



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931**

June 26, 2003

SAFEGUARDS INFORMATION

Southern Nuclear Operating Company, Inc.
ATTN: Mr. H. L. Sumner, Jr.
Vice President
P. O. Box 1295
Birmingham, AL 35201-1295

SAFEGUARDS INFORMATION REMOVED

**SUBJECT: EDWIN I. HATCH NUCLEAR PLANT NRC SAFEGUARDS INSPECTION
REPORT 50-321/03-05 AND 50-366/03-05**

Dear Mr. Sumner:

On May 16, 2003, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection at your Hatch Nuclear Plant. The enclosed inspection report documents the inspection findings, which were discussed on May 16, 2003, with Mr. D. Madison and other members of your staff.

The inspection examined activities conducted under your license as they relate to safety and compliance with an Order issued on February 25, 2002, which required your site to implement specific measures related to security of your facility. The inspection used Temporary Instruction 2515/148, "Inspection of Nuclear Reactor Safeguards Interim Compensatory Measures," to verify implementation of the Order as clarified in your response dated March 18, May 7, June 19, and August 27, 2002. The inspection also included evaluations of other selected areas of the security program including performance indicators, access control, intrusion detection and assessment system testing, and aspects of contingency response. Within these areas, the inspection consisted of selected examination of procedures and records, observation of activities, and interviews with personnel.

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

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Should you have any questions concerning this letter, please contact us.

Sincerely,

/RA/

Anne T. Boland, Chief
Plant Support Branch
Division of Reactor Safety

Docket No. 50-321, 366
License No. DPR-57, NPF-5

Enclosure: NRC Inspection Report
50-321/03-05, 50-366/03-05

cc w/encl: See Page 3

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(continued on Page 4)

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ENCLOSURE

U.S. NUCLEAR REGULATORY COMMISSION

REGION II

Docket No.: 50-321, 50-366

License No.: DPR-57, NPF-5

Report No.: 50-321/03-05; 50-366/03-05

Licensee: Southern Nuclear Operating Company

Facility: E. I. Hatch Nuclear Plant

Location: P.O. Box 2010
Baxley, GA 31513

Dates: May 12-16, 2003

Inspectors: Jon H. Wallo, Senior Physical Security Inspector
Kenneth Davis, Physical Security Inspector
James L. Kreh, Emergency Preparedness Inspector
Norman P. Garrett, Acting Senior Resident Inspector

Accompanying
Personnel: David A. Holman, Physical Security Inspector

Approved By: Anne T. Boland, Chief
Plant Support Branch
Division of Reactor Safety

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SUMMARY OF FINDINGS

IR 05000321,366/2003-005; Southern Nuclear Operating Company; 5/12-16/2003; Plant E. I. Hatch Units 1 & 2; Temporary Instruction (TI) 2515/148; Verification of Compliance with Interim Compensatory Measures Order.

The report covered an announced inspection by two regional physical security inspectors, an emergency preparedness inspector, and a resident inspector. One issue, the significance of which is to be determined, was identified. Pending further review, the issue is characterized as an unresolved item. 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. Inspector-Identified and Self-Revealing Findings

Cornerstone: Physical Security

- The inspectors identified an unresolved item concerning the licensee's implementation of Interim Compensatory Measure B.5.b of the February 25, 2002 Order. (Section VI.B)

B. Licensee-Identified Violations

None

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