

VERMONT YANKEE NUCLEAR POWER CORPORATION

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(802) 257-5271

SAFEGUARDS INFORMATION

NOTICE: THE ATTACHMENT TO THIS LETTER CONTAINS "SAFEGUARDS INFORMATION." UPON SEPARATION, THIS PAGE IS UNCONTROLLED.

June 27, 2002
BVY 02-44

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555

**Subject: Vermont Yankee Nuclear Power Station
License No. DPR-28 (Docket No. 50-271)
Security Order and Interim Safeguards and Security Compensatory Measures
Response to ICM B.2.a(2) and Request for Extension of Time**

On February 25, 2002, the U.S. Nuclear Regulatory Commission (NRC) issued an Order¹ modifying the operating license for the Vermont Yankee Nuclear Power Station (VYNPS) to require compliance with specified interim safeguards and security compensatory measures (ICMs). Similar Orders were issued to all operating nuclear power reactors as a result of the continuing, generalized high-level threat environment that has existed following the events of September 11, 2001. Vermont Yankee Nuclear Power Corporation (VYNPC) has responsibly implemented a number of enhanced security measures at VYNPS and is actively pursuing additional upgrades, consistent with the requirements of the Order.

VYNPC requested² that NRC grant an extension of time until July 5, 2002, to fully respond to the requirements of ICM B.2.a(2) and requested a comparable extension of time to file a request for a hearing in this matter. NRC granted³ VYNPC's request for an extension of time.

With respect to ICM B.2.a(2), the attachment (Safeguards Information) to this letter provides supplemental actions to be taken by VYNPC and the schedule for completing implementation.

¹ Samuel J. Collins (NRC) to Ross P. Barkhurst (VYNPC), "Issuance of Order for Interim Safeguards and Security Compensatory Measures for Vermont Yankee Nuclear Power Station," February 25, 2002.

² Michael A. Balduzzi (VYNPC) to Samuel J. Collins (NRC), "Request for Extension of Time to Submit an Answer or Request a Hearing," BVY 02-16, March 18, 2002.

³ John A. Zwolinski (NRC) to Michael A. Balduzzi (VYNPC), "Reply to Licensee's Response to Order for Interim Safeguards and Security Compensatory Measures, Vermont Yankee Nuclear Power Station (TAC No. MB4192), May 22, 2002.

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Because VYNPC expects to fully satisfy the intent of the applicable requirements of the ICMs no later than August 31, 2002, VYNPC respectfully waives its right to request a hearing in this matter. This letter concludes VYNPC's response to ICM B.2.a(2) and completes VYNPC's reporting obligations required by the Order, except with regard to Section III.C.2 of the Order. Section III.C.2 requires VYNPC to report to the NRC when full compliance with the requirements of the Order has been achieved.

The attachment to this letter contains Safeguards Information and, therefore, should be withheld from public disclosure subject to the provisions of NRC regulations.

If you have any questions on this transmittal, please contact Mr. Don M. Leach at (802) 258-4234.

Sincerely,

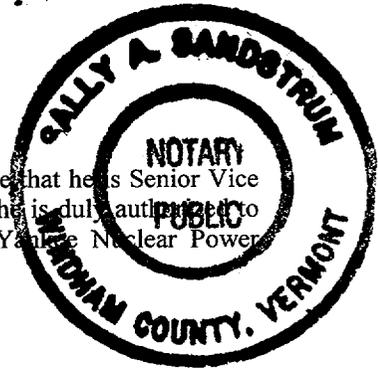
VERMONT YANKEE NUCLEAR POWER CORPORATION

Michael A. Balduzzi

Michael A. Balduzzi
Senior Vice President and Chief Nuclear Officer

STATE OF VERMONT)
)ss
WINDHAM COUNTY)

Then personally appeared before me, Michael A. Balduzzi, who, being duly sworn, did state that he is Senior Vice President and Chief Nuclear Officer of Vermont Yankee Nuclear Power Corporation, that he is duly authorized to execute and file the foregoing document in the name and on the behalf of Vermont Yankee Nuclear Power Corporation, and that the statements therein are true to the best of his knowledge and belief.



Sally A. Sandstrum

Sally A. Sandstrum, Notary Public
My Commission Expires February 10, 2003

Attachment

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cc: (with Attachment)

U.S. Nuclear Regulatory Commission
ATTN: Mr. Robert E. Martin, NRR
Mail Stop O-8 G9
One White Flint North
11555 Rockville Pike
Rockville, MD 20852-2738

U.S. Nuclear Regulatory Commission, Region I
ATTN: Mr. John R. White, Chief
Radiation Safety and Safeguards Branch
475 Allendale Road
King of Prussia, PA 19406-1415

U.S. Nuclear Regulatory Commission
Resident Inspector – VYNPS
Vermont Yankee Nuclear Power Station

cc: (without Attachment)

U.S. Nuclear Regulatory Commission
Regional Administrator – Region I
475 Allendale Road
King of Prussia, PA 19406-1415

U.S. Nuclear Regulatory Commission
Project Manager - VYNPS
Washington, DC 20555

Vermont Department of Public Service

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