

March 17, 2003

Mr. Fred Dacimo
Vice President - Indian Point Nuclear Generating Station
Entergy Nuclear Operations, Inc.
295 Broadway, Suite 1
Post Office Box 249
Buchanan, NY 10511-0249

SUBJECT: INSPECTION OF NUCLEAR REACTOR SAFEGUARDS INTERIM
COMPENSATORY MEASURES, TEMPORARY INSTRUCTION 2515/148,
REVISION 1, INSPECTION REPORT NOS. 50-247/03-006, 50-286/03-004

Dear Mr. Dacimo:

On February 14, 2003, the U.S. Nuclear Regulatory Commission (USNRC) completed a special inspection at the Indian Point Generating Stations, in accordance with Temporary Instruction 2515/148, Revision 1, "Inspection of Nuclear Reactor Safeguards Interim Compensatory Measures." The enclosed report documents the inspection findings which were discussed on January 31, February 14, and March 14, 2003, with Messrs. James Knubel, Chris Schwarz, David Thompson, Richard Goodrich, John McCann and other members of your staff. A separate inspection report (Inspection Report Nos. 50-247/03-005 and 50-286/03-003) documenting NRC follow-up on concerns relative to certain elements and characteristics of your physical protection and security program was also issued March 17, 2003.

This inspection examined activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations, and with the conditions of your license. The specific purpose of this inspection was to verify that Entergy effectively implemented the interim compensatory measures (ICMs) imposed by the Order Modifying License issued February 25, 2002 (ICM Order), and that the specifications of that ICM Order were successfully incorporated into your site physical protection strategy and security program. Additionally, the objective of the inspection was to ensure that relevant procedures were developed and implemented, and that interface agreements with offsite organizations were developed and coordinated, as required. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel. Since this inspection involved the review and assessment of security measures relative to the physical protection of the Indian Point facility, the report is considered as Safeguards Information, and is required to be controlled in accordance with 10 CFR 73.21, "Requirements for the protection of safeguards information." However, the summary of findings, including table of contents is provided as non-safeguards information.

The inspection team confirmed that, at the time of the inspection, Entergy had effectively implemented the specifications of the Order Modifying License issued February 25, 2002.

However, on January 3, 2003, three armed responders were inappropriately reassigned from Indian Point Unit 3 response positions that were required to be staffed. These reassignments resulted in a failure to adhere to requirements of the ICM Order regarding the minimum number of properly equipped armed responders in support of Indian Point Unit 3's response plan.

During the course of one shift on January 3, 2003, a Central Alarm Station (CAS) operator directed the reassignment of the three Indian Point Unit 3 armed responders from their normally assigned protected area response positions/patrols to other duties. Specifically, two armed responders were reassigned in the morning; and another armed responder was reassigned later that same day. When removed from their respective response positions, these responders were no longer properly equipped in accordance with the specifications of the Order; and were no longer in a position to execute the response strategy that Entergy established for responding to contingency events that threaten the physical protection and security of the Indian Point site. Although, these occurrences represent a vulnerability in safeguards systems or plans, the reassignments were of short duration and there have not been any other similar occurrences involving implementation of the Unit 3 response strategies. Therefore, this finding was assessed as having very low safety significance (Green) in accordance with the Reactor Oversight Process (ROP) Significance Determination Process (SDP). The inspectors confirmed that Entergy took prompt corrective measures to prevent recurrence.

Previously, as identified in NRC Inspection Reports (50-247/02-05, dated September 23, 2002; and 50-247/02-06, dated November 6, 2002), there were two occurrences at Indian Point Unit 2 involving inattentive armed responders that also constituted vulnerabilities of safeguards systems or plans. We consider these types of findings as indicators of weaknesses in the implementation of your security program. As indicated in our Annual Assessment letters for each facility, dated March 3 and 4, 2003, these performance issues and the concerns raised by your security officers warrant continued management attention as you work toward consolidation of the Unit 2 and Unit 3 security forces.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, without enclosure will be made 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/reading-rm/adams.html> (the Public Electronic Reading Room).

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

Sincerely,

/RA/

Brian Holian, Deputy Director
Division of Reactor Projects

Docket Nos. 50-247, 50-286
License Nos. DPR-26, DPR-64

Enclosure: NRC Inspection Report Nos. 50-247/03-006, 50-286/03-004
(CONTAINS SAFEGUARDS INFORMATION (SGI))

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