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

May 17, 2016

Ms. Emily Martin
General Manager, Global Supply Chain
GE-Hitachi
3901 Castle Hayne Road
Wilmington, NC 28402-2819

SUBJECT: VALLECITOS NUCLEAR FACILITY, PHYSICAL SECURITY INSPECTION
REPORT 070-00754/2015401 AND 070-00754/2016401

Dear Ms. Martin:

On April 11, 2016, the U.S. Nuclear Regulatory Commission (NRC) completed a security inspection of the Vallecitos Nuclear Facility in Sunol, California. The purpose of the inspection was to determine whether licensed activities were in compliance with Confirmatory Order, EA-14-144. The enclosed inspection report documents the inspection results, including the results of the inspection efforts conducted under both subject report numbers, which were discussed with Mr. T. Caine, Site Manager, Vallecitos Nuclear Center, and other members of your staff.

The inspection examined activities conducted under your license as they relate to security and compliance with Confirmatory Order EA-14-144, and other Commission rules and regulations applicable to the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

The NRC inspectors documented four violations of NRC requirements that were determined to be Severity Level IV (SL-IV) under the traditional enforcement process. The NRC is treating these violations as non-cited violations (NCVs) consistent with Section 2.3.2.a of the Enforcement Policy.

If you contest the non-cited violations, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator, Region IV; and the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001. In accordance with 10 CFR 2.390 of

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the NRC's "Rules of Practice and Procedure," 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).

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Sincerely,

/RA/

Mark S. Haire, Chief
Plant Support Branch 1
Division of Reactor Safety

Docket No. 070-00754
License No. SNM-960

Nonpublic Enclosure:
NRC Inspection Report 070-00754/2015401
and 070-00754/2016401
w/Attachment: Supplemental Information

cc w/o encl:
S. Murray, Manager, GE-Hitachi Nuclear Energy
R. Weisenmiller, Commissioner, California Energy Commission
G. Perez, Chief, California Dept. of Public Health
R. Rogus, Senior Health Physicist, California Dept. of Public Health
M. Kelley, Executive Director, Tri-Valley CARES
Pleasanton Public Library

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Distribution:

See next page

ADAMS ACCESSION NUMBER: ML16138A392

Entire Report: <input checked="" type="checkbox"/> SUNSI Review: DAH		ADAMS <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Publicly Available <input checked="" type="checkbox"/> Non-Publicly Available		<input type="checkbox"/> Non-Sensitive <input checked="" type="checkbox"/> Sensitive		Keyword: MD 3.4 Non-Public A.3	
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Letter to Emily Martin from Mark S. Haire, dated May 17, 2016

SUBJECT: VALLECITOS NUCLEAR FACILITY, PHYSICAL SECURITY INSPECTION
REPORT 070-00754/2015401 AND 070-00754/2016401

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