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**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 E LAMAR BLVD
ARLINGTON, TX 76011-4511

May 12, 2015

Mr. Michael R. Chisum
Site Vice President
Entergy Operations, Inc.
17265 River Road
Killona, LA 70057-0751

SUBJECT: WATERFORD STEAM ELECTRIC STATION, UNIT 3 – NOTIFICATION OF INSPECTION OF TEMPORARY INSTRUCTION 2201/004, “INSPECTION OF IMPLEMENTATION OF INTERIM CYBER SECURITY MILESTONES 1-7,” (NRC INSPECTION REPORT 05000382/2015406) AND REQUEST FOR INFORMATION

Dear Mr. Chisum:

On August 17, 2015, the U.S. Nuclear Regulatory Commission (NRC) will begin an inspection of the Entergy Operations, Inc., cyber security program implementation for Waterford Steam Electric Station, Unit 3, using the guidance in Temporary Instruction 2201/004, “Inspection of Implementation of Interim Cyber Security Milestones 1-7.” As previously discussed with members of your staff, the inspection will be performed to assess and verify that the cyber security program interim implementation milestones have been implemented in accordance with the regulatory requirements of 10 CFR 73.54 and NRC-approved cyber security plans and implementation schedules.

In accordance with 10 CFR 73.54, each nuclear power plant licensee was required to submit a proposed cyber security plan and implementation schedule for NRC approval. On February 28, 2011, NEI provided a revised “Template for the Cyber Security Plan Implementation Schedule” for the purpose of providing licensees with a generic template to aid in the development of their cyber security plan and implementation schedule. Based on the NRC review (Agencywide Documents Access and Management System (ADAMS) ML110070348), the template was found acceptable to develop cyber security plans and implementation schedules.

With a variety of valid operational and technical issues, full implementation dates varied among the operating fleet of nuclear power reactors. The NRC staff worked with the nuclear industry to devise seven interim implementation milestones to ensure a level of protection against cyber security threats at each power reactor until full implementation of 10 CFR 73.54 is achieved. In its NRC-approved implementation schedule, each licensee committed to meet these seven interim milestones by December 31, 2012. These seven milestones are: (1) establishment of a cyber security assessment team (CSAT), (2) identification and documentation of critical systems

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- 2 -

and critical digital assets, (3) installation of protective devices between lower and higher security levels as described in the cyber security plan, (4) implementation of access control for portable mobile devices, (5) observation for and identification of obvious cyber-related tampering, (6) implementation of cyber security controls for critical digital assets that could adversely impact the design function of target set equipment, and (7) implementation and commencement of ongoing monitoring and assessment activities.

By letters, dated July 15, 2010 (ML102000415) and April 4, 2011 (ML110950122), and supplemented by letter, dated August 4, 2014 (ML14217A498), Entergy Operations, Inc., submitted license amendment requests that included a request for approval of the Waterford Steam Electric Station, Unit 3, cyber security plan (CSP) and implementation schedule.

The inspection of the interim cyber security program at Waterford Steam Electric Station, Unit 3, will be limited to the verification of implementation of Milestones 1-7. Milestone 8 will be inspected on a future date.

The schedule for the on-site inspection for Milestones 1-7 is as follows:

- Information Gathering Visit: August 4-6, 2015
- Milestone Inspection: August 17-21, 2015

The purpose of the information gathering visit is to: (1) obtain information and documentation needed to support the Temporary Instruction (TI) 2201/04 inspection; (2) become familiar with the Waterford Steam Electric Station, Unit 3, cyber security program, personnel, and plant layout; and (3) arrange logistical details, such as office space, availability of knowledgeable staff, and to ensure unescorted site access privileges.

In order to assure an efficient inspection, we have enclosed a request for information describing documents needed to aid the inspectors in preparing for and conducting the temporary instruction inspection. These documents have been divided into four groups. The first group lists information necessary to aid the inspectors in planning for the inspection. It is requested that this information be provided to the lead inspector via mail or electronically by July 20, 2015, if possible. The second group also lists information and possible areas for discussion necessary to assist the inspectors during the inspection. It is requested this information be available during the information gathering visit (August 4-6, 2015). The third group of requested documents consists of those items that the inspectors will review, or need access to, during the inspection. Please have this information available by the first day of the on-site inspection week (August 17, 2015). The fourth group lists the information necessary to aid the inspectors in tracking questions and answers identified as a result of the inspection. It is requested that this information be provided to the lead inspector as the information is generated during the inspection. It is important that all of these documents are up to date and complete in order to minimize the number of additional documents requested during the preparation and the on-site portions of the inspection.

The team leader for this inspection is Mr. Greg Pick. We understand that our contact for this inspection is Ms. Leia Milster. If there are any questions about the inspection or the material requested, please contact Mr. Pick at (817) 200-1270 or via e-mail at Greg.Pick@nrc.gov.

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- 3 -

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Sincerely,

/RA/

Gregory E. Werner, Branch Chief
Engineering Branch 2
Division of Reactor Safety

Docket No. 50-382
License No. NPF-38

Nonpublic Enclosure:
Cyber Security Temporary Instruction
(TI) 2201/004 (Milestones 1–7)
Request for Information

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-3-

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ADAMS ACCESSION NUMBER: ML15132A768

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Letter to Michael R. Chisum from Gregory E. Werner, dated May 12, 2015

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DISTRIBUTION w/enclosure:

Director, Cyber Security Directorate (Barry.Westreich@nrc.gov)
Deputy Director, Cyber Security Directorate (Russell.Felts@nrc.gov)
Security Specialist/NSIR (Eric.Wharton@nrc.gov)
Security Specialist/NSIR (Niry.Simonian@nrc.gov)
Branch Chief, RI DRS/EB3 (John.Rogge@nrc.gov)
Branch Chief, RII DRS/EB2 (Scott.Shaeffler@nrc.gov)
Branch Chief, RIII DRS/EB3 (Robert.Daley@nrc.gov)
Senior Resident Inspector (Frances.Ramirez@nrc.gov)
Resident Inspector (Chris.Speer@nrc.gov)

DISTRIBUTION w/o enclosure:

Regional Administrator (Marc.Dapas@nrc.gov)
Deputy Regional Administrator (Kriss.Kennedy@nrc.gov)
DRP Director (Troy.Pruett@nrc.gov)
DRP Deputy Director (Ryan.Lantz@nrc.gov)
DRS Director (Anton.Vegel@nrc.gov)
DRS Deputy Director (Jeff.Clark@nrc.gov)
Senior Resident Inspector (Frances.Ramirez@nrc.gov)
Resident Inspector (Chris.Speer@nrc.gov)
WAT Administrative Assistant (Linda.Dufrene@nrc.gov)
Branch Chief, DRP/D (Geoffrey.Miller@nrc.gov)
Senior Project Engineer, DRP/D (Bob.Hagar@nrc.gov)
Project Engineer, DRP/D (Brian.Parks@nrc.gov)
Project Engineer, DRP/D (Jan.Tice@nrc.gov)
Public Affairs Officer (Victor.Dricks@nrc.gov)
Public Affairs Officer (Lara.Uselding@nrc.gov)
Project Manager (Michael.Orenak@nrc.gov)
Team Leader, DRS/TSS (Don.Allen@nrc.gov)
RITS Coordinator (Marisa.Herrera@nrc.gov)
ACES (R4Enforcement.Resource@nrc.gov)
Regional Counsel (Karla.Fuller@nrc.gov)
Congressional Affairs Officer (Jenny.Weil@nrc.gov)
Technical Support Assistant (Loretta.Williams@nrc.gov)
RIV Congressional Affairs Officer (Angel.Moreno@nrc.gov)
RIV/ETA: OEDO (Michael.Waters@nrc.gov)

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