

**NUCLEAR REGULATORY COMMISSION**

**[Docket Nos. (as Shown in the Attachment); License Nos. (as Shown in the Attachment)]**

**[EA-15-100; NRC-2016-0087]**

**In the Matter of All Power Reactor Licensees Owned and Operated by Entergy Nuclear Operations, Inc.; Entergy Operations, Inc.; and Entergy Nuclear Generation Company**

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Confirmatory order; issuance.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) is issuing a confirmatory order to Entergy Operations, Inc. (Entergy) confirming agreements reached in an Alternative Dispute Resolution mediation session held on February 19, 2016. As part of the agreement, Entergy will complete a review of the integrity events within the Entergy Nuclear Fleet over the past 5 years, establish a corporate lead for oversight of the company's fire watch programs, and improve training programs according to timelines established in the Confirmatory Order. Entergy is also required to notify the NRC periodically of the status of its efforts.

**DATES:** The confirmatory order was issued on April 6, 2016.

**ADDRESSES:** Please refer to Docket ID **NRC-2016-0087** when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this action by the following methods:

- **Federal Rulemaking Web Site:** Go to <http://www.regulations.gov> and search for Docket ID **NRC-2016-0087**. Address questions about NRC dockets to Carol Gallagher; telephone: 301-415-3463; e-mail: [Carol.Gallagher@nrc.gov](mailto:Carol.Gallagher@nrc.gov). For questions about the Order, contact the individual listed in the FOR FURTHER INFORMATION CONTACT section of this document.

- **NRC's Agencywide Documents Access and Management System (ADAMS):** You may obtain publicly-available documents online in the ADAMS Public Documents collection at <http://www.nrc.gov/reading-rm/adams.html>. To begin the search, select [NRC: ADAMS Public Documents](#) and then select "[Begin Web-based ADAMS Search](#)." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, 301-415-4737, or by e-mail to [pdr.resource@nrc.gov](mailto:pdr.resource@nrc.gov). The ADAMS accession number for each document referenced (if it is available in ADAMS) is provided the first time that it is mentioned in this document.

- **NRC's PDR:** You may examine and purchase copies of public documents at the NRC's PDR, Room O1-F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

**FOR FURTHER INFORMATION CONTACT:** John Kramer, Region IV, U.S. Nuclear Regulatory Commission, Washington DC 20555-0001; 817-200-1121; or by e-mail to [John.Kramer@nrc.gov](mailto:John.Kramer@nrc.gov).

**SUPPLEMENTARY INFORMATION:** The text of the Order is attached.

Dated this 18th day of April 2016.

For the Nuclear Regulatory Commission.

/RA/

Mark L. Dapas  
Regional Administrator

**ATTACHMENT – CONFIRMATORY ORDER MODIFYING LICENSE**

**UNITED STATES OF AMERICA**

**NUCLEAR REGULATORY COMMISSION**

**In the Matter of All Power Reactor Licensees Owned and Operated by Entergy Nuclear Operations, Inc.; Entergy Operations, Inc. and Entergy Nuclear Generation Company  
[Docket Nos. (as shown in Attachment); License Nos. (as shown in Attachment)]**

**EA-15-100**

**Confirmatory Order Modifying License**

**I.**

Entergy Operations, Inc. (licensee or Entergy) is the holder of Reactor Operating License NPF-38 issued by the U.S. Nuclear Regulatory Commission (NRC or Commission) pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) part 50 on March 16, 1985. The license authorizes the operation of the Waterford Steam Electric Station, Unit 3 (Waterford) in accordance with the conditions specified therein.

The term Entergy Nuclear Fleet used in the Confirmatory Order refers to all power reactor licensees owned and operated by Entergy Nuclear Operations, Inc.; Entergy Operations Inc.; and Entergy Nuclear Generation Company.

This Confirmatory Order is the result of a preliminary settlement agreement reached during an Alternative Dispute Resolution (ADR) mediation session conducted on February 19, 2016.

## II.

On February 3, 2014, the NRC's Office of Investigations (OI), Region IV Field Office, initiated an investigation to determine whether fire protection personnel assigned to Entergy's Waterford facility willfully falsified fire protection surveillance records and whether there was any managerial awareness with the failure to identify and correct. During the investigation, it became apparent that another manager failed to provide complete and accurate information to an access authorization reviewing official, associated with the reinstatement of unescorted access for one of the contract fire watch individuals. The investigation was completed on May 19, 2015, and was documented in OI Report 4-2014-017.

Based on the results of the investigation, the NRC concluded that willful violations of Title 10 of the *Code of Federal Regulations* (10 CFR) 50.9, 10 CFR 50.48, and 10 CFR 73.56(f)(3) occurred. Specifically, on multiple occasions between July 2013 and April 2014, seven contractor individuals willfully failed to conduct compensatory hourly fire watches and willfully falsified the fire watch tour logs by initialing that fire watches were performed with knowledge that watches had not been performed. In addition, an Entergy supervisor willfully failed to identify and take corrective actions when provided with information of suspected wrongdoing by contract fire watch individuals. Further, on January 13, 2014, a contractor manager willfully failed to provide complete and accurate information in all material respects, regarding the trustworthiness and reliability of an individual applying for unescorted access to Waterford.

In a letter dated December 14, 2015 (ML15350A197), the NRC provided Entergy the results of the investigation, informed Entergy that escalated enforcement action was being considered for the apparent violations, and offered Entergy the opportunity to attend a

predecisional enforcement conference or to participate in ADR in which a neutral mediator with no decision-making authority would facilitate discussions between the NRC and Entergy. The neutral mediator would assist the NRC and Entergy in reaching an agreement, if possible. In response to the NRC's offer, Entergy requested use of the ADR process to resolve differences it had with the NRC. This Confirmatory Order is issued pursuant to the agreement reached during the ADR process.

### III.

During the ADR session held on February 19, 2016, a preliminary settlement agreement was reached. In addition, the NRC recognized the corrective actions that Entergy has already implemented associated with the events that formed the basis of this matter. These actions at Waterford include:

- A. Waterford Procedure FP-001-014, "Duties of a Firewatch," was revised. The following changes were incorporated:
  1. Added responsibility of Maintenance Support for systematic monitoring of performance within the fire watch program (corrective action to preclude repetition in the root cause analysis).
  2. Added additional procedural requirements for the fire watch oversight monitoring program and required periodic review by an appropriate member of the site senior leadership team.
  3. Clearly defined the duties, responsibilities, and qualifications of a contract fire watch and the fire watch supervisor.

4. Revised Attachment 8.1, "Fire Watch Log," to clearly state who the fire watches should notify if there are any issues identified during their tours.
  5. Included a requirement that the fire watches maintain the log (Attachment 8.1) in their possession during tours and that place keeping be used.
  6. Included a requirement to periodically verify that Attachment 8.1 is consistent with the fire impairments required by the technical requirements manual.
- B. Fire watch supervisory monitoring program is being implemented as follows:
1. The Maintenance Support Superintendent shall provide sufficient oversight to verify that fire watch inspections are completed as required.
  2. A minimum of twice per month, personnel designated by the Maintenance Support superintendent shall observe the fire watch during the performance of their duties.
  3. The Maintenance Support supervisor will also coordinate with security to obtain keycard and/or door alarm histories and conduct a review to ensure fire watch personnel are performing tours satisfactorily.
- C. An evaluation of other contractors performing work on the Waterford site to ensure proper level of oversight is being provided was completed. The level of oversight for contractors performing work was determined to be appropriate.
- D. An Entergy Nuclear Fleet operating experience review was performed. This review determined that each Entergy Nuclear Fleet site needed to review the root cause for this issue. Actions were issued at each site to determine any vulnerabilities. All other Entergy Nuclear Fleet sites concluded the site specific procedures adequately covered the gaps identified at Waterford except one site. That site initiated a condition report to address gaps in its fire watch program and performed procedure changes. The actions were completed by February 5, 2015.

- E. Communicated the lessons-learned to Waterford supervisors and departmental performance improvement personnel (department corrective action program personnel).
- F. Expectations were reinforced with Maintenance Support leadership for implementation of the fire watch program and for implementation of contract manager responsibilities.
- G. On October 29, 2014, implemented a Guard 1 Plus<sup>R</sup> electronic documentation system. This system is used in conjunction with the paper fire watch log.
- H. Effectiveness review action was performed and concluded that the corrective action plan was effective.
- I. Waterford Nuclear Independent Oversight (quality assurance) review of the site response was completed on December 9, 2014. The follow-up surveillance determined the quality assurance finding was adequately dispositioned and addressed.
- J. Independent of the events underlying these violations and issues, Entergy developed and administered training on the provisions of 10 CFR 50.5 and 50.9 for all Entergy employees at its Entergy Nuclear Fleet sites.

On March 31, 2016, Entergy consented to issuing this Confirmatory Order with the commitments, as described in Section V below. Entergy further agreed that this Confirmatory Order is to be effective 30 days after its issuance and that Entergy has waived its right to a hearing.

#### **IV.**

Since the licensee has agreed to take additional actions to address NRC concerns, as set forth in Item III above, the NRC has concluded that its concerns can be resolved through issuance of this Confirmatory Order.

I find that Entergy's commitments as set forth in Section V are acceptable and necessary, and conclude that with these commitments the public health and safety are reasonably assured. In view of the foregoing, I have determined that public health and safety require that Entergy's commitments be confirmed by this Confirmatory Order. Based on the above and Entergy's consent, this Confirmatory Order is effective 30 days after its issuance.

#### **V.**

Accordingly, pursuant to Sections 104b, 161b, 161i, 161o, 182, and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR part 50, IT IS HEREBY ORDERED, THAT:

- A. Entergy will retain an industrial psychologist, or similarly qualified person, and within 9 months of the issuance date of the Confirmatory Order, will complete a review of those integrity events within the Entergy Nuclear Fleet over the past 5 years to look for common themes or causes associated with the events and to recommend actions that Entergy can take to prevent similar events in the future. This review will also include an evaluation of previous fleet-wide training effectiveness. Entergy will share the results of this review and any contemplated actions with the NRC. Within 18 months of the issuance date of the Confirmatory Order, if the review reveals general industry

insights/lessons learned, Entergy will share those insights with the industry in an appropriate industry forum to be determined based on consultation with the NRC.

- B. In December 2014, Entergy issued Procedure EN-OM-126, "Management and Oversight of Supplemental Personnel," to enhance Entergy's management and oversight of supplemental workers. Within 9 months of the issuance date of the Confirmatory Order, Entergy will conduct an effectiveness review of implementation of Procedure EN-OM-126 at all Entergy Nuclear Fleet sites. Entergy will share the results of this review and its proposed actions to address any identified performance gaps with the NRC.
- C. Within 6 months of the issuance date of the Confirmatory Order, Entergy will assign a corporate lead for governance and oversight of the Entergy Nuclear Fleet fire watch program. In conjunction with this assignment, Entergy will issue an Entergy Nuclear Fleet procedure or revise an existing procedure, as appropriate, to provide the common requirements for Entergy Nuclear Fleet fire watch programs. The responsibilities of the lead will include ensuring the consistent application of the subject procedure across the Entergy Nuclear Fleet.
- D. Within 3 months of the issuance date of the Confirmatory Order, Entergy will revise the appropriate Entergy Nuclear Fleet procedure to provide a process to address requests for the reinstatement of unescorted access authorization for a worker whose unescorted access has been temporarily placed "on hold" or assigned some other comparable interim status. The revision must ensure that the Access Authorization Reviewing Official has the relevant information and appropriate approvals before deciding whether to reinstate the worker's unescorted access.

- E. Within 6 months of the issuance date of the Confirmatory Order, Entergy will review and revise, as necessary, Entergy Nuclear Fleet supervisor training to ensure that it addresses the responsibilities and actions of supervisors who become aware of facts and circumstances potentially impacting a person's trustworthiness and reliability. If Entergy determines revisions to the supervisory training are necessary, the training will be delivered within 12 months of the issuance date of the Confirmatory Order. Additionally, within 2 months of the issuance date of the Confirmatory Order, Entergy will develop and publish a communication to all supervisors at its Entergy Nuclear Fleet sites reminding them of their responsibility to report issues impacting workers' trustworthiness and reliability to access authorization personnel.
- F. Within 3 months of the issuance date of the Confirmatory Order, Entergy will have conducted a briefing of all fire watch personnel, at each of its Entergy Nuclear Fleet sites, on the importance of the fire watch activity to the nuclear safety of the facility. In addition, within 3 months of the issuance date of the Confirmatory Order, this briefing will be incorporated as part of new fire watch personnel training. Within 9 months of the issuance date of the Confirmatory Order, Entergy will perform a review of other tasks where the importance of the task to reactor safety may not be apparent to the personnel performing the task and conduct similar training.
- G. Notifications to the NRC when actions are completed.
1. Unless otherwise specified, Entergy will submit written notification to the Director, Division of Reactor Safety, USNRC Region IV, 1600 East Lamar Blvd., Arlington,

Texas 76011-4511, at intervals not to exceed 6 months until the terms of this Confirmatory Order are completed, providing a status of each item in the Order.

2. Entergy will provide its basis for concluding that the terms of the Confirmatory Order have been satisfied, to the NRC, in writing.

H. Administrative items.

1. The NRC will consider the Confirmatory Order an escalated enforcement action with respect to any future enforcement actions.
2. In consideration of the elements delineated above, the NRC agrees not to issue a Notice of Violation for the violations discussed in NRC Inspection Report 05000382/2015011 and NRC Investigation Report 4-2014-017 dated December 14, 2015 (EA-15-100) and not to issue an associated civil penalty.
3. This agreement is binding upon successors and assigns of Entergy.

The Regional Administrator, Region IV, may, in writing, relax or rescind any of the above conditions upon demonstration by Entergy of good cause.

**VI.**

Any person adversely affected by this Confirmatory Order, other than Entergy, may request a hearing within 30 days of the issuance date of this Confirmatory Order. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be directed to the Director, Office of Enforcement, U.S.

Nuclear Regulatory Commission, Washington, DC 20555, and include a statement of good cause for the extension.

All documents filed in NRC adjudicatory proceedings, including a request for hearing, a petition for leave to intervene, any motion or other document filed in the proceeding prior to the submission of a request for hearing or petition to intervene, and documents filed by interested governmental entities participating under 10 CFR 2.315(c), must be filed in accordance with the NRC E-Filing rule (72 FR 49139, August 28, 2007, as amended at 77 FR 46562, August 3, 2012), which is codified in pertinent part at 10 CFR Part 2, Subpart C. The E-Filing process requires participants to submit and serve all adjudicatory documents over the internet, or in some cases to mail copies on electronic storage media. Participants may not submit paper copies of their filings unless they seek an exemption in accordance with the procedures described below.

To comply with the procedural requirements of E-Filing, at least ten (10) days prior to the filing deadline, the participant should contact the Office of the Secretary by e-mail at [hearing.docket@nrc.gov](mailto:hearing.docket@nrc.gov), or by telephone at 301-415-1677, to (1) request a digital ID certificate, which allows the participant (or its counsel or representative) to digitally sign documents and access the E-Submittal server for any proceeding in which it is participating; and (2) advise the Secretary that the participant will be submitting a request or petition for hearing (even in instances in which the participant, or its counsel or representative, already holds an NRC-issued digital ID certificate). Based upon this information, the Secretary will establish an electronic docket for the hearing in this proceeding if the Secretary has not already established an electronic docket.

Information about applying for a digital ID certificate is available on NRC's public Web site at <http://www.nrc.gov/site-help/e-submittals/getting-started.html>. System requirements for

accessing the E-Submittal server are detailed in NRC's "Guidance for Electronic Submission," which is available on the agency's public Web site at <http://www.nrc.gov/site-help/e-submittals.html>. Participants may attempt to use other software not listed on the Web site, but should note that the NRC's E-Filing system does not support unlisted software, and the NRC Electronic Filing Help Desk will not be able to offer assistance in using unlisted software.

If a participant is electronically submitting a document to the NRC in accordance with the E-Filing rule, the participant must file the document using the NRC's online, Web-based submission form. Further information on the Web-based submission form is available on the NRC's public Web site at <http://www.nrc.gov/site-help/e-submittals.html>.

Once a participant has obtained a digital ID certificate and a docket has been created, the participant can then submit a request for hearing or petition for leave to intervene. Submissions should be in Portable Document Format (PDF) in accordance with NRC guidance available on the NRC's public Web site at <http://www.nrc.gov/site-help/e-submittals.html>. A filing is considered complete at the time the documents are submitted through the NRC's E-Filing system. To be timely, an electronic filing must be submitted to the E-Filing system no later than 11:59 p.m. Eastern Time on the due date. Upon receipt of a transmission, the E-Filing system time-stamps the document and sends the submitter an e-mail notice confirming receipt of the document. The E-Filing system also distributes an e-mail notice that provides access to the document to the NRC's Office of the General Counsel and any others who have advised the Office of the Secretary that they wish to participate in the proceeding, so that the filer need not serve the documents on those participants separately. Therefore, applicants and other participants (or their counsel or representative) must apply for and receive a digital ID certificate before a hearing request/petition to intervene is filed so that they can obtain access to the document via the E-Filing system.

A person filing electronically using the NRC's adjudicatory E-Filing system may seek assistance by contacting the NRC Electronic Filing Help Desk through the "Contact Us" link located on the NRC's Web site at <http://www.nrc.gov/site-help/e-submittals.html>, by e-mail at [MSHD.Resource@nrc.gov](mailto:MSHD.Resource@nrc.gov), or by a toll-free call to 866-672-7640. The NRC Electronic Filing Help Desk is available between 8 a.m. and 8 p.m., Eastern Time, Monday through Friday, excluding government holidays.

Participants who believe that they have a good cause for not submitting documents electronically must file an exemption request, in accordance with 10 CFR 2.302(g), with their initial paper filing requesting authorization to continue to submit documents in paper format. Such filings must be submitted by: (1) first class mail addressed to the Office of the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemaking and Adjudications Staff; or (2) courier, express mail, or expedited delivery service to the Office of the Secretary, Sixteenth Floor, One White Flint North, 11555 Rockville Pike, Rockville, Maryland, 20852, Attention: Rulemaking and Adjudications Staff. Participants filing a document in this manner are responsible for serving the document on all other participants. Filing is considered complete by first-class mail as of the time of deposit in the mail, or by courier, express mail, or expedited delivery service upon depositing the document with the provider of the service. A presiding officer, having granted an exemption request from using E-Filing, may require a participant or party to use E-Filing if the presiding officer subsequently determines that the reason for granting the exemption from use of E-Filing no longer exists.

Documents submitted in adjudicatory proceedings will appear in NRC's electronic hearing docket, which is available to the public at <http://ehd1.nrc.gov/ehd/>, unless excluded pursuant to an order of the Commission or the presiding officer. Participants are requested not

to include personal privacy information, such as social security numbers, home addresses, or home phone numbers in their filings, unless an NRC regulation or other law requires submission of such information. With respect to copyrighted works, participants are requested not to include copyrighted materials in their submission, except for limited excerpts that serve the purpose of the adjudicatory filings and would constitute a Fair Use application.

If a person other than Entergy requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Confirmatory Order and shall address the criteria set forth in 10 CFR 2.309(d) and (f).

If a hearing is requested by a person whose interest is adversely affected, the Commission will issue a separate order designating the time and place of any hearings, as appropriate. If a hearing is held, the issue to be considered at such hearing shall be whether this Confirmatory Order should be sustained.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section V above shall be effective and final 30 days after the issuance date of this Confirmatory Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section V shall be final when the extension expires if a hearing request has not been received.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Marc L. Dapas  
Regional Administrator

Dated this 6<sup>th</sup> day of April 2016

**Attachment 1**

**All Power Reactor Licensees Owned and Operated by Entergy  
Nuclear Operations, Inc.; Entergy Operations, Inc.;  
and Entergy Nuclear Generation Company**

Arkansas Nuclear One, Units 1 and 2

Entergy Operations, Inc.  
Docket Nos. 50-313, 50-368  
License Nos. DRP-51; NPF-6

Mr. Jeremy Browning, Site Vice President  
Arkansas Nuclear One  
Entergy Operations, Inc.  
1448 SR 333  
Russellville, AR 72802-0967

Grand Gulf Nuclear Station

Entergy Operations, Inc.  
Docket No. 50-416  
License No. NPF-29

Mr. Kevin Mulligan, Site Vice President  
Entergy Operations, Inc.  
Grand Gulf Nuclear Station  
P.O. Box 756  
Port Gibson, MS 39150

Indian Point Nuclear Generating, Units 2 and 3

Entergy Nuclear Operations, Inc.  
Docket Nos. 50-247 and 50-286  
License Nos. DPR-26 and DPR-64

Mr. Larry Coyle, Site Vice President  
Entergy Nuclear Operations, Inc.  
Indian Point Energy Center  
450 Broadway, GSB  
Buchanan, NY 10511-0249

James A FitzPatrick Nuclear Power Plant

Entergy Nuclear Operations, Inc.  
Docket No. 50-333  
License No. DPR-59

Mr. Brian Sullivan, Site Vice President  
Entergy Nuclear Operations, Inc.  
James A FitzPatrick Nuclear Power Plant  
P.O. Box 110  
Lycoming, NY 13093

Palisades Nuclear Plant

Entergy Nuclear Operations, Inc.  
Docket No. 50-255  
License No. DPR-20

Mr. Anthony Vitale, Vice President, Operations  
Entergy Nuclear Operations, Inc.  
Palisades Nuclear Plant  
27780 Blue Star Memorial Highway  
Covert, MI 49043

Pilgrim Nuclear Power Station

Entergy Nuclear Generation Company  
Docket No. 50-293  
License No. DPR-35

Mr. John Dent, Site Vice President  
Entergy Nuclear Operations Inc.  
Pilgrim Nuclear Power Station  
600 Rocky Hill Road  
Plymouth, MA 02360-5508

River Bend Station

Entergy Operations, Inc.  
Docket No. 50-458  
License No. NPF-47

Mr. Eric W. Olson, Site Vice President  
Entergy Operations, Inc.  
River Bend Station  
5485 US Highway 61 N  
St. Francisville, LA 70775

Vermont Yankee Nuclear Power Station

Entergy Nuclear Operations, Inc.

Docket No. 50-271

License No. DPR-28

Mr. Christopher Wamser, Site Vice President

Entergy Nuclear Operations, Inc.

Vermont Yankee Nuclear Power Station

P. O. Box 250

Vernon, VT 05354

Waterford Steam Electric Station. Unit 3

Entergy Operations, Inc.

Docket No. 50-382

License No. NPF-38

Mr. Michael R. Chisum, Site Vice President

Entergy Operations, Inc.

Waterford Steam Electric Station

17265 River Road

Killona, LA 70057-0751