

March 22, 2002

Gary J. Taylor  
Senior Vice President and Chief Operating Officer  
Waterford Steam Electric Generating Station, Unit 3  
Entergy Operations, Inc.  
1340 Echelon Parkway  
Jackson, MS 39213

Dear Mr. Taylor:

As a result of the recent terrorist threats, the U.S. Nuclear Regulatory Commission (NRC) is taking steps to enhance its licensees' ability to respond to the continuing heightened security environment. Currently, the NRC is authorized to disseminate classified information to uncleared persons only under special circumstances when timeliness is critical to mitigating an emergency situation. However, the NRC has decided to process security clearances for licensees so that they may have access to classified information under more routine circumstances.

Under this program, those licensees who desire to participate may be granted up to five personnel security clearances for access to classified information to key licensee staff at each nuclear power reactor site. Two-unit and three-unit sites should be treated as one location for these purposes. The Facility Security Officer for each site must be included as one of the five persons cleared. Classified information will eventually be disseminated to these licensee contacts through the NRC resident inspector office, which will be provided the ability to receive and store classified national security information.

Each individual to be cleared will be required to complete Form SF 86, "Questionnaire for National Security Positions" (enclosed), as part of the clearance process. Individuals must agree to execute the SF-312, "Classified Information Nondisclosure Agreement" (enclosed), before the clearance is granted. Individual clearances must be updated every 10 years. Licensees will be expected to cover the initial and recurring costs of the individual clearances, which will be \$145.00 each. In order for the NRC to make a Facility Security Clearance determination, participating licensees will also be required to develop a security plan as a user of classified information (Standard Practice Procedures Plan enclosed) and be subject to Foreign Ownership Control or Influence (FOCI) determinations made by the NRC. An overview of these requirements can be found in Title 10, Code of Federal Regulations (10 CFR) Part 95. A sample FOCI package including Form SF 328, "Certificate Pertaining To Foreign Interests," is also enclosed. Please note that your organization will be asked to certify annually to the NRC whether significant changes have occurred in the extent and nature of FOCI that would affect your responses to the SF 328 form. You will also be required to submit a new SF 328 every 5 years as part of a FOCI redetermination. Lastly, the President, Chairman of the Board of Directors, or other key management officials for each licensee may also need to be cleared, which may or may not include the original five personnel you select to receive a clearance.

G. Taylor

- 2 -

The NRC will identify these individuals as necessary. Licensees will not be required to pay for the NRC's costs related to the FOCI determinations conducted in FY 2002.

Please respond within 30 days of receiving this letter indicating whether you desire to participate in this effort and, if appropriate, naming a point of contact (name, title, telephone number, and e-mail address) for your site. Each person nominated for a security clearance should return the form SF-86 and entire security package when complete in the envelope provided along with a check made out to the U.S. Nuclear Regulatory Commission for \$145 for each clearance. One check can be provided for the total number of clearances requested.

Your response to this letter, the FOCI package along with the SF-328, and a Standard Practice Procedures Plan should be sent separately as they are completed to the following address:

ATTN: LICENSEE CLEARANCES, MAIL STOP O2-D15  
DIVISION OF FACILITIES AND SECURITY  
OFFICE OF ADMINISTRATION  
U.S. NUCLEAR REGULATORY COMMISSION  
11555 ROCKVILLE PIKE  
ROCKVILLE, MARYLAND 20852

Questions regarding FOCI or the Standard Practice Procedures Plan should be referred to J. Keith Everly at 301-415-7048 or jke@nrc.gov. Questions regarding the SF-86 or the security clearances should be referred to Cheryl Stone at 301-415-7404 or cms2@nrc.gov.

Sincerely,  
**/RA/**  
Michael L. Springer, Director  
Office of Administration

Docket No. 50-382

Enclosures: As stated

cc without enclosures (see next page):

\*\*See previous concurrence

Document Name: LtrReact

\*Concurred via e-mail

ADAMS Accession No. ML020870045

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosures "E" = Copy with attachments/enclosures "N" = No copy

OFFICE	INFOSEC	INFOSEC	PERSEC	OGC	OCFO
NAME	JKEverly***	ALSilvious***	CMStone***	DFHassell	CLTurner
DATE	03/19/02	03/19/02	03/19/02	03/19/02	03/20 /02
OFFICE	NRR	D/DFS	OGC	D/ADM	
NAME	BABoger	TOMartin	TBRothschild **	MLSpringer	
DATE	03/20/02	03/20/02	03/20/02	03/20/02	

OFFICIAL RECORD COPY

This document (should / should not) be placed in ADAMS:

This document (should / should not) be made available to the PUBLIC: \_\_\_\_\_ / /

This document is SENSITIVE / NON-SENSITIVE: (Initials) (Date)

DISTRIBUTION (without enclosures)

PUBLIC

DCF: LRD 3.00.09

LRD 7.00.09

P.G. Norry, EDO

S.J. Collins, NRR

B.W. Sheron, NRR

J.A. Zwolinski, NRR

B.A. Boger, NRR

M.L. Springer, D/ADM

T.O. Martin, D/DFS

C.L. Turner, CFO

D.S. Engel, OGC

J. K. Everly, INFOSEC

ADM R/F

DFS R/F

INFOSEC R/F

March 22, 2002

Gary J. Taylor  
Senior Vice President and Chief Operating Officer  
Waterford Steam Electric Generating Station, Unit 3  
Entergy Operations, Inc.  
1340 Echelon Parkway  
Jackson, MS 39213

Dear Mr. Taylor:

As a result of the recent terrorist threats, the U.S. Nuclear Regulatory Commission (NRC) is taking steps to enhance its licensees' ability to respond to the continuing heightened security environment. Currently, the NRC is authorized to disseminate classified information to uncleared persons only under special circumstances when timeliness is critical to mitigating an emergency situation. However, the NRC has decided to process security clearances for licensees so that they may have access to classified information under more routine circumstances.

Under this program, those licensees who desire to participate may be granted up to five personnel security clearances for access to classified information to key licensee staff at each nuclear power reactor site. Two-unit and three-unit sites should be treated as one location for these purposes. The Facility Security Officer for each site must be included as one of the five persons cleared. Classified information will eventually be disseminated to these licensee contacts through the NRC resident inspector office, which will be provided the ability to receive and store classified national security information.

Each individual to be cleared will be required to complete Form SF 86, "Questionnaire for National Security Positions" (enclosed), as part of the clearance process. Individuals must agree to execute the SF-312, "Classified Information Nondisclosure Agreement" (enclosed), before the clearance is granted. Individual clearances must be updated every 10 years. Licensees will be expected to cover the initial and recurring costs of the individual clearances, which will be \$145.00 each. In order for the NRC to make a Facility Security Clearance determination, participating licensees will also be required to develop a security plan as a user of classified information (Standard Practice Procedures Plan enclosed) and be subject to Foreign Ownership Control or Influence (FOCI) determinations made by the NRC. An overview of these requirements can be found in Title 10, Code of Federal Regulations (10 CFR) Part 95. A sample FOCI package including Form SF 328, "Certificate Pertaining To Foreign Interests," is also enclosed. Please note that your organization will be asked to certify annually to the NRC whether significant changes have occurred in the extent and nature of FOCI that would affect your responses to the SF 328 form. You will also be required to submit a new SF 328 every 5 years as part of a FOCI redetermination. Lastly, the President, Chairman of the Board of Directors, or other key management officials for each licensee may also need to be cleared, which may or may not include the original five personnel you select to receive a clearance.

The NRC will identify these individuals as necessary. Licensees will not be required to pay for the NRC's costs related to the FOCI determinations conducted in FY 2002.

Please respond within 30 days of receiving this letter indicating whether you desire to participate in this effort and, if appropriate, naming a point of contact (name, title, telephone number, and e-mail address) for your site. Each person nominated for a security clearance should return the form SF-86 and entire security package when complete in the envelope provided along with a check made out to the U.S. Nuclear Regulatory Commission for \$145 for each clearance. One check can be provided for the total number of clearances requested.

Your response to this letter, the FOCI package along with the SF-328, and a Standard Practice Procedures Plan should be sent separately as they are completed to the following address:

ATTN: LICENSEE CLEARANCES, MAIL STOP O2-D15  
DIVISION OF FACILITIES AND SECURITY  
OFFICE OF ADMINISTRATION  
U.S. NUCLEAR REGULATORY COMMISSION  
11555 ROCKVILLE PIKE  
ROCKVILLE, MARYLAND 20852

Questions regarding FOCI or the Standard Practice Procedures Plan should be referred to J. Keith Everly at 301-415-7048 or [jke@nrc.gov](mailto:jke@nrc.gov). Questions regarding the SF-86 or the security clearances should be referred to Cheryl Stone at 301-415-7404 or [cms2@nrc.gov](mailto:cms2@nrc.gov).

Sincerely,

*/RA/*

Michael L. Springer, Director  
Office of Administration

Docket No. 50-382

Enclosures: As stated

cc without enclosures: See next page

Waterford Generating Station 3

cc:

Mr. Michael E. Henry, Administrator  
and State Liaison Officer  
Department of Environmental Quality  
P. O. Box 82135  
Baton Rouge, LA 70884-2135

Vice President, Operations Support  
Entergy Operations, Inc.  
P. O. Box 31995  
Jackson, MS 39286-1995

Director  
Nuclear Safety Assurance  
Entergy Operations, Inc.  
17265 River Road  
Killona, LA 70066-0751

Wise, Carter, Child & Caraway  
P. O. Box 651  
Jackson, MS 39205

General Manager Plant Operations  
Waterford 3 SES  
Entergy Operations, Inc.  
17265 River Road  
Killona, LA 70066-0751

Licensing Manager  
Entergy Operations, Inc.  
17265 River Road  
Killona, LA 70066-0751

Winston & Strawn  
1400 L Street, N.W.  
Washington, DC 20005-3502

Resident Inspector/Waterford NPS  
P. O. Box 822  
Killona, LA 70066-0751

Regional Administrator, Region IV  
U. S. Nuclear Regulatory Commission  
611 Ryan Plaza Drive, Suite 1000  
Arlington, TX 76011

Parish President Council  
St. Charles Parish  
P. O. Box 302  
Hahnville, LA 70057

Executive Vice President  
& Chief Operating Officer  
Entergy Operations, Inc.  
P. O. Box 31995  
Jackson, MS 39286-1995

Chairman  
Louisiana Public Services Commission  
P.O. Box 91154  
Baton Rouge, LA 70825-1697