

October 16, 2002

SAFEGUARDS INFORMATION

Mr. Michael B. Sellman
President and CEO
Nuclear Management Company, LLC
700 First Street
Hudson, WI 54016

**SUBJECT: ISSUANCE OF ORDER FOR INTERIM SAFEGUARDS AND SECURITY
COMPENSATORY MEASURES FOR POINT BEACH NUCLEAR PLANT,
UNITS 1 & 2**

Dear Mr. Sellman:

The U.S. Nuclear Regulatory Commission (NRC or the Commission) has issued the enclosed Order that modifies the general license for your independent spent fuel storage installation (ISFSI) to require compliance with the specified interim safeguards and security compensatory measures. The Order applies to all Addressees listed in Attachment 1 to the enclosed Order. The interim compensatory measures are listed in Attachment 2 (contains Safeguards Information) to the enclosed Order. The Commission recognizes that you have voluntarily and responsibly implemented additional security measures following the events of September 11, 2001. However, in light of the current threat environment, the Commission concludes that the security measures should be embodied in an Order, consistent with the established regulatory framework. The Commission has determined that the current threat environment requires that the enclosed Order be effective immediately.

These actions are interim and the basis for the Order is the need to take prudent actions to address security requirements in the current threat environment. This Order does not obviate the need for licensees to continue to meet and maintain the effectiveness of existing security measures taken in response to the events of September 11, 2001. The requirements will remain in effect pending notification from the Commission that a significant change in the threat environment has occurred, or the Commission determines that other changes are needed.

The enclosed Order calls for responses and actions within specified time frames.

NOTICE: Attachment 2 to the Order (Interim Compensatory Measures) and Enclosure 4 to this letter contain "Safeguards Information." Upon separation of Attachment 2 to the Order and Enclosure 4 to this letter, this letter, the enclosed Order, and Attachment 1 to the Order (Address List) are "DECONTROLLED."

SAFEGUARDS INFORMATION

With respect to the notices and submission required by Sections III.B and III.C of the Order, for any requirement of Attachment 2 that requires an analysis or is contingent upon completion of another requirement of Attachment 2, it will be a sufficient response if the licensee states in its twenty-day submission: (1) that completion of the requirement is dependent upon completion of an analysis or other requirement; (2) the expected date of completion of the analysis or other requirement; and (3) that upon such completion, the licensee will promptly submit the results of such analysis or inform the NRC of the completion of the other requirement and the actions thereafter proposed with respect to the requirement at issue, as well as the projected date of completion. No extension of time from the twenty-day requirement is necessary for such responses submitted within twenty days.

As a separate matter, if the licensee wishes to preserve its right to request a hearing on any requirement contingent upon completion of an analysis or other requirement, a request for an extension of time to request a hearing must be filed within twenty days of the date of this Order in accordance with Section IV of the Order. Such a request may seek a reasonable period of time to request a hearing beyond the date that the staff informs the licensee whether the actions proposed and completion date for the requirement(s) contingent upon an analysis or other requirement are satisfactory.

Please contact the following individuals, Francis Young, of the Office of Nuclear Security and Incident Response, at 301-415-3207, or Robert Temps, of my staff, at 301-415-2552, to facilitate resolution of any issues related to compliance with the requirements in the enclosed Order, or if you have any other questions. The enclosed Order has been forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA by M. Federline for/

Martin J. Virgilio, Director
Office of Nuclear Material Safety
and Safeguards

Docket No. 72-5

- Enclosures:
1. Order
 2. Order Attachment 1 - Address List
 3. Order Attachment 2 - Interim Compensatory Measures for Dry Independent Spent Fuel Storage Installations (Safeguards Information)
 4. Regulatory Issue Summary 2002-12D (Safeguards Information)

cc w/encls: See next page

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cc w/encls: See next page

DISTRIBUTION: See attached list

Accession No. ML022870058

(Package)

Accession No. ML022870061

(Cover Letter)

Accession No. ML022870008

Order; without Attachment 2 to Order which is Safeguards Information Order,

* See previous concurrences

Attachment 1 - Address List, & Regulatory Issue Summary 2002-12D (w/o Attachment which is Safeguards Information)

OFFICE	SFPO*	SFPO*	SFPO*	NSIR*	OE*
NAME	MJRoss-Lee	JMonninger	EZiegler	SStein for VOrdaz	JLuehman for FCongel
DATE	10/09/02	10/09/02	10/09/02	10/09/02	10/09/02
OFFICE	OGC*, nlo	NSIR*	SFPO*	NMSS	
NAME	JGoldberg for LChandler	CHaney for GTracy	WHodges for EWBrach	MFederline for MVirgilio	
DATE	10/10/02	10/11/02	10/15/02	10/15/02	

Point Beach Nuclear Plant, Units 1 and 2

cc w/encls 1 and 2:

Mr. John H. O'Neill, Jr.
Shaw, Pittman, Potts & Trowbridge
2300 N Street, NW
Washington, DC 20037-1128

Mr. Richard R. Grigg
President and Chief Operating Officer
Wisconsin Electric Power Company
231 West Michigan Street
Milwaukee, WI 53201

Site Licensing Manager
Point Beach Nuclear Plant
Nuclear Management Company, LLC
6610 Nuclear Road
Two Rivers, WI 54241

Mr. Ken Duveneck
Town Chairman
Town of Two Creeks
13017 State Highway 42
Mishicot, WI 54228

Chairman
Public Service Commission
of Wisconsin
P.O. Box 7854
Madison, WI 53707-7854

Regional Administrator, Region III
U.S. Nuclear Regulatory Commission
801 Warrenville Road
Lisle, IL 60532-4351

Resident Inspector's Office
U.S. Nuclear Regulatory Commission
6612 Nuclear Road
Two Rivers, WI 54241

Ms. Sarah Jenkins
Electric Division
Public Service Commission of Wisconsin
P.O. Box 7854
Madison, WI 53707-7854

Mr. Roy A. Anderson
Executive Vice President and
Chief Nuclear Officer
Nuclear Management Company, LLC
700 First Street
Hudson, WI 54016

Nuclear Asset Manager
Wisconsin Electric Power Company
231 West Michigan Street
Milwaukee, WI 53201

cc w/encls 1, 2, 3, and 4:

Mr. Fred J. Cayia
Acting Site Vice President
Point Beach Nuclear Plant
Nuclear Management Company, LLC
6610 Nuclear Road
Two Rivers, WI 54241

DISTRIBUTION:

Dated: October 16, 2002

Hard Copy:

PD R/F

NMSS R/F

MJRoss-Lee (NMSS)

DSpaulding

E-Mail:

MVirgilio/MFederline

OGC

ACRS

SECY

FYoung

JMonninger

RBouling

LRaghavan

SBajwa

GGrant

BBonser

JDyer