February 15, 2001

SAFEGUARDS INFORMATION

Mr. R. P. Powers
Senior Vice President
Nuclear Generation Group
American Electric Power Company
500 Circle Drive
Buchanan, MI 49107-1395

SUBJECT: D.C. COOK - NRC INSPECTION REPORT 50-315/00-26(DRS); 50-316/00-26(DRS)

Dear Mr. Powers:

On January 12, 2001, the NRC completed an Operational Safeguards Response Evaluation and a portion of a physical protection baseline inspection. The results of this inspection were discussed with you and other members of your staff on January 12, 2001. The enclosed report presents the results of that inspection.

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 these areas, the inspection consisted of a selective examination of representative records, tours of your facility, and interviews with personnel. The inspection focused on your ability to respond to an external threat.

Based on the results of this inspection, two issues were identified. The first issue concerned the effectiveness of your protected area intrusion detection system. The second issue concerned the effectiveness of communications during an evaluated contingency exercise. These issues were evaluated under the risk significance determination process and were determined to be of very low safety significance (Green). These issues have been entered into your corrective action program and are discussed in the summary of findings and in the body of the attached inspection report. The issue involving the protected area intrusion alarm system was determined to be a violation of NRC requirements, but because of its very low safety significance, the violation was not cited. If you contest the Non-Cited Violation, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555-0001; with copies to the Regional Administrator, Region III; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, D.C. 20555-0001; and the NRC Resident Inspector at the D. C. Cook facility.

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We will gladly discuss any questions you have concerning this inspection.

Sincerely,

/RA/

James R. Creed
Safeguards Program Manager
Division of Reactor Safety

Docket Nos. 50-315; 50-316
License Nos. DPR-58; DPR-74

Enclosure: Inspection Report 50-315/00-26(DRS);
50-316/00-26(DRS)
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cc w/encl: A. C. Bakken III, Site Vice President
J. Pollock, Plant Manager
M. Rencheck, Vice President, Nuclear Engineering
NRR/DRIS/RSGB9D

cc w/encl w/o SAFEGUARDS INFORMATION:
R. Whale, Michigan Public Service Commission
Michigan Department of Environmental Quality
Emergency Management Division
MI Department of State Police
D. Lochbaum, Union of Concerned Scientists

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U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket Nos:	50-315; 50-316
License Nos:	DPR-58; DPR-74
Report No:	50-315/00-26(DRS); 50-316/00-26(DRS)
Licensee:	American Electric Power Company 1 Cook Place Bridgman, MI 49106
Facility:	D. C. Cook Nuclear Generating Plant
Location:	1 Cook Place Bridgman, MI 49106
Dates:	December 7-8, 2000 January 8-12, 2001
Inspection Team:	J. Belanger, Senior Physical Security Inspector (Team Leader) T. Madeda, Physical Security Inspector D. Orrik, Reactor Safeguards Specialist, NRR R. Hsu, Nuclear Engineer, NRR J. Maynen, Resident Inspector NRC Contractors (3)
Approved by:	James R. Creed Safeguards Program Manager Division of Reactor Safety

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NRC's REVISED REACTOR OVERSIGHT PROCESS

The federal Nuclear Regulatory Commission (NRC) recently revamped its inspection, assessment, and enforcement programs for commercial nuclear power plants. The new process takes into account improvements in the performance of the nuclear industry over the past 25 years and improved approaches of inspecting and assessing safety performance at NRC licensed plants.

The new process monitors licensee performance in three broad areas (called strategic performance areas) reactor safety (avoiding accidents and reducing the consequences of accidents if they occur), radiation safety (protecting plant employees and the public during routine operations), and safeguards (protecting the plant against sabotage or other security threats). The process focuses on licensee performance within each of seven cornerstones of safety in the three areas:

Reactor Safety	Radiation Safety	Safeguards
● Initiating Events	● Occupational	● Physical Protection
● Mitigating Systems	● Public	
● Barrier Integrity		
● Emergency Preparedness		

To monitor these seven cornerstones of safety, the NRC uses two processes that generate information about the safety significance of plant operations: inspections and performance indicators. Inspection findings will be evaluated according to their potential significance for safety, using the Significance Determination Process, and assigned colors of GREEN, WHITE, YELLOW or RED. GREEN findings are indicative of issues that, while they may not be desirable, represent very low safety significance. WHITE findings indicate issues that are of low to moderate safety significance. YELLOW findings are issues that are of substantial safety significance. RED findings represent issues that are of high safety significance with a significant reduction in safety margin.

Performance indicator data will be compared to established criteria for measuring licensee performance in terms of potential safety. Based on prescribed thresholds, the indicators will be classified by color representing varying levels of performance and incremental degradation in safety: GREEN, WHITE, YELLOW, and RED. GREEN indicators represent performance at a level requiring no additional NRC oversight beyond the baseline inspections. WHITE corresponds to performance that may result in increased NRC oversight. YELLOW represents performance that minimally reduces safety margin and requires even more NRC oversight. And RED indicates performance that represents a significant reduction in safety margin but still provides adequate protection to public health and safety.

The assessment process integrates performance indicators and inspection so the agency can reach objective conclusions regarding overall plant performance. The agency will use an Action Matrix to determine in a systematic, predictable manner which regulatory actions should be taken based on a licensee's performance. The NRC's actions in response to the significance (as represented by the color) of issues will be the same for performance indicators as for inspection findings. As a licensee's safety performance degrades, the NRC will take more and increasingly significant action, which can include shutting down a plant, as described in the Action Matrix.

More information can be found at: http://www.nrc.gov/NRR/OVERSIGHT/index.html.

SUMMARY OF FINDINGS

IR 05000315-00-26(DRS); IR 05000316-00-26(DRS), on 12/07-08/2000, 01/08-12/2001; Nuclear Generation Group, D. C. Cook Nuclear Generating Plant, Units 1 & 2. Operational Safeguards Response Evaluation (OSRE) and Response to Contingency Events (Intrusion Detection System Performance Testing).

The team inspection was conducted by two regional security inspectors, a Resident Inspector, one security specialist and one reactor engineer from the Office of Nuclear Reactor Regulation, and three NRC contractors.

Cornerstone: Physical Protection

Green. Performance testing of the perimeter intrusion alarm system identified some areas where the system did not effectively perform its intended function This single issue could impact the overall effectiveness of response. The inspector identified a Non-Cited Violation for a failure to adequately perform the functions required by Section 5.3.1.1 of the NRC-approved D. C. Cook Security Plan. The inspectors also identified that the licensee's testing procedure was inadequate to identify these problems. The specific zones and problems are considered safeguards information.

This is a finding because it represents a potential vulnerability of a safeguards system. This has the potential of affecting the ability of the response force to redeploy with sufficient numbers and in time to interdict an adversary before it could reach a vital target. The issue was of very low safety significance because there was no actual event and there have not been greater than two similar findings in four quarters (Section 3PP3.b).

Green. The inspectors observed some responder communication problems during force-on-force drills conducted on January 10-11, 2001. This issue represents a matter, that if left uncorrected, could result in evaluations of response performance not reflective of true capabilities (Section 4OA5.b.2)