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November 19, 2008

EA 08-284

Mr. Charles G. Pardee
President and Chief Nuclear Officer (CNO), Exelon Nuclear
Chief Nuclear Officer (CNO), AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville IL 60555

SUBJECT: CLINTON POWER STATION
NRC SECURITY BASELINE INSPECTION REPORT 05000461/2008403(DRS);
PRELIMINARY GREATER THAN GREEN FINDING

Dear Mr. Pardee:

On October 27, 2008, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Clinton Power Station. The inspection covered one or more of the key attributes of the security cornerstone of the NRC's Reactor Oversight Process. The enclosed inspection report documents the inspection results, which were discussed on October 27, 2008, with Mr. F. Kearney and other members of your staff.

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

The attached report documents a finding that has the potential for significance of greater than very low security significance (i.e., greater than Green as determined by the Physical Protection Significance Determination Process). The final resolution of this finding will convey the increment in the importance to safety by assigning the corresponding color. The deficiencies were promptly corrected or compensated for, and the plant was in compliance with applicable physical protection and security requirements within the scope of this inspection before the inspectors left the site. The finding had a cross-cutting aspect in the area of Human Performance, Resources, [H.2(c)] because the licensee failed to maintain complete, accurate, and up-to-date procedures.

The finding was self-revealing. The finding is also an Apparent Violation (AV) of NRC requirements and is being considered for escalated enforcement action in accordance with the enforcement policy, which can be found on the NRC's web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>.

Enclosure transmitted herewith contains Sensitive Unclassified Non-Safeguards Information. When separated from enclosure, this transmittal document is decontrolled.

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-2-

In accordance with Inspection Manual Chapter (IMC) 0609, Significance Determination Process (SDP), we intend to complete our evaluation using the best available information and issue our final determination of security significance within 90 days of the date of this letter.

The significance determination process encourages an open dialog between the staff and the licensee, however, the dialogue should not impact the timeliness of the staff's final significance determination. Before we make a final decision on this matter, we are providing you an opportunity: (1) to present to the NRC your perspectives on the facts and assumptions, used by the NRC to arrive at the finding and its significance, at a Regulatory Conference; or (2) submit your position on the finding to the NRC in writing. If you decline to request a Regulatory Conference or submit a written response, your ability to appeal the final SDP determination can be affected, in that by not doing either, you fail to meet the appeal requirements stated in the Prerequisite and Limitation sections of Attachment 2 of IMC 0609.

If you request a Regulatory Conference, it should be held within 30 days of the receipt of this letter and we encourage you to submit supporting documentation at least one week prior to the conference in an effort to make the conference more efficient and effective. In the interest of protecting sensitive, security-related information, if a Regulatory Conference is held, it will not be open for public observation. If you decide to submit only a written response, such submittal should be sent to the NRC within 30 days of the receipt of this letter. Because this issue involves security-related information, if you choose to respond, your response will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. If Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21. Otherwise, mark your entire response "Security-Related Information – Withhold Under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Please contact Eric Duncan, Chief, Plant Support Branch at (630) 829-9757 within 10 business days of the date of your receipt of this letter to notify the NRC of your intentions. If we have not heard from you within 10 days, we will continue with our significance determination and enforcement decision and you will be advised by separate correspondence of the results of our deliberations on this matter.

Since the NRC has not made a final determination in this matter, no Notice of Violation is being issued for this inspection finding at this time. In addition, please be advised that the number and characterization of the AV described in the enclosed inspection report may change as a result of further NRC review.

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 Public Document Room or from the Publicly Available Records System (PARS) component of NRC's Agency wide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

C. Pardee

-3-

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

/RA by Anne Boland for/

Steve West, Director
Division of Reactor Safety

Docket Nos. 50-461
License Nos. NPF-62

Nonpublic Enclosure: Inspection Report 05000461/2008403(DRS);
w/Attachment: Supplemental Information

cc w/encl: D. Riffle, NSIR/DSO/DDSO
J. Klinger, State Liaison Officer,
Illinois Emergency Management Agency
C. Williamson, Clinton Site Security Manager

cc w/o encl: Site Vice President - Clinton Power Station
Plant Manager - Clinton Power Station
Regulatory Assurance Manager - Clinton Power Station
Chief Operating Officer and Senior Vice President
Senior Vice President - Midwest Operations
Senior Vice President - Operations Support
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Plant Manager - Clinton Power Station
Regulatory Assurance Manager - Clinton Power Station
Chief Operating Officer and Senior Vice President
Senior Vice President - Midwest Operations
Senior Vice President - Operations Support
Vice President - Licensing and Regulatory Affairs
Director - Licensing and Regulatory Affairs
Manager Licensing - Clinton, Dresden and Quad Cities
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Letter to Charles G. Pardee from Steve West dated November 19, 2008.

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NRC SECURITY BASELINE INSPECTION REPORT
05000461/2008403(DRS); PRELIMINARY GREATER THAN GREEN
FINDING

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