

August 26, 2002

Mr. Harold W. Keiser
Chief Nuclear Officer & President
PSEG Nuclear LLC-X04
Post Office Box 236
Hancocks Bridge, NJ 08038

SUBJECT: HOPE CREEK GENERATING STATION - REPLY TO RESPONSE TO ORDER
FOR INTERIM SAFEGUARDS AND SECURITY COMPENSATORY
MEASURES (TAC NO. MB4136)

Dear Mr. Keiser:

On February 25, 2002, the U.S. Nuclear Regulatory Commission (NRC) issued an Order modifying the operating license for the Hope Creek Generating Station (Hope Creek) 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 a letter dated March 15, 2002 (PSEG Nuclear, LLC (PSEG) letter no. LR-NO2-0099) you submitted a response to the Order for Salem and Hope Creek. You provided additional information in your response dated May 31, 2002 (LR-NO2-0196) for ICMs B.1.b and B.4.f and you provided additional information for ICMs B.2.b and B.4.f in your response dated June 20, 2002.

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

H. Keiser

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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 George Wunder at (301) 415-1494 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. 50-354

cc: See next page

H. Keiser

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Division of Licensing Project Management
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OFFICIAL RECORD COPY

Hope Creek Generating Station

cc:

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