AmerenUE
Callaway Plant

Garry L. Randolph
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June 2, 2003

Secretary, Office of the Secretary of the Commission
U. S. Nuclear Regulatory Commission
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Ladies and Gentlemen: ULNRC-04857

DOCKET NUMBER 50-483
CALLAWAY PLANT
UNION ELECTRIC COMPANY
Answer, Response and Request for
Clarification in Response to April 29, 2003, Order Requiring Compliance
with Revised Design Basis Threat for Operating Power Reactors (EA-03-086)

References: 1) Letter dated April 29, 2003, from S. J. Collins, USNRC, to Holders of Licenses for Operating Power Reactors, Order Requiring Compliance With Revised Design Basis Threat for Operating Power Reactors
2) Letter dated May 16, 2003, from J. F. Colvin, NEI, to N. J. Diaz, USNRC

Section IV of the April 29, 2003, Order Requiring Compliance with Revised Design Basis Threat (DBT) for Operating Power Reactors (EA-03-086) ("Order") states that, in accordance with 10 CFR 2.202, a licensee must submit an answer to the Order and may request a hearing on the Order within 35 days of the date of the Order. This letter constitutes the answer (pursuant to 10 CFR 2.202 and Section IV) and response (pursuant to 10 CFR 50.4 and Sections III A.1, B.1 and B.2) of Union Electric Company (AmerenUE or UE) to the Order.

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Section II of the Order states that "[i]n order to provide assurance that licensees are implementing prudent measures to protect against the revised DBT, all licenses identified in Attachment 1 to this Order shall be modified to require that the physical security plan, safeguards contingency plan, and the guard training and qualification plan required by 10 C.F.R. §§ 50.34(c), 50.34(d), and 73.55(b)(4)(ii) be revised to provide protection against this revised DBT."

AmerenUE consents to the Order, and does not request a hearing. AmerenUE notes the request for clarification of five DBT issues provided in the safeguards attachment to the letter from Mr. Colvin, President and CEO of the Nuclear Energy Institute, to Chairman Diaz dated May 16, 2003. We encourage the Commission to respond to this request as soon as possible, as the Commission's clarifications may affect the manner of AmerenUE's compliance with the Order.

Because the NRC has used force-on-force testing as a standard by which compliance with the DBT was evaluated, AmerenUE also requests that the NRC provide a clear definition of the objectives and criteria for force-on-force exercises so that appropriate revisions can be made to AmerenUE's safeguards contingency plan, physical security plan and security officer training and qualification plan.

Specifically, AmerenUE needs a clear explanation of the purpose of the force-on-force exercise (e.g., is the purpose of force-on-force exercises for security officer training, or to evaluate licensee compliance with the DBT?). Similarly, the success criterion for the force-on-force exercise needs to be established (e.g., is the criterion prevention of a large offsite release, which would be consistent with the basis for risk-informing NRC regulations, or some other criterion?). Finally, if a force-on-force exercise is going to be used as a performance test of the licensee's ability to protect against the DBT, a clear definition of adversary rules of engagement and adversary tactics is needed to provide appropriate predictability and stability in the regulatory program. Absent these clarifications, the standard by which licensee performance will be measured will continue to be a constantly moving target, which is counter to the Commission's Principles of Good Regulation.

To enable AmerenUE to meet the compliance dates specified in the Order, the requested clarifications are needed as soon as possible. If the clarifications cannot be provided by October 1, 2003, we respectfully request that the Director, Nuclear Reactor Regulation extend the dates for submitting revisions to the physical security plan, safeguards contingency plan, security officer training and qualification plan, and for full implementation of the Order on a day-for-day basis until such clarifications are provided.

AmerenUE also confirms its understanding that the Commission intends to exercise enforcement discretion to accommodate issues, which may arise as licensees, in good faith, take reasonable actions to implement the specific requirements of this Order. We further understand that the Commission will exercise enforcement discretion for the period necessary to resolve such issues and to integrate the requirements of this Order with the orders issued February 25, 2002, as well as with other pertinent regulatory requirements, and our safeguards contingency plan, physical security plan and security officer training and qualification plan.

The attachment to this letter provides AmerenUE's response to Order Conditions A.1, B.1, B.2, and C.

If you have any questions concerning this matter, please contact me at (573) 676-8245, or Mr. David Shafer at (314) 554-3104.

Sincerely,

Garry Randolph

Garry Randolph

DS/GLR/mlo

Attachment: Union Electric Company (AmerenUE or UE) Response to Order Requiring Compliance with Revised Design Basis Threat for Operating Power Reactors

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STATE OF MISSOURI)
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CITY OF ST. LOUIS)

Garry L. Randolph, of lawful age, being first duly sworn upon oath says that he is Senior Vice President Generation and Chief Nuclear Officer and an officer of Union Electric Company; that he has read the foregoing document and knows the content thereof; that he has executed the same for and on behalf of said company with full power and authority to do so; and that the facts therein stated are true and correct to the best of his knowledge, information and belief.

By Garry L. Randolph
Garry L. Randolph
Sr. Vice President Generation
and Chief Nuclear Officer

SUBSCRIBED and sworn to before me this 2nd day of June, 2003.

Melissa L. Orr

MELISSA L. ORR
Notary Public - Notary Seal
STATE OF MISSOURI
City of St. Louis
My Commission Expires: June 23, 2003

Union Electric Company (AmerenUE or UE)
Response to Order Requiring Compliance with
Revised Design Basis Threat for Operating Power Reactors

Section III of the Order Requiring Compliance With Revised Design Basis Threat (DBT) for Operating Power Reactors, dated April 29, 2003, set forth the Conditions identified below. AmerenUE's response to Order Conditions A.1., B.1., B.2., and C. is provided on the following page.

III.

A.1. All licensees shall, notwithstanding the provisions of any Commission regulation, license, or order to the contrary, revise their physical security plans and safeguards contingency plans, prepared pursuant to 10 C.F.R. §§ 50.34(c) and 50.34(d), to provide protection against the DBT set forth in Attachment 2 to this Order. In addition, all licensees shall, notwithstanding the provisions of any Commission regulation, license, or order to the contrary, revise their guard training and qualification plans, required by 10 C.F.R. § 73.55(b)(4)(ii), to implement the DBT set forth in Attachment 2 to this Order. The licensees shall submit the revised physical security plans, safeguards contingency plans, and guard training and qualification plans, including an implementation schedule, to the Commission for review and approval **no later than April 29, 2004.**

B.1. All licensees shall, within **thirty-five (35) days** of the date of this Order, notify the Commission, (1) if they are unable to comply with any of the requirements of this Order, (2) if compliance with any of the requirements is unnecessary in their specific circumstances, or (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. The notification shall provide the licensee's justification for seeking relief from, or variation of, any specific requirement.

B.2. Any licensee that considers that implementation of any of the requirements of this Order would adversely impact safe operation of the facility must notify the Commission, within **thirty-five (35) days** of this Order, of the adverse safety impact, the basis for its determination that the requirement has an adverse safety impact, and either a proposal for achieving the same objectives of this Order, or a schedule for modifying the facilities to address the adverse safety condition. If neither approach is appropriate, the licensee must supplement its response to Condition B.1 of this Order to identify the condition as a requirement with which it cannot comply, with attendant justifications as required in Condition B.1.

C. All licensees shall report to the Commission, in writing, when they have fully implemented the approved revisions to their physical security plans, safeguards contingency plans, and guard training and qualification plans, to protect against the DBT described in Attachment 2 to this Order.

AmerenUE provides the following response to the reporting requirements of this Order:

A.1. AmerenUE will revise the Callaway Plant Physical Security Plan, Callaway Plant Safeguards Contingency Plan, and Callaway Security Training and Qualification Plan in accordance with Attachment 2 of the Order. Pending response from the NRC, AmerenUE will submit the revised plans and the implementation schedule to the NRC by April 29, 2004 (see Note below).

B.1. (1) AmerenUE consents to the Order.

(2) AmerenUE knows of no specific circumstances where this Order would be unnecessary at Callaway Plant.

(3) AmerenUE knows of no specific circumstances where implementation of the requirements of this Order will cause AmerenUE to be in violation of the provisions of any Commission regulation or the facility license.

AmerenUE is not seeking relief from the requirements of the Order at this time.

B.2. The safe operation of Callaway is not adversely impacted by implementation of the requirements of this Order.

C. AmerenUE will notify the Commission, in writing, when the approved revisions to the Callaway Plant Physical Security Plan, the Callaway Plant Safeguards Contingency Plan, and the Callaway Plant Security Training and Qualification Plan, to protect against the Design Basis Threat described in Attachment 2 to this Order, have been fully implemented.

Note:

To enable AmerenUE to meet the compliance dates specified in the Order, the requested clarifications are needed as soon as possible. If the clarifications cannot be provided by October 1, 2003, we respectfully request that the Director, Nuclear Reactor Regulation extend the dates for submitting revisions to the physical security plan, safeguards contingency plan, security officer training and qualification plan, and for full implementation of the Order on a day-for-day basis until such clarifications are provided.