

SAFEGUARDS INFORMATION

March 20, 2008

EA-08-064

Enclosure Contains Safeguards Information.
When Separated from enclosure, this
document is not Safeguards Information.

Mr. Charles G. Pardee
Chief Nuclear Officer and Senior Vice President
Exelon Generation Company, LLC
200 Exelon Way, KSA 3-E
Kennett Square, PA 19348

SUBJECT: THREE MILE ISLAND, UNIT 1 - NRC PHYSICAL SECURITY BASELINE
INSPECTION REPORT 05000289/2008402; PRELIMINARY GREATER THAN
GREEN FINDING

Dear Mr. Pardee:

On February 8, 2008, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Three Mile Island, Unit 1 facility. 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 February 8, 2008, with Mr. Thomas Dougherty, Plant Manager 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.

Based on the results of this inspection, a finding was identified which was preliminarily determined to be greater than very low safety significance (i.e., greater than Green as determined by the Physical Protection Significance Determination Process (PPSDP)). The deficiency was identified by the licensee. Recognizing local sensitivities related to the identification of inattentive officers at another facility last year, the staff notes that this finding does not involve inattentive security officers.

Warning: Violation of section 147 of the Atomic Energy Act, "Safeguards Information" is subject to civil and criminal penalties

SAFEGUARDS INFORMATION DETERMINATION
MADE BY:
NAME/TITLE: James Trapp, Chief
ORGANIZATION: RI/DRS/PSB1
BASIS: DG-SG-1: (300) Physical Protection Program
SIGNATURE /RA/ DATE: 03/20/08

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The 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 site. 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/reading-room/adams.html](http://www.nrc.gov/reading-room/adams.html).

Before we make a final significance decision regarding the preliminary "greater than Green" findings, we are providing you an opportunity (1) to 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 one week prior to the conference in an effort to make the conference more efficient and effective. If a Regulatory Conference is held, it will be closed to public observation because it involves security sensitive information. 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. If you decline a Regulatory Conference and choose not to submit a written response, the NRC will proceed with its final determination.

Please contact Mr. James Trapp of my staff at (610) 337- 5186 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 decision.

You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding the apparent violation is required at this time. 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 apparent violation 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 (PARS) component of NRC's document system, ADAMS. ADAMS is accessible from the NRC Website 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 73.21, a copy of this letter's enclosure will not be available for public inspection.

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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. 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).

Sincerely,

/RA/

Marsha K. Gamberoni, Director
Division of Reactor Safety

Docket Nos. 50-289
License Nos. DPR-50

Enclosure: Inspection Report 05000289/2008402
w/Attachment: Supplemental Information
(CONTAINS SAFEGUARDS INFORMATION (SGI))

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