



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I**
2100 RENAISSANCE BOULEVARD, SUITE 100
KING OF PRUSSIA, PENNSYLVANIA 19406-2713

July 18, 2013

Mr. Michael J. Pacilio
Senior Vice President, Exelon Generation Company, LLC
President and Chief Nuclear Officer, Exelon Nuclear
4300 Winfield Rd.
Warrenville, IL 60555

SUBJECT: THREE MILE ISLAND NUCLEAR STATION, UNIT 1 – NRC TEMPORARY INSTRUCTION 2201/004, “INSPECTION OF IMPLEMENTATION OF INTERIM CYBER SECURITY MILESTONES 1-7,” REPORT 05000289/2013404

Dear Mr. Pacilio:

On June 14, 2013, the U.S. Nuclear Regulatory Commission (NRC) completed a security temporary instruction inspection at your Three Mile Island Nuclear Station, Unit 1. The inspection covered the implementation of interim milestones associated with your cyber security program, as outlined in your approved cyber security plan (CSP) and described in Temporary Instruction (TI) 2201/004, “Inspection of Implementation of Interim Cyber Security Milestones 1-7.” The enclosed inspection report documents the inspection results, which were discussed on June 14, 2013, with Mr. Gus Smith, Director Site Maintenance, and other members of your staff.

The inspection examined activities conducted under your license as they relate to safety and compliance with the Commission’s rules and regulations and with the conditions of your license related to the implementation of interim cyber security milestones. The inspection was conducted in accordance with NRC TI 2201/004, “Inspection of Implementation of Interim Cyber Security Milestones 1-7.” The team reviewed selected procedures and records, observed activities, and interviewed personnel.

The report documents two violations for which the NRC is exercising enforcement discretion. The NRC is not taking enforcement action for these violations because they meet the criteria established in an NRC Memorandum from Barry C. Westreich, Director, Cyber Security Directorate, Office of Nuclear Security and Incident Response, to each regional office and Director, Division of Reactor Safety, Subject: Enhanced Guidance for Licensee Near-Term Corrective Actions to Address Cyber Security Inspection Findings and Licensee Eligibility for “Good-Faith” Attempt Discretion dated July 01, 2013 (ADAMS Accession Number ML13178A203). Consistent with the NRC Memorandum, you should inform Dan Orr, the inspection team leader, in the Region I Office at 610-337-5048, when you complete corrective actions associated with these violations.

Enclosure contains Sensitive Unclassified Non-Safeguards Information. When separated from enclosure, the transmittal document is decontrolled.

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M. Pacilio

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In accordance with Title 10 of the *Code of Federal Regulation* (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 Agencywide Document 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, the material enclosed herewith contains Security-Related Information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the PARS component of NRC's ADAMS. If you choose to provide a response and Security-Related Information is necessary to provide an acceptable response, 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). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA/

John F. Rogge, Chief
Engineering Branch 3
Division of Reactor Safety

Docket Nos. 50-289
License Nos. DPR-50

Enclosure:
Inspection Report No. 05000289/2013404
w/Attachment: Supplemental Information

cc w/o encl: Distribution via ListServ

cc w/encl; w/OUO-SRI:
R. Campbell, Security Manager
D. Allard, Director, PA DEP

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