October 3, 2003

Mr. Jay K. Thayer Site Vice President - Vermont Yankee Entergy Nuclear - Vermont Yankee, LLC P.O. Box 0500 185 Old Ferry Road Brattleboro, VT 05302-0500

SUBJECT: VERMONT YANKEE NUCLEAR POWER STATION - INSPECTION OF

NUCLEAR REACTOR SAFEGUARDS INTERIM COMPENSATORY MEASURES, TEMPORARY INSTRUCTION 2515/148, REVISION 2,

INSPECTION REPORT NO. 05000271/2003009

Dear Mr. Thayer:

On August 22, 2003, the U.S. Nuclear Regulatory Commission (USNRC) completed a special inspection at the Vermont Yankee Nuclear Power Station (VYNPS), in accordance with Temporary Instruction 2515/148, Revision 2, "Inspection of Nuclear Reactor Safeguards Interim Compensatory Measures." The enclosed report documents the inspection findings which were discussed on August 22, 2003, with Mr. John Patrick, Acting Security Director, and other members of your staff.

This inspection examined activities conducted under your license as they relate to safety and to 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 Nuclear Northeast effectively implemented the interim compensatory measures (ICMs) at VYNPS imposed by the Order Modifying License issued February 25, 2002 (ICM Order); and that the ICMs 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.

Based on the results of this inspection, no findings of significance were identified.

The inspection team verified and confirmed that Vermont Yankee had effectively implemented the specifications of the Order Modifying License issued February 25, 2002.

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/

Wayne D. Lanning, Director Division of Reactor Safety

Docket No. 50-271 License No. DPR-28

Enclosure: NRC Inspection Report No. 05000271/2003009

(CONTAINS SAFEGUARDS INFORMATION (SGI))

w/Attachment: Supplemental Information

cc w/o encl w/o SGI:

- M. R. Kansler, President, Entergy Nuclear Operations, Inc.
- G. Taylor, Chief Executive Officer, Entergy Operations
- J. Herron, Senior Vice President and Chief Operating Officer
- D. Pace, Vice President, Engineering
- R. Edington, Vice President, Operations Support

Manager, Licensing, Vermont Yankee Nuclear Power Station

- M. Hamer, Operating Experience Coordinator Vermont Yankee Nuclear Power Station
- J. Kelly, Director, Nuclear Safety Assurance

Director of Oversight, Entergy Nuclear Operations, Inc.

- J. M. Fulton, Assistant General Counsel
- S. Lousteau, Treasury Department, Entergy Services, Inc.
- D. Tefft, Administrator, Bureau of Radiological Health, State of New Hampshire
- Chief, Safety Unit, Office of the Attorney General, Commonwealth of Massachusetts
- D. Lewis, Esquire
- G. Bisbee, Esquire
- J. Block, Esquire
- D. Katz, Citizens Awareness Network (CAN)
- M. Daley, New England Coalition on Nuclear Pollution, Inc. (NECNP)
- R. Shadis, New England Coalition Staff

State of New Hampshire, SLO Designee

State of Vermont, SLO Designee

- S. McGrail, Commonwealth of Massachusetts, SLO Designee
- G. Sachs, President/Staff Person, c/o Stopthesale
- K. Graesser, BWR SRC Consultant
- J. Sniezek, BWR SRC Consultant
- R. Toole, BWR SRC Consultant

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