



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-4005

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July 26, 2007

EA- 07-084

William R. Brian, Vice President
of Operations
Grand Gulf Nuclear Station
Entergy Operations, Inc.
P.O. Box 756
Port Gibson, MS 39150

SUBJECT: GRAND GULF NUCLEAR STATION - FINAL SIGNIFICANCE DETERMINATION
FOR A GREEN FINDING AND NOTICE OF VIOLATION (NRC PHYSICAL
SECURITY BASELINE INSPECTION REPORT 05000416/2007402)

Dear Mr. Brian:

The purpose of this letter is to provide you the final results of our significance determination of the preliminary greater than Green finding identified in the subject inspection report. The inspection finding was assessed using the Physical Protection Significance Determination process. This preliminary greater than Green finding involved your staff's failure to identify and protect safeguards information. One apparent violation was associated with the finding. Compensatory measures have been implemented.

At your request, a Regulatory Conference was held on July 2, 2007, to discuss your views on this finding. During the conference, you disagreed that a violation occurred. Additionally, you described your assessment of the significance of the finding, if the U.S. Nuclear Regulatory Commission (NRC) still determined that a violation occurred, and the corrective actions taken.

The details of our evaluation of your position are enclosed with this letter. Based on the information developed during the inspection and the information your staff provided during the conference on July 2, 2007, the NRC has concluded the inspection finding is appropriately characterized as Green. The actual significance is discussed in the enclosures, but is being withheld from the public in accordance with 10 CFR 2.390 because it involves security-related information.

The NRC has concluded that a violation is associated with the finding and is cited in the enclosed Notice of Violation. The circumstances surrounding the violation are described in detail in the subject inspection report and in the enclosure. In accordance with Section VI. A.I of the NRC's Enforcement Policy, the violation is being cited in the enclosed Notice of Violation

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because the NRC has determined that your staff failed to restore compliance within a reasonable time after a violation was identified. Specifically, after the NRC identified a Green noncited violation in November 2006, for your staff's failure to identify and protect safeguards information, the violation continued to exist through this latest example.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice of Violation when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

We will use the NRC Action Matrix to determine the most appropriate NRC response for this event. We will notify you by separate correspondence of that determination.

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 and in the Publicly Available Records (PARS) component of NRC's document system ADAMS. ADAMS is 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 enclosures, and in accordance with 10 CFR 2.390, a copy of the enclosures will not be available for public inspection.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response. This practice will ensure that 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. 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).

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

Sincerely,

/RA/

Roy J. Caniano, Acting Director
Division of Reactor Safety

Docket: 50-416
License: NPF-29

Enclosures:

1. Notice of Violation
2. NRC Evaluations and Conclusions

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cc w/o enclosure:
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