

May 23, 2002

Mr. Douglas R. Gipson
Executive Vice President, Power Generation and
Chief Nuclear Officer
Fermi, Unit 2
Detroit Edison Company
2000 Second Avenue
Detroit, MI 48226

SUBJECT: FERMI 2 - REPLY TO RESPONSE TO ORDER FOR INTERIM SAFEGUARDS
AND SECURITY COMPENSATORY MEASURES (TAC NO. MB4128)

Dear Mr. Gipson:

On February 25, 2002, the U.S. Nuclear Regulatory Commission (NRC) issued an Order modifying the operating license for Fermi 2 to require compliance with the specified interim safeguards and security compensatory measures. The interim compensatory measures (ICMs) were listed in Attachment 2 to the Order. When issuing the Order, the Commission recognized that you have voluntarily and responsibly implemented additional security measures following the events of September 11, 2001, but in light of the continuing generalized high-level threat environment, the Commission concluded that the security measures should be embodied in an Order consistent with the established regulatory framework.

The Order required responses and actions within specified timeframes. Section III.A of the Order required licensees to immediately start implementation of the requirements listed in Attachment 2 to the Order and to complete implementation no later than August 31, 2002. Section III.B of the Order required licensees to notify the Commission: (1) if they are unable to comply with the requirements described in Attachment 2, (2) if compliance with any of the requirements is unnecessary in their specific circumstances, (3) if implementation of any of the requirements would cause the licensee to be in violation of the provisions of any Commission regulation or the facility license, or (4) if implementation of any of the requirements described in Attachment 2 would adversely impact the safe operation of the facility. Section III.C.1 of the Order required licensees to submit to the Commission, within 20 days of the date of the Order, a schedule for achieving compliance with each requirement described in Attachment 2 to the Order. Section IV of the Order noted that in accordance with 10 C.F.R. § 2.202, the licensee must submit an answer to the Order and may request a hearing on the Order within 20 days of the date of the Order and, where good cause is shown, consideration would be given to extend the time to request a hearing.

In a letter dated March 18, 2002 (Detroit Edison Company letter no. NRC-02-022), you submitted a response to the Order for Fermi 2. You did not request either an extension of time to respond to the ICMs or an extension of time in which to request a hearing.

The NRC staff has reviewed your response and finds that you have satisfied the 20-day reporting requirements of the Order.

D. Gipson

- 2 -

We have previously discussed the "Response" and "Schedule for Completion" sections of your response to ICM B.4.e with your staff. As discussed with your staff, we find certain conditions in your "Response" section would not meet the requirements of the ICM. However, your staff indicated that information in the "Response" section describes current practice only and that the information in the "Schedule for Completion" section describes your plans for being in compliance with this ICM by June 24, 2002. With this clarification, we find that the information in the "Schedule for Completion" constitutes an acceptable response to the scheduler reporting requirements for ICM B.4.e.

The NRC will determine the effectiveness of your implementation of the ICMs through on-site inspections. I would like to remind you that, pursuant to Section III.C.2 of the Order, you are to report to the Commission when you have achieved full compliance with the requirements described in Attachment 2 to the Order.

Please contact T. J. Kim at 301-415-1392 if you have any other questions on these issues.

Sincerely,

/RA/

John A. Zwolinski, Director
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-341

cc: See next page

D. Gipson

- 2 -

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Sincerely,

/RA/

John A. Zwolinski, Director
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-341

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Fermi 2

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March 2002