

SAFEGUARDS INFORMATION

August 28, 2007

Mr. Gary R. Peterson
Site Vice President
William B. McGuire Nuclear Station
Duke Energy Corporation
12700 Hagers Ferry Road
Huntersville, NC 28078

SUBJECT: WILLIAM B. MCGUIRE NUCLEAR STATION - SECURITY INSPECTION
05000369/2007201 AND 05000370/2007201

Dear Mr. Peterson:

On June 22, 2007, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at the William B. McGuire Nuclear Station. The inspection covered one or more of the key attributes of the security cornerstone of the NRC's Reactor Oversight Process. The enclosed inspection report documents the inspection results, which were discussed on June 22, 2007, with you and other members of your staff.

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, and interviewed personnel. This report documents one NRC-identified finding of very low safety significance concerning the failure to evaluate adequately the effectiveness of a change to the William B. McGuire Nuclear Station Physical Security Plan.

The NRC is treating this violation as a non-cited violation consistent with Section VI.A.1 of the NRC Enforcement Policy because of the very low security significance of the violation. If you contest this 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, DC 2055-001; with copies to the Regional Administrator Region II; the Director, Office of Enforcement, Nuclear Regulatory Commission, Washington, DC 20555-001; and the NRC Resident Inspector at the William B. McGuire Nuclear Station.

Enclosure contains **Safeguards Information**. Upon removal, this letter is decontrolled.

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In accordance with 10 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 Publicly Available Records (PARS) component of NRC's document system, ADAMS. ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

Should you have any questions concerning this letter, please contact us. Your cooperation is appreciated.

Sincerely,

Ronald J. Albert, Chief /RA/
Security Performance Evaluation Branch
Security Oversight
Division of Security Operations
Office of Nuclear Security and Incident Response

Docket Nos.: 50-369, 50-370
License Nos.: NPF-9, NPF-17

Enclosure: NRC Inspection Report No. 05000369/2007201, 05000370/2007201(**SGI**)

cc w/encl: Mr. David Black, Site Security Manager
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Huntersville, NC 28078

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DATE:	7/18/2007	7/20/2007	7/20/2007	08/28/2007

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