

June 8, 2012

Mr. John A. Christian, President
ZionSolutions, LLC
1750 Tysons Boulevard, Suite 1500
McLean, VA 22102

SUBJECT: NRC INSPECTION REPORT 050-00295/12-007(DNMS); 050-00304/12-007(DNMS) –
ZION NUCLEAR POWER STATION

Dear Mr. Christian:

On March 23, 2012, the U.S. Nuclear Regulatory Commission (NRC) completed onsite inspection activities for the first calendar quarter of 2012 at the permanently shut-down Zion Nuclear Power Station in Zion, Illinois. The purpose of the inspection was to determine whether decommissioning activities were conducted safely and in accordance with NRC requirements. The enclosed report presents the results of this inspection, which were discussed with members of your staff during an exit meeting at the Zion Station on April 26, 2012.

During the inspection period, the NRC inspectors reviewed several engineering design change and safety evaluations, and elements of the radiation protection, radioactive waste and radiological environmental monitoring programs. Also, the inspectors reviewed spent fuel assembly testing/inspection activities and completed a follow-up review of a Licensee Event Report (LER) associated with an improperly stored fuel rod canister in the spent fuel pool.

The inspection consisted of an examination of activities at the site as they relate to safety and compliance with the Commission's rules and regulations. Areas examined during the inspection are identified in the enclosed report. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observation of work activities, independent radiation measurements, and interviews with personnel.

Based on the results of this quarterly inspection effort, the NRC inspectors identified one violation of regulatory requirements that was of more than minor safety significance. However, because the issue is of very low safety significance and because it was entered into your corrective action program, the NRC is treating the issue as a non-cited violation (NCV) in accordance with Section 2.3.2 of the NRC Enforcement Policy.

No response is required for the non-cited violation. However, if you contest the subject or severity of the NCV, you should provide a response within 30-days of the date of this inspection report, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission - Region III.

<p>The Enclosure Contains Sensitive Unclassified Non-Safeguards Information. When separated from the enclosure, this transmittal letter is decontrolled.</p>
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J. Christian

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In accordance with Title 10 of the Code of Federal Regulations (CFR) 2.390 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 NRC's Agencywide Document Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. However, because the enclosed inspection report contains Security Related Information and must be protected from unauthorized disclosure, the report will not be made available for public inspection. The Enclosure must be protected from unauthorized disclosure.

We will gladly discuss any questions you may have regarding this inspection.

Sincerely,

/RA/

Christine A. Lipa, Chief
Materials Control, ISFSI, and
Decommissioning Branch
Division of Nuclear Materials Safety

Docket Nos. 050-00295; 050-00304
License Nos. DPR-39; DPR-48

Enclosure:
Inspection Report No. 050-00295/12-007(DNMS);
050-00304/12-007(DNMS)

cc w/encl and w/o encl: See next page

Letter to John A. Christian from Christine A. Lipa, dated June 8, 2012.

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ZION NUCLEAR POWER STATION

cc w/encl: C. Settles, Head Resident Inspection, Illinois Emergency Management Agency
Joseph G. Klinger, Illinois Emergency Management Agency
General Manager, Zion Nuclear Power Station, ZionSolutions, LLC
Director Regulatory Affairs, Zion Nuclear Power Station, ZionSolutions, LLC
Security Manager, Zion Nuclear Power Station, ZionSolutions, LLC

cc w/o encl: The Honorable Suzi Schmidt, Illinois General Assembly
The Honorable JoAnn D. Osmond, Illinois General Assembly
Barry A. Burton, Lake County Administrator
Mark C. Curran, Jr., Lake County Sheriff
Laurie Cvengros, Village Clerk, Village of Beach Park, Illinois
Willard R. Helander, Lake County Clerk
Jana Lee, Village Clerk, Village of Winthrop Harbor, Illinois
Judy L. Mackey, City Clerk, City of Zion, Illinois
Kent McKenzie, Lake County, Illinois
Irene T. Pierce, Lake County, Illinois

J. Christian

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