

June 5, 2002

Mr. Joseph E. Venable
Vice President, Operations
Waterford Steam Electric Station, Unit 3
Entergy Nuclear South
Entergy Operations, Inc.
17265 River Road
Killona, LA 70066-0751

SUBJECT: WATERFORD STEAM ELECTRIC STATION, UNIT 3 - REPLY TO RESPONSE
TO ORDER FOR INTERIM SAFEGUARDS AND SECURITY COMPENSATORY
MEASURES (TAC NO. MB4195)

Dear Mr. Venable:

On February 25, 2002, the U.S. Nuclear Regulatory Commission (NRC) issued an Order modifying the operating license for the Waterford Steam Electric Station, Unit 3 (Waterford 3) 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 15, 2002 (W3F1-2002-0024), you submitted a response to the Order for Waterford 3. By letter dated March 15, 2002 (CNRO-2002-00015), Entergy Operations, Inc. (Entergy), requested an extension of time until June 14, 2002, to respond to ICMs B.2.a(1), B.2.a(2), and B.2.b, and requested a comparable extension of time to file a request for hearing for those matters. On May 8, 2002 (W3F1-2002-0053), Entergy provided supplementary information for Waterford 3.

J. Venable

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The NRC staff has reviewed these responses and finds that you have satisfied the 20-day reporting requirements of the Order, with the exception of ICMs B.2.a(1), B.2.a(2), and B.2.b. An extension of time is hereby granted until June 14, 2002, for submission of the required response to these ICMs. An extension of time is granted until June 14, 2002, for your filing of a request for a hearing related to ICMs B.2.a(1), B.2.a(2), and B.2.b.

Your response to ICM B.3.d refers to licensee implementation guidance that has not yet been formally submitted to the NRC staff by NEI. Accordingly, the staff has not made a finding on its acceptability. The staff has found the guidance proposed by NEI in its March 8, 2002, letter to be an acceptable method for licensee implementation of the ICMs, as stated in our letter to NEI dated March 11, 2002. You have referenced this guidance in your response to ICM B.3.d. Therefore, we find that your response to ICM B.3.d, exclusive of the reference to the unapproved guidance, meets the reporting requirements of the Order, based on your incorporation of the approved guidance of March 8, 2002, in your response to ICM B.3.d.

Attachment 2 of W3F1-2002-0024 and Attachment 1 of CNRO-2002-00015 provided a list of commitments. The NRC staff regards the specific responses to the Order made to each of the ICMs to be the applicable responses to the Order and, accordingly, has not reviewed the list of commitments.

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 N. Kalyanam at (301) 415-1480 if you have any other questions on these issues.

Sincerely,

/RA by H N Berkow for/

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

Docket No. 50-382

cc: See next page

The NRC staff has reviewed these responses and finds that you have satisfied the 20-day reporting requirements of the Order, with the exception of ICMs B.2.a(1), B.2.a(2), and B.2.b. An extension of time is hereby granted until June 14, 2002, for submission of the required response to these ICMs. An extension of time is granted until June 14, 2002, for your filing of a request for a hearing related to ICMs B.2.a(1), B.2.a(2), and B.2.b.

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Please contact N. Kalyanam at (301) 415-1480 if you have any other questions on these issues.

Sincerely,
/RA by Herbert N Berkow for/
John A. Zwolinski, Director
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Office of Nuclear Reactor Regulation

Docket No. 50-382

cc: See next page

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* See previous concurrence

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Waterford Generating Station 3

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