report 05000454/2013408; 05000455/2013408
w/Attachment: Supplemental Information

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M. Pacilio

-2-

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