



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
1600 EAST LAMAR BOULEVARD  
ARLINGTON, TEXAS 76011-4511

September 19, 2024

EA-24-050

Kristopher Zannotto, Site License Holder  
Vallecitos Nuclear Center  
GE Hitachi Nuclear Energy  
Part of GE Verona  
6705 Vallecitos Road  
Sunol, CA 94586

SUBJECT: GE HITACHI NUCLEAR ENERGY – NRC PHYSICAL SECURITY INSPECTION  
REPORT 07000754/2024401

Dear Kristopher Zannotto:

This letter refers to the announced inspection that was performed from March 18-22, 2024, at your facility in Sunol, California. The inspection was completed using Inspection Procedure 81700.09, dated March 2, 2020. The scope included all inspection requirements listed in the inspection procedure from Sections 02.01 through 02.15. The inspection examined activities conducted under your license as they relate to public health and safety and to confirm compliance with the U.S. Nuclear Regulatory Commission (NRC) rules and regulations and with the conditions of your license. The inspection consisted of an examination of selected procedures and representative records, observation of licensed activities and facilities, walk-downs of relevant areas, and interviews with personnel. The enclosed report presents the results of this inspection. The inspector discussed the preliminary inspection findings with yourself and various members of the staff on March 22, 2024, at the conclusion of the onsite portion of the inspection. On September 17, 2024, a final exit briefing was conducted via videoconference with you and other members of the GE Hitachi Nuclear Energy staff.

Based on the results of this inspection, apparent violations were identified and are being considered for escalated enforcement action in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The apparent violations involved failures related to NRC's security requirements in Title 10 of the *Code of Federal Regulations* (10 CFR) Part 73, and the GE Hitachi Vallecitos Nuclear Center Physical Security Plans. The circumstances surrounding these apparent violations, the potential significance of the issues, and the need for lasting and effective corrective action were discussed with you during the exit briefing on September 17, 2024.

**The Enclosure contains Sensitive  
Unclassified Non-Safeguards Information.  
When separated from the Enclosure, this  
cover letter is decontrolled.**

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Before the NRC makes its enforcement decision, we are providing you an opportunity to: (1) respond in writing to the apparent violations addressed in the inspection report within 30 days of the date of this letter; (2) request a predecisional enforcement conference (PEC); or (3) request alternative dispute resolution (ADR) mediation. If a PEC is held, the NRC may issue a press release to announce the time and date of the conference; however, the PEC will be closed to public observation since Security-Related Information will be discussed. Please contact Jeremy Groom at 817-200-1180 or [Jeremy.Groom@nrc.gov](mailto:Jeremy.Groom@nrc.gov) within 10 days of the date of this letter to notify the NRC of your intended response to either provide a written response, participate in a PEC, or pursue ADR. A PEC should be held within 30 days and an ADR session within 45 days of the date of this letter.

If you choose to provide a written response, it should be clearly marked as a "Response to Apparent Violations in NRC Inspection Report 07000754/2024401; EA-24-050" and should include for each apparent violation: (1) the reason for the apparent violation or, if contested, the basis for disputing the apparent violation; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken; and (4) the date when full compliance will be achieved. Your response may reference or include previously docketed correspondence if the correspondence adequately addresses the required response. If Security-Related Information is necessary to provide an acceptable response, please mark your entire response Security-Related Information in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Your written response, should you choose to provide one, should be sent to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with identical copies mailed to the Director, Division of Radiological Safety & Security, Region IV, 1600 East Lamar Boulevard, Arlington, TX 76011, and emailed to [R4Enforcement@nrc.gov](mailto:R4Enforcement@nrc.gov) within 30 days of the date of this letter. If an adequate response is not received within the time specified or an extension of time has not been granted by the NRC, the NRC will proceed with its enforcement decision or schedule a PEC.

If you choose to request a PEC, the conference will afford you the opportunity to provide your perspective on these matters and any other information that you believe the NRC should take into consideration before making an enforcement decision. The decision to hold a PEC does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. This conference would be conducted to obtain information to assist the NRC in making an enforcement decision. The topics discussed during the conference may include information to determine whether a violation occurred, information to determine the significance of a violation, information related to the identification of a violation, and information related to any corrective actions taken or planned. In presenting your corrective actions, you should be aware that the promptness and comprehensiveness of your actions will be considered in assessing any civil penalty for the apparent violations.

The guidance in NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," may be helpful in preparing your response. You can find the Information Notice using the NRC's Agencywide Documents Access and Management System (ADAMS) Accession No ML061240509.

In lieu of a written response or PEC, you may request ADR with the NRC in an attempt to resolve these issues. Alternative dispute resolution is a general term encompassing various techniques for resolving conflicts using a neutral third party. The technique that the NRC has

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decided to employ is mediation. Mediation is a voluntary, informal process in which a trained neutral mediator works with parties to help them reach resolution. If the parties agree to use ADR, they select a mutually agreeable neutral mediator who has no stake in the outcome and no power to make decisions. Mediation gives parties an opportunity to discuss issues, clear up misunderstandings, be creative, find areas of agreement, and reach a final resolution of the issues.

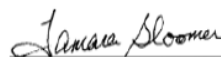
Additional information concerning the NRC's ADR program can be obtained at <http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html>. The Institute on Conflict Resolution at Cornell University has agreed to facilitate the NRC's program as a neutral third party. Please contact the Institute on Conflict Resolution at 877-733-9415 within 10 days of the date of this letter if you are interested in pursuing resolution of these issues through ADR.

Please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review. You will be advised by separate correspondence of the results on our deliberations in this matter.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's ADAMS, accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>. However, the Enclosure to this letter contains Security-Related Information, and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, in accordance with 10 CFR 2.390(d)(1), the Enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's ADAMS.

If you have any questions concerning this matter, please contact Jeremy Groom of my staff at 817-200-1180.

Sincerely,



Signed by Bloomer, Tamara  
on 09/19/24

Tamara E. Bloomer, Director  
Division of Radiological Safety & Security

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

Enclosure:  
NRC Inspection Report 07000754/2024401

cc w/Enclosure:  
Ross Barnes, Director

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GE HITACHI NUCLEAR ENERGY – NRC PHYSICAL SECURITY INSPECTION  
REPORT 07000754/2024401 - DATED SEPTEMBER 19, 2024

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| Keyword: NRC-002   |           |  |          |   |            |   |
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| NAME   | JKramer   | DHolman  | CJewett  | BAlferink   | DCylkowski | DFurst  |
| SIGNATURE  | /RA/ E    | /RA/ E   | /RA/ E   | /RA/ E  | /RA/ E     | /RA/ E  |
| DATE   | 09/04/24  | 09/04/24   | 09/05/24 | 09/05/24  | 09/05/24   | 09/06/24  |
| OFFICE   | D:DRSS    |  |          |   |            |   |
| NAME   | TBloomer  |  |          |   |            |   |
| SIGNATURE  | /RA/      |  |          |   |            |   |
| DATE   | 9/19/2024 |  |          |   |            |   |

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