

SAFEGUARDS INFORMATION

August 29, 2003

Mr. W. L. Berg
General Manager
Dairyland Power Cooperative
3200 East Avenue South
P. O. Box 817
LaCrosse, WI 54602-0817

**SUBJECT: LACROSSE BOILING WATER REACTOR (LACBWR)
NRC SAFEGUARDS INSPECTION OF COMPLIANCE WITH ORDER
INSPECTION REPORT 05000409/2003-002(DRS)**

Dear Mr. Berg:

On August 4-7, 2003, the NRC conducted an inspection at the permanently shut down LaCrosse Boiling Water Reactor. The enclosed report documents the results of the inspection which were discussed on August 7, 2003, with Mr. R. Christians and other member of your staff.

The inspection examined activities conducted under your license as they relate to safety and compliance with an Order issued on May 23, 2002, which required your site to implement specific measures related to the security of your facility. The inspection utilized Temporary Instruction 2561/004, "Safeguards and Emergency Preparedness Inspection of Interim Compensatory Measures at Decommissioning Power Reactors," to verify implementation of the Order as clarified in your responses dated June 10, 2002, August 16, 2002, and November 21, 2002. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

On the basis of the results of this inspection, no findings of significance were identified.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material will not be placed in the Public Document Room.

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Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

/RA/

James R. Creed
Safeguards Program Manager

Docket No. 50-409
License No. DPR-45

Enclosure: Inspection Report 05000409/2003-002(DRS)
(SAFEGUARDS INFORMATION)

cc w/encl: Roger Christians, Plant Manager
NSIR/DNS/RSOS
B. Manili, NSIR/DNS/MTWS
E. McNeil, NSIR/DNS/RSS

cc w/encl w/o **SAFEGUARDS INFORMATION:**

B. D. Burks, P.E., Director, Bureau of Field Operations
J. Mettner, Chairman, Wisconsin Public Service Commission
Spark Burmaster, Coulee Region Energy Coalition
State Liaison Officer
Chief, Radiation Protection Section WI Department of Health
Social Services, Division of Health

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Spark Burmaster, Coulee Region Energy Coalition
State Liaison Officer
Chief, Radiation Protection Section WI Department of Health
Social Services, Division of Health

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U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket No. 50-409

License No. DPR-45

Report No. 0500409/2003-002(DRS)

Licensee: Dairyland Power Cooperative
3200 East Avenue South
LaCrosse, WI 54602

Facility: LaCrosse Boiling Water Reactor

Location: Genoa, Wisconsin

Dates: August 4 - 7, 2003

Inspectors: Donald E. Funk, Jr. Physical Security Inspector

Approved by: James R. Creed,
Safeguards Program Manager

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SUMMARY OF FINDINGS

IR 05000409-03-02(DRS); Dairyland Power Cooperative; on 08/04-07/2003; Decommissioned LaCrosse Boiling Water Reactor; TI 2561/004, Safeguards Inspection of Interim Compensatory Measures at Decommissioning Power Reactors. The inspection was conducted by one regional physical security inspector.

Cornerstone: Physical Security

- On May 23, 2002, the NRC imposed by Order, Interim Compensatory Measures to enhance physical security. The inspectors determined that the licensee appropriately incorporated the Interim Compensatory Measures into the site defensive strategy and access authorization program; developed and implemented relevant procedures; and established and effectively coordinated interface agreements with offsite organizations.
- The inspectors identified one unresolved item related to the scope of the blast analyst. This item remains open pending review by the Office of Nuclear Security and Incident Response (Section II.A.2).

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