

W. G. Hairston

August 7, 2002

Mr. W. G. Hairston, III
President and Chief Executive Officer
Joseph M. Farley Nuclear Plant, Units 1 & 2
Southern Nuclear Operating Company, Inc.
40 Inverness Center Parkway
Birmingham, AL 35242

SUBJECT: JOSEPH M. FARLEY NUCLEAR PLANT, UNITS 1 & 2 - STORAGE OF
CLASSIFIED INFORMATION

Dear Mr. Hairston:

Following the terrorist events of September 11, 2001, the U.S. Nuclear Regulatory Commission (NRC) has recognized that there may be a need to periodically provide classified information, up to the Secret National Security Information level, to licensee officials. The purpose of this letter is to ask for your cooperation with the handling of this classified information.

The NRC has determined that classified information will require fewer additional controls if it is stored inside rather than outside the protected area. Most resident inspector sites are inside the protected area. Your site is one of those where the resident inspector office is located outside the protected area.

All classified information sent to resident inspector offices, and not under the direct control of an appropriately cleared person, is required to be stored in an approved security container (safe) with a combination lock. Storage of classified information in resident inspector offices located outside the protected area would require a monitored alarm system intended to provide a security response time of 15 minutes or less. Security containers located within the protected area will not require an additional alarm system. The NRC does not intend to store classified information in resident inspector offices located outside the protected area. Therefore, as an initial measure, these offices will be provided with shredders to destroy classified information rather than store it overnight.

We recognize that all of the licensee staff with a need to access classified information may not be able to see it on the day it is transmitted, due to travel, work schedules, etc. Therefore, to afford those offices located outside the protected area with a facility approved for storage of classified information, we request that a location be provided inside the protected area. This will permit storage and facilitate review of the classified information. Options to accomplish this would be to: 1) relocate the resident inspector office inside the protected area, 2) provide a satellite resident office inside the protected area, or 3) install a small two-drawer NRC security container inside the protected area, preferably inside the Central Alarm Station (CAS) or Secondary Alarm Station (SAS). The security container will be the property of the NRC and will be opened and closed only by NRC personnel. The licensee will be expected to exercise reasonable care for the protection of the security container and its contents if found unlocked and unattended.

Please respond within 10 days of your receipt of this letter indicating whether or not you are willing to accept one of the proposed options or have other suggestions. Responses should be

sent to the NRC Document Control Desk, ATTN: Brendan Moroney, Lead Project Manager, Mail Stop O-8G9.

If you do agree to place this security container within your protected area, your response should indicate which option you prefer and the proposed location of the container. It should also include the commitment that you will not move this security container or attempt to gain access to it without permission from the NRC, and that if the container is found unlocked and unattended, you will immediately notify the resident inspector or the NRC Headquarters Operations Officer and guard the contents of the container until NRC personnel are present. If you decide not to provide space for this container within the protected area, classified information will likely be destroyed on the same day that it is transmitted to the site. Arrangements can be made to retransmit this information, if necessary; however, there may be delays.

Should you have questions regarding the requirements for storage of classified information, please contact Calvin Byrd at 301-415-7402 or Thomas Martin at 301-415-8080.

Sincerely,

/RA/

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

Docket Nos. 50-348 and 50-364

cc: See next page

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FRinaldi	CHawes	BMoroney	OGC	ACRS or ACNW
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*See previous concurrence

ADAMS ACCESSION NUMBER:ML021910568

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W. Hairston

Joseph M. Farley Nuclear Plant

Southern Nuclear Operating Company

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