

SAFEGUARDS INFORMATION

August 8, 2013

EA-13-133

Mr. Eric Larson
Site Vice President
FirstEnergy Nuclear Operating Company
Beaver Valley Power Station
Mail Stop A-BV-SEB1
Route 168
Shippingport, PA 15077

SUBJECT: BEAVER VALLEY POWER STATION, UNITS 1 AND 2 – NRC SECURITY
INSPECTION REPORT 05000334/2013201 AND 05000412/2013201
PRELIMINARY GREATER THAN GREEN

Dear Mr. Larson:

On June 26, 2013, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection at your Beaver Valley Power Station, Units 1 and 2. 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 via telephone on June 26, 2013, with you and other members of your staff.

NRC inspectors 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 one finding that has been preliminarily determined to be greater than Green (i.e., a finding of greater than very low significance) that may result in the need for further evaluation to determine significance and, therefore, the need for additional NRC action. The finding was assessed based on the best available information, using the Physical Protection Significance Determination Process. This deficiency was 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 area.

The finding is also an apparent violation of NRC requirements and is being considered for escalated enforcement action in accordance with the NRC's Enforcement Policy, which can be found on the NRC's Web site at: <http://nrc.gov/reading-rm/doc-collections/enforcement>.

The enclosure transmitted herewith contains Safeguards Information. When separated from the enclosure, this transmittal document is decontrolled.

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In accordance with NRC 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 this letter. The significance determination process encourages an open dialogue between the NRC staff and the licensee; however, the dialogue should not impact the timeliness of the staff's final determination.

Before we make our final significance determination, we are providing you with an opportunity to (1) attend a regulatory conference where you can present to the NRC your perspective on the facts and assumptions the NRC used to arrive at the finding and assess its significance; or (2) submit your position on the finding to the NRC in writing. 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 1 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 a submittal should be sent to the NRC within 30 days of your receipt of this letter. If you decline to request a regulatory conference or submit a written response, you relinquish your right to appeal the final SDP determination, 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.

Please contact Mr. Robert C. Johnson at (301) 287-3688, and in writing, within 10 days from the issue date 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. The final resolution of this matter will be conveyed in a separate correspondence.

Because the NRC has not made a final determination in this matter, no notice of violation is being issued for these inspection findings at this time. In addition, please be advised that the number and characterization of the apparent violation(s) may change as a result of further NRC review.

In addition, six NRC-identified findings of very low security significance (i.e., Green as determined by the Physical Protection Significance Determination Process) were identified during this inspection. 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 area.

These findings were determined to involve violations of NRC requirements. However, the NRC is treating the violations as non-cited violations (NCVs) consistent with Section 2.3.2 of the NRC Enforcement Policy.

If you contest the violations or significance of 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 U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001; with

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copies to the Regional Administrator, Region I; the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspectors at the Beaver Valley Power Station.

Five cross-cutting aspects were assigned to findings. The first finding had a cross-cutting aspect in the area of Human Performance, Decision Making [H.1(b)] The second finding had a cross-cutting aspect in the area of Problem Identification and Resolution because the licensee failed to conduct comprehensive self-assessments [P.3(a)]. The third finding had a cross-cutting aspect in the area of Problem Identification and Resolution because the licensee failed to identify issues completely and accurately [P.1(a)]. The fifth finding had a cross-cutting aspect in the area of Problem Identification and Resolution because the licensee failed to systematically collect, evaluate and communicate [P.2(a)]. The sixth finding had a cross-cutting aspect in the area of Problem Identification and Resolution because the licensee failed to implement Operating Experience through changes to station procedures [P.2(b)]. If you disagree with a cross-cutting aspect assignment in this report, you should provide a response within 30 days of the date of this inspection report, with the basis for your disagreement, to the Director, Office of Nuclear Security and Incident Response (NSIR); and to the Branch Chief, Security Performance Evaluation Branch, Division of Security Operations, NSIR.

In accordance with Title 10 of the *Code of Federal Regulations* (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 Documents Room or from the Publicly Available Records (PARS) component of NRC's Agencywide Documents 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).

However, the material enclosed herewith contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material in the enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the PARS component of NRC's ADAMS. If you choose to provide a response and Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21. Otherwise, if security-related information is necessary to provide an acceptable response, please mark your entire response "Security-Related

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Information – Withhold from Public Disclosure under 10 CFR 2.390” in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA/

Patricia K. Holahan, Director
Division of Security Operations
Office of Nuclear Security and Incident Response

Docket Nos. 50-334, 50-412
License Nos. DPR-66, NPF-73

Nonpublic Enclosure: Inspection Report 05000334/2013201 and 05000412/2013201
w/Attachments: Supplemental Information

cc w/encl: D. Craine, Security Manager

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Sincerely,

/RA/

Patricia K. Holahan, Acting Director
Division of Security Operations
Office of Nuclear Security and Incident Response

Docket Nos. 50-334, 50-412
License Nos. DPR-66, NPF-73

Nonpublic Enclosure: Inspection Report 05000334/2013201 and 05000412/2013201
w/Attachments: Supplemental Information

cc w/encl: D. Craine, Security Manager

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D. McIntyre, OPA N. Sheehan, OPA N. McNamara, RI
D. Screnci, OPA D. Tiftt, RI C. Adkison, NSIR

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A. Dimitriadis, RI J. Maynen, RIII
B. Desai, RII M. Haire, RIV

HARD COPY W/ ENCL:

J. Curry, NSIR

ADAMS ACCESSION NUMBER: ML13186A141

OFFICE	NSIR/DSO/SPEB	NSIR/DSO	NSIR/DSO/SPEB	RI	NSIR/DSO/SPEB	NSIR/DSO
NAME	R. Dexter	J. Curry	J. Willis	A. Dimitriadis	C. Johnson	P. Holahan
DATE	7/5/13	7/5/13	7/9/13	8/2/13	8/5/13	8/8/13

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