



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION I
475 ALLENDALE ROAD, SUITE 102
KING OF PRUSSIA, PA 19406-1415

December 6, 2022

Docket No. 07200015

License No. DPR-16

Mr. Kelly Trice
President - HDI
Holtec Decommissioning International, LLC
Krishna P. Singh Technology Campus
1 Holtec Blvd.
Camden, NJ 08104

SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION – NRC INDEPENDENT
SPENT FUEL STORAGE INSTALLATION SECURITY INSPECTION REPORT
07200015/2022401

Dear Mr. Trice:

On November 8, 2022, the U.S. Nuclear Regulatory Commission (NRC) completed an Independent Spent Fuel Storage Installation (ISFSI) security inspection at the Independent Spent Fuel Storage Installation at the permanently shut down Oyster Creek Generating Station (Oyster Creek) in Forked River, New Jersey. The inspection covered your physical security plan, Revision 0, and the October 16, 2002, Interim Compensatory Measures for Dry Independent Spent Fuel Storage Installations Order and was conducted using NRC Inspection Procedure 92702, "Follow-Up on Traditional Enforcement Actions Including Violations, Deviations, Confirmatory Action Letters, and Orders."

The inspectors performed follow-up inspection of the completed items and corrective actions associated with NRC Order EA-21-041, Confirmatory Order Related to the NRC Office of Investigations Report No-2020-007.

Additionally, the inspectors performed follow-up inspections on violations documented in EA-21-093 (Inspection Report (IR) 05000219/2021403, ML21301A188 Non-Public, ML21326A151 Public), EA-21-139 & EA-21-150 (OI Report numbers I-2021-002 & I-2021-014, ML22031A208 Non-Public), and IR 05000219/2021404 (ML21238A174 Non-Public).

The enclosed inspection report documents the inspection results, which were discussed with Mr. Jeffrey Dostal, Site Vice-President, and other members of your staff on November 8, 2022.

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| Enclosure 2 transmitted herewith contain SUNSI. When separated from enclosure 2, this transmittal document and enclosure 1 are decontrolled. |
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K. Trice

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The inspection examined activities conducted under your license as they relate to security and compliance with the Commission's rules and regulations and with the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, root causes, apparent causes, corrective actions, and interviewed personnel.

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

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public Inspections, Exemptions, Requests for Withholding," of the NRC's "Rules of Practice," a copy of this letter and enclosure 1 will be made available electronically for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

However, enclosure 2 contains Security-Related Information, so enclosure 2 of the report will not be made publicly available in accordance with 10 CFR 2.390(d)(1). If you choose to provide a response that contains Security-Related Information, please mark your entire response "Security-Related Information–Withhold from public disclosure under 10 CFR 2.390", in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1).

The NRC is waiving the affidavit requirements for your response in accordance with 10 CFR 2.390(b)(1)(ii).

Sincerely,

Daniel L. Schroeder, Chief
Security, Emergency Preparedness and
Incident Response Branch
Division of Radiological Safety and Security

Enclosures:

1. Public Inspection Report No. 07200015/2022401
2. Non-Public Inspection Report No. 07200015/2022401 (OUO-SRI)

cc w/enclosure 1:

Distribution via ListServ

cc w/enclosure 1 and 2:

J. Dwyer, Manager, Site Security
D. Gagnon, Fleet Security Director
T. Miller, Decommissioning Lead
J. Fleming, Vice-President, Regulatory Affairs
Paul Baldauf, Assistant Commissioner, Air Quality, Energy & Sustainability,
New Jersey Department of Environmental Protection

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SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION – NRC INDEPENDENT
SPENT FUEL STORAGE INSTALLATION SECURITY INSPECTION REPORT
NO. 07200015/2022401 DATED DECEMBER 6, 2022

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File: <https://usnrc.sharepoint.com/teams/RIDRSPSBSEC/Shared Documents/Inspection Reports/2022 IR Final/Oyster Creek/OC PUBLIC ISFSI IR 2022401 .docx>

Non-Public Designation Category: MD 3.4 Non-Public A.3

ADAMS ACCESSION NUMBER: ML22334A069 (Cover letter w/ enclosure 1)

ADAMS ACCESSION NUMBER: ML22334A072 (Cover letter w/enclosure 1 & 2)

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|---|-----------|---|--------------|------------|---|--|
| Entire Report: <input checked="" type="checkbox"/> SUNSI Review | | <input type="checkbox"/> Non-Sensitive <input checked="" type="checkbox"/> Sensitive | | | <input type="checkbox"/> Publicly Available <input checked="" type="checkbox"/> Non-Publicly Available | |
| Cover Letter w/enc 1 Only: <input checked="" type="checkbox"/> SUNSI Review | | <input checked="" type="checkbox"/> Non-Sensitive <input type="checkbox"/> Sensitive | | | <input checked="" type="checkbox"/> Publicly Available <input type="checkbox"/> Non-Publicly Available | |
| OFFICE | RI/DRSS | RI/DRSS | RI/DRSS | RI/DRSS | | |
| NAME | SMcCarver | DCaron | ADimitriadis | DSchroeder | | |
| DATE | 11/30/22 | 11/29/22 | 11/30/22 | 12/6/22 | | |

OFFICIAL RECORD COPY

**U.S. NUCLEAR REGULATORY COMMISSION
REGION I
INSPECTION REPORT**

Docket No. 07200015

License No. DPR-16

Report No. 07200015/2022401

Enterprise Identifier: I-2022-401-0077

Licensee: Holtec Decommissioning International, LLC

Address: Forked River, NJ.

Location Inspected: Oyster Creek Nuclear Generating Station Independent Spent Fuel Installation (ISFSI)

Inspection Dates: November 7 - 8, 2022

Inspectors: Dana Caron, Senior Physical Security Inspector
Sammy McCarver, Physical Security Inspector

Approved by: Daniel L. Schroeder, Chief
Security, Emergency Preparedness and Incident Response
Branch, Division of Radiological Safety and Security

Enclosure 1

EXECUTIVE SUMMARY

In accordance with guidance in Inspection Procedure (IP) 92702, Follow-Up on Traditional Enforcement Actions Including Violations, Deviations, Confirmatory Action Letters, And Orders, effective 01/01/2021, inspectors conducted on-site inspection activities at the permanently shut down Oyster Creek Nuclear Generating Station November 07 – 08, 2022.

Specifically, the inspectors performed follow-up inspection of the completed items and corrective actions associated with NRC Order EA-21-041, Confirmatory Order Related to the NRC Office of Investigations Report No-2020-007. The inspectors confirmed Holtec's completion of the following Order Conditions:

A.1, A.2, A.3, B.1, B.2, C.1, E1

The remaining items will be inspected as they are completed.

REPORT DETAILS

1. Order Condition A.1, HDI report of the maintenance status of all in-service and contingency weapons on site at Oyster Creek.

- a. Inspection Scope

The inspectors evaluated completion of this condition by reviewing the HDI report, matching the report to accountability records, reviewing weapons maintenance records, reviewing relevant weapons maintenance procedures, and inspecting weapons.

- b. Findings

No violations were identified.

2. Order Condition A.2, HDI shall complete a root cause evaluation of the events related to the violations at Oyster Creek described in the Order.

- a. Inspection Scope

The inspectors evaluated completion of this condition by reviewing the root cause evaluation, the tools used to analyze the event and identify causal factors, the extent of condition, the extent of cause, the corrective actions to prevent occurrence, the schedule of corrective actions, and effectiveness reviews. Additionally, training documents and other products of corrective actions were reviewed and interviews with security staff were conducted.

- b. Findings

No violations were identified.

Enclosure 1

3. Order Condition A.3, HDI shall review its process for performing and recording in-service and out-of-service weapons maintenance. The review shall include a comparison of Oyster Creek's process versus other nuclear sites and include at least one non-HDI nuclear site.

- a. Inspection Scope

- The inspectors evaluated completion of this condition by reviewing the HDI evaluation, the evaluations conclusions, and corrective action products generated from those conclusions.

- b. Findings

- No violations were identified.

4. Order Condition B.1, HDI shall communicate the issue to the security personnel at Oyster Creek and other HDI decommissioning nuclear reactor sites. The communication will be conducted by the President of HDI and shall address wrongdoing and falsification of records.

- a. Inspection Scope

- The inspectors evaluated completion of this condition by reviewing the communications to Oyster Creek security personnel and verifying the content of those communications.

- b. Findings

- No violations were identified.

5. Order Condition B.2, HDI will conduct training to be given to security personnel at each of HDI's nuclear sites. The training will emphasize: (a) the importance of complete and accurate information, (b) individual accountability; and (c) reporting of the observation of non-compliances.

- a. Inspection Scope

- The inspectors evaluated completion of this condition by reviewing the content of the training and each site's training records indicating completion.

- b. Findings

- No violations were identified.

6. Order Condition C.1, HDI shall evaluate its implementation of the armorer function at Oyster Creek. The evaluation shall include a comparison of HDI's weapons maintenance processes versus other nuclear sites and include at least one non-HDI nuclear site.

Enclosure 1

a. Inspection Scope

The inspectors evaluated completion of this condition by reviewing the HDI evaluation, the evaluations conclusions, and corrective action products generated from those conclusions.

b. Findings

No violations were identified.

7. Order Condition E.1, HDI shall install a Fleet Security Director and he shall report to the HDI President.

a. Inspection Scope

The inspectors evaluated completion of this condition by verifying that a Fleet Security Director had been installed, interviewing the Fleet Security Director, and verifying that he reports to the President of HDI.

b. Findings

No violations were identified.

Exit Meeting Summary

On November 8, 2022, the inspectors presented the inspection results to Mr. Jeffrey Dostal, Site Vice-President, and other members of the licensee's staff. The inspectors verified that no proprietary information was retained by the inspectors or documented in this report.

**ATTACHMENT
SUPPLEMENTAL INFORMATION
KEY POINTS OF CONTACT**

Licensee Personnel

D. Gagnon, HDI Fleet Security Director
J. Dwyer, Manager Site Security
R. Newhardt, Lead Security Shift Supervisor

LIST OF ITEMS OPEN, CLOSED, AND DISCUSSED

Opened

None

Opened and Closed

None

Closed

LER 05000219, 07200015/2022-001-00

INSPECTION PROCEDURES USED

IP 92702, Follow-Up on Traditional Enforcement Actions Including Violations, Deviations,
Confirmatory Action Letters, and Orders

LIST OF DOCUMENTS REVIEWED

Procedures

DPP-OC-101-102, Compensating for Security System Failures, Revision 2
DPP-OC-101-116, Conducting Patrols, Revision 1
DPP-OC-101-117, Processing and Escorting of Personnel and Vehicles, Revision 1
DPP-OC-101-120, Control of Security Access Control Devices, Revision 0
DPP-OC-101-122, Testing Security Equipment, Revision 0
DPP-OC-101-122-1001, Performance of Security System Tests, Revision 1
DPP-OC-124, Operation of Security Control Centers, Revision 4
DSP- SEC-IO- 001, Security Operations, Revision 0
DSP-RA-001, Corrective Actions Program, Revision 0
DSP-SEC-IO-002, Security Training, Revision 0

Enclosure 1

Miscellaneous

LP1112, Compensatory Posts, Revision 4

IQT 17, Alarm Station Duties and Responsibilities

IQT 18, Alarm Station Radio and Communications Equipment Utilization

IQT 19, Alarm Station Functions and Operation of Assessment Equipment

Sample of alarm response drill reports from March 2022 tabletop exercises

Sample of Periodic Self-Assessments of Security Personnel

HDI Training, Accuracy of Information, March 9, 2022

Condition Reports

OYS-01409

OYS-01950

OYS-02250

OYS-02452

Condition Reports Generated

OYS-03032

OYS-03035

LIST OF ACRONYMS USED

| | |
|-------|---|
| ADAMS | Agencywide Documents and Access Management System |
| CFR | <i>Code of Federal Regulations</i> |
| IP | Inspection Procedure |
| IR | Inspection Report |
| ISFSI | Independent Spent Fuel Storage Installation |
| NRC | Nuclear Regulatory Commission |
| PARS | Publicly Available Records |