

10 CFR 50.4

September 5, 2002

Mr. Samuel J. Collins, Director
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
One White Flint North
Room 5 D2, Mail Stop 0-5 E7
11555 Rockville Pike
Rockville, MD 20852

Dear Mr. Collins:

**DOCKET 50-255
COMPLIANCE WITH ORDER FOR
INTERIM SAFEGUARDS SECURITY COMPENSATORY MEASURES FOR
PALISADES NUCLEAR PLANT**

On February 25, 2002, the U. S. Nuclear Regulatory Commission issued an Order that modifies the operating license for Palisades Nuclear Plant (PNP) to require compliance with the specified interim safeguards and security compensatory measures.

The Order required certain actions to be taken by the Nuclear Management Company, LLC, (NMC) at PNP within 20 days of issuance of the Order. PNP submitted the 20-day response to the Order via letter dated March 18, 2002.

Item C.2 of the Order required PNP report to the Commission when full compliance with the requirements described in Attachment 2 has been achieved. The enclosure to this letter contains the PNP response. The enclosure to this letter does not contain safeguards information. All requirements of the Order were fully implemented on or before August 31, 2002.

Additional questions or clarifications associated with this submittal should be directed to Dr. M. P. Findlay, Director – Security, NMC at (715) 377-3310. Documentation supporting implementation of the requirements of the Order is available for inspection at PNP.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Executed on September 5, 2002.

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized letter 'A' with a horizontal line through it, and a vertical line extending downwards from the center of the 'A'.

Douglas A. Cooper
Site Vice President

Enclosure

NUCLEAR MANAGEMENT COMPANY, LLC
DOCKET 50-255
PALISADES NUCLEAR PLANT

Compliance with Order for
Interim Safeguards and Security Compensatory Measures

Order Requirement

- B.1.a PNP is in compliance with this requirement.
- B.1.b Signs stating restrictions have been placed at property lines and other strategic locations. PNP has installed buoys in compliance with guidance received from the maritime authority having jurisdiction over this element of the Order. Such placement is subject to seasonal restrictions. PNP is in compliance with this requirement.
- B.1.c PNP is in compliance with this requirement. The required evaluation has been performed. The evaluation has concluded no action is required.
- B.1.d The evaluation performed for Item B.1.c indicated that additional actions are not required.
- B.2.a.(1) An evaluation was performed in accordance with this requirement. It was determined that the existing vehicle barrier system (VBS) was not adequate. A temporary VBS has been installed. PNP is in compliance with this requirement.
- B.2.a.(2) Following completion of the evaluation required in accordance with Item B.2.a.(1), it was determined that the requirements of this element of the Order were fully implemented.
- B.2.b PNP is in compliance with this requirement.
- B.2.c PNP is in compliance with this requirement.
- B.2.d As stated in the March 18, 2002, 20-day response, PNP is in compliance with this requirement.
- B.2.e As stated in the March 18, 2002, 20-day response, PNP is in compliance with this requirement.
- B.3.a As stated in the March 18, 2002, 20-day response, PNP is in compliance with this requirement.
- B.3.b The March 18, 2002, 20-day response committed PNP to be in compliance with this requirement by May 1, 2002. Compliance was achieved by that date.

- B.3.c The March 18, 2002, 20-day response committed PNP to be in compliance with this requirement by May 15, 2002. Compliance with the requirement was achieved by that date.
- B.3.d As stated in the March 18, 2002, 20-day response, actions were taken in this area in response to the October 6, 2001 Safeguards Advisory. The response committed to additional procedure changes to be implemented by July 1, 2002. These procedure changes were implemented in accordance with the PNP commitment. PNP is in compliance with this requirement.
- B.3.e The March 18, 2002, 20-day response committed PNP to revise certain procedures by May 15, 2002, and to complete training of appropriate personnel by August 15, 2002. PNP is in compliance with these commitments.
- B.4.a PNP is in compliance with this requirement.
- B.4.b The March 18, 2002, 20-day response committed PNP to be in compliance with this requirement by May 31, 2002. Compliance with the requirement was achieved by that date.
- B.4.c PNP is in compliance with this requirement. Further, as a result of the required evaluation, PNP has implemented a supplemental strategy to strengthen the security response.
- B.4.d As stated in the March 18, 2002, 20-day response, PNP is in compliance with this requirement.
- B.4.e PNP is in compliance with this requirement.
- B.4.f PNP is in compliance with this requirement.
- B.4.g PNP is in compliance with this requirement.
- B.4.h PNP is in compliance with this requirement.
- B.4.i PNP is in compliance with this requirement.
- B.5.a As stated in the March 18, 2002, 20-day response, PNP is in compliance with this requirement. Detailed plans were developed in response to the October 6, 2001, Safeguards Advisory.
- B.5.b PNP is in compliance with this requirement.
- B.5.c PNP is in compliance with this requirement.
- B.5.d PNP is in compliance with this requirement.

B.5.e As stated in the March 18, 2002, 20-day response, PNP is in compliance with this requirement.

B.5.f As stated in the March 18, 2002, 20-day response, PNP committed to achieving compliance with this item by April 15, 2002. PNP is in compliance with that commitment.