



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

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

March 11, 2014

EA-14-027

Mr. William L. Berg
President and Chief Executive Officer
Dairyland Power Cooperative
3200 East Avenue South
P.O. Box 817
La Crosse, WI 54602-0817

SUBJECT: LA CROSSE BOILING WATER REACTOR - INDEPENDENT SPENT FUEL STORAGE INSTALLATION – NRC SECURITY INSPECTION REPORT NOS. 05000409/2013008(DNMS), 07200046/2013401(DNMS) AND NOTICE OF VIOLATION

Dear Mr. Berg:

On February 10, 2014, the U.S. Nuclear Regulatory Commission (NRC) completed a security inspection of the physical security program for the La Crosse Boiling Water Reactor (LACBWR) Independent Spent Fuel Storage Installation (ISFSI) located near Genoa, Wisconsin. The purpose of the inspection was to evaluate whether the protection of the ISFSI was in compliance with Title 10 of the *Code of Federal Regulations* (CFR) Part 72.212(b)(9), the ISFSI Physical Security Plan (PSP) (Addendum III of the LACBWR PSP), and NRC Security Order EA-09-118. The inspection also evaluated your implementation of the Material Control and Accounting (MC&A) Program in accordance with 10 CFR 72.72; and your compliance with 10 CFR Parts 72.212(b)(9)(vi), 73.21 and 73.22 for the protection of safeguards information (SGI) with an in-office review completed on February 10, 2014. At the conclusion of the on-site inspection on September 12, 2013, and during a final exit meeting held by telephone on February 10, 2014, the inspectors discussed the inspection findings with your plant manager and members of your security, licensing, and program management staff.

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

Based on the results of this inspection, the NRC has determined that a Severity Level IV problem of NRC requirements occurred. The problem was evaluated in accordance with Section 2.3.2.b of the NRC Enforcement Policy which is included on the NRC's website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. We determined that this problem did not meet the criteria to be treated as non-cited because it was NRC identified.

Enclosure Contains Sensitive Unclassified Non-Safeguards Information. When separated from the enclosure, this transmittal document is decontrolled.

W. Berg

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The problem involved security-related information as described in Enclosure 2. The deficiencies were promptly corrected or compensated for, and the plant was in compliance with applicable physical protection and security requirements before the inspectors left the site.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

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's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website at <http://www.nrc.gov/reading-rm/adams.html>. However, because of the security-related discussion contained in the enclosure, and in accordance with 10 CFR 2.390, copies of this letter's enclosures will not be available for public inspection.

We will gladly discuss any questions you may have regarding this inspection.

Sincerely,

/RA by Wayne J. Slawinski Acting for /

Robert J. Orlikowski, Chief
Materials Control, ISFSI, and
Decommissioning Branch
Division of Nuclear Materials Safety

Docket No. 050-00409, 072-00046
License No. DPR-45, General License (ISFSI)

Enclosures:

1. Notice of Violation (Non Public)
2. IR 05000409/2013008(DNMS) (Non-Public)
IR 07200046/2013401(DNMS) (Non Public)

cc w/encl: D. Egge, Plant Manager,

cc w/o encl: T. Zaremba, Wheeler, Van Sickle and Anderson
J. Kitsembel, Chairman, WI Public Service Commission
S. Burmaster, Coulee Region Energy Coalition
G. Kruck, Chairman, Town of Genoa
P. Schmidt, Manager, Radiation Protection, WI Department of Health Services
J. McRill, Technical Support Engineer
Chief, Radiation Protection Section, WI Department of Health
State Liaison Officer, State of WI

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Chief, Radiation Protection Section, WI Department of Health
State Liaison Officer, State of WI

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DATE	03/10/14		03/11/14	03/10/14		

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Letter to William L. Berg from Robert J. Orlikowski dated March 11, 2014

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