May 30, 2007

Mr. Gary Van Middlesworth
Vice-President
Duane Arnold Energy Center
3277 DAEC Road
Palo, IA 52324-9785

SUBJECT: DUANE ARNOLD ENERGY CENTER
NRC SECURITY BASELINE INSPECTION REPORT 05000331/2007404(DRS)

Dear Mr. Middlesworth:

On April 20, 2007, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Duane Arnold Energy Center. 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 April 20 with Mr. J. Bjorseth 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 inspector reviewed selected procedures and records, observed activities, and interviewed personnel.

This report documents 4 findings of very low security significance (i.e., Green as determined by the Physical Protection Significance Determination Process). 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 site. The findings were all licensee-identified.

EXEMPT FROM PUBLIC DISCLOSURE
May be exempt from public release under the Freedom of Information Act (5 U.S.C. 552)

Exemption number: 5
Nuclear Regulatory Commission review required before public release.

G. Hansen, RIII/DRS/PSB
Name and organization of person making determination.

Date of determination: 05/04/2007

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NRC is treating these violations as non-cited violations (NCVs) consistent with Section VI.A.1 of the NRC Enforcement Policy because of the very low security significance of the violations and because they are entered into your corrective action program. If you contest these NCVs, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN.: Document Control Desk, Washington, DC 20555-001; with copies to the Regional Administrator Region III; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 2005-0001; and the NRC Resident Inspector at the Duane Arnold Energy Center.

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 (PARS) component of NRC's document 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.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. 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.

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

Sincerely,

/RA by Ryan Alexander Acting for/

Eric R. Duncan, Chief
Plant Support Branch
Division of Reactor Safety

Docket No. 50-331
License No. DPR-49

Enclosure: Inspection Report 05000331/2007404(DRS)
w/Attachment: Supplemental Information **(SAFEGUARDS INFORMATION)**

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Letter to Gary Van Middlesworth from Eric Duncan dated May 30, 2007.

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cc w/encl **(SAFEGUARDS INFORMATION)**:
D. Riffle, NSIR/DSO/DDSO
M. Layton, NSIR/DSP/MTWSB
State Liaison Officer, State of Iowa

cc w/o encl **(SAFEGUARDS INFORMATION)**:
J. Stall, Senior Vice President, Nuclear and Chief Nuclear Officer
R. Helfrich, Senior Attorney
M. Ross, Managing Attorney
W. Webster, Vice President, Nuclear Operations
M. Warner, Vice President, Nuclear Operations Support
R. Kundalkar, Vice President, Nuclear Engineering
J. Bjorseth, Site Director
D. Curtland, Plant Manager
S. Catron, Manager, Regulatory Affairs
Chief Radiological Emergency Preparedness Section, Dept. Of Homeland Security

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