SAFEGUARDS INFORMATION

August 6, 2002

Mr. John L. Skolds, President Exelon Nuclear Exelon Generation Company, LLC 4300 Winfield Road Warrenville, IL 60555

Dear Mr. Skolds:

SUBJECT: DRESDEN NUCLEAR POWER STATION

NRC INSPECTION REPORT 50-237/02-13(DRS); 50-249/02-13(DRS)

On July 19, 2002, the NRC completed an inspection at your Dresden Nuclear Power Station, Units 2 and 3. The enclosed report presents the inspection findings which were discussed with Mr. R. Hovey and other members of your staff on July 19, 2002.

The inspection was an examination of activities conducted under your license as they relate to the Safeguards Strategic Performance Area and compliance with the Commission's rules and regulations and with the conditions of your license. Within this area, the inspection consisted of a selected examination of procedures and representative records, observation of activities, and interviews with personnel. Specifically, this inspection focused on Response to Contingency Events (Protective Strategy and Implementation of Protective Strategy).

There was one finding of very low safety significance (green) identified in the report.

In accordance with 10 CFR 2.790 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 Web site at http://www.nrc.gov/NRC/ADAMS/index.html (the Public Electronic Reading Room).

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The enclosure, which contains safeguards information of a type specified in 10 CFR 73.21, will <u>not</u> be placed in the Public Document Room and must be protected against unauthorized disclosure.

Sincerely,

/RA/

James R. Creed, Safeguards Program Manager Division of Reactor Safety

Docket Nos. 50-237; 50-249 License Nos. DPR-19; DPR-25

Enclosure: Inspection Report 50-237/02-13(DRS);

50-249/02-13(DRS) (**SAFEGUARDS**

INFORMATION)

cc w/encl: Site Vice President - Dresden Nuclear Power Station

Dresden Nuclear Power Station Plant Manager Regulatory Assurance Manager - Dresden

Chief Operating Officer

Senior Vice President - Nuclear Services Senior Vice President - Mid-West Regional

Operating Group

Vice President - Mid-West Operations Support Vice President - Licensing and Regulatory Affairs

Director Licensing - Mid-West Regional

Operating Group

Manager Licensing - Dresden and Quad Cities Senior Counsel, Nuclear, Mid-West Regional

Operating Group

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cc w/encl w/o

SAFEGUARDS INFORMATION: M. Aguilar, Assistant Attorney General Illinois Department of Nuclear Safety

State Liaison Officer

Chairman, Illinois Commerce Commission

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James R. Creed,

Safeguards Program Manager Division of Reactor Safety

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SAFEGUARDS INFORMATION: M. Aguilar, Assistant Attorney General

Illinois Department of Nuclear Safety

State Liaison Officer

Chairman, Illinois Commerce Commission

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U. S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket Nos: 50-237: 50-249 License Nos: DPR-19; DPR-25

Report No: 50-237/02-13(DRS); 50-249/02-13(DRS)

Licensee: Exelon Generation Company, LLC

Facility: Dresden Nuclear Power Station, Units 2 and 3

Location: 6500 North Dresden Road

Morris, IL 60450

Dates: July 15 through July 19, 2002

Inspectors: T. Madeda, Physical Security Inspector

J. Maynen, Trainee Physical Security Inspector

Approved by: James R. Creed

Safeguards Manager Division of Reactor Safety

SUMMARY OF FINDINGS

IR 05000237-02-13(DRS), IR 05000249-02-13(DRS), on 07/15-19/2002, Exelon Generation Company, LLC, Dresden Nuclear Power Station, Units 2 and 3. Physical Protection-Response to Contingency Events (Protective Strategy and Implementation of Protective Strategy).

The report covers a one week period of announced baseline inspection on security. The inspection was conducted by a Region III security inspector. One Green finding was identified. The significance of most findings is indicated by their color (Green, White, Yellow, Red) using Inspection Manual Chapter 0609, "Significance Determination Process" (SDP). Findings for which the SDP does not apply may be "Green" or be assigned a severity level after NRC management review. The NRC's program for overseeing the safe operation of commercial nuclear power reactors is described in NUREG-1649, "Reactor Oversight Process," Revision 3, dated July 2000.

A. <u>Inspector Identified Findings</u>

Cornerstone: Physical Protection

Green. A finding of very low safety significance was identified by the inspector. The inspector observed that security personnel who participated in a performance excise on July 18, 2002, demonstrated a reduced level of proficiency than that necessitated by the licensee's established protective strategy plan.

The finding affected safety because it demonstrated a reduced level of proficiency needed to support the licensee's established protective strategy. This finding was evaluated through the SDP and determined to be of very low safety significance because no intrusions had occurred, and there had not been greater than two findings in the last four quarters. There is no specific requirement for this specific demonstration of proficiency in the licensee's approved security plan; therefore, no violation occurred (Section 3PP3).

B. Licensee Identified Findings

A violation of very low significance identified by the licensee was reviewed by the inspector. Corrective actions taken or planned by the licensee appear reasonable. The violation is listed in Section 4OA7 of this report.