June 17, 2002

Mr. Garry L. Randolph Vice President and Chief Nuclear Officer Union Electric Company Post Office Box 620 Fulton, MO 65251

SUBJECT: CALLAWAY PLANT, UNIT 1 - REPLY TO RESPONSE TO ORDER FOR

INTERIM SAFEGUARDS AND SECURITY COMPENSATORY MEASURES

(TAC NO MB4107)

Dear Mr. Randolph:

On February 25, 2002, the U.S. Nuclear Regulatory Commission (NRC) issued an Order modifying the operating license for the Callaway Plant 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 CFR § 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 two letters dated March 18, 2002 (ULNRC-04621 and ULNRC-04622), you submitted responses to the Order for Callaway. You provided supplementary information in the letter dated May 13, 2002 (ULNRC-04658). In the letters of March 18, 2002, you provided information in response to Section III.A of the Order stating that the actions to implement the Order, where applicable to Callaway, will be completed no later than August 31, 2002, with the exception of ICM B.2.a(2). Your letters provided, as required by Section III.C of the Order, a schedule for achieving compliance with each requirement described in Attachment 2 to the

Order, with the exception of ICM B.2.a(2). You also requested an extension of time until June 20, 2002, to respond to ICM B.2.a(2) and requested a comparable extension of time to file a request for hearing for these matters.

The NRC staff has reviewed your responses to each of the ICMs and finds that you have satisfied the 20-day reporting requirements of the Order, with the exception of ICM B.2.a(2). Based on your request, an extension of time is hereby granted until June 20, 2002, for your submission of the required response to ICM B.2.a(2) and filing of a request for hearing related to this ICM.

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.

If you have any other questions on these issues, contact Jack Donohew, Project Manager for Callaway, at 301-415-1307.

Sincerely,

/RA/

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

Docket No. 50-482

cc: See next page

Order, with the exception of ICM B.2.a(2). You also requested an extension of time until June 20, 2002, to respond to ICM B.2.a(2) and requested a comparable extension of time to file a request for hearing for these matters.

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Sincerely, /RA/

John A. Zwolinski, Director

Division of Licensing Project Management Office of Nuclear Reactor Regulation

Docket No. 50-483 <u>DISTRIBUTION</u>:

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DATE	5/7/02	5/6/02	5/7/02	6/14/02	6/14/02	

OFFICIAL RECORD COPY

Callaway Plant, Unit 1

cc:

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