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DTE Energy



May 25, 2004
NRC-04-0032

U. S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington D C 20555

Reference: Fermi 2
NRC Docket No. 50-341
NRC Operating License No. NPF-43

Subject: Use of Encryption Software for Electronic Transmission
of Safeguards Information

Pursuant to the requirements of 10 CFR 73.21(g)(3), Detroit Edison requests approval to process and transmit Safeguards Information (SGI) using PGP Software (Enterprise, Corporate, or Personal) Desktop Version 8.0 or the latest validated version, developed with PGP SDK 3.0.3. National Institute of Standards and Technology Certificate 394 validates compliance of this SDK with FIPS 140-2 requirements.

An information protection system for SGI that meets the requirements of 10 CFR 73.21(b) through (i) has been established and is being maintained. Prior to the first use of encryption software for SGI material, written procedures shall be in place to describe, as a minimum: access controls; where and when encrypted communications can be made; how encryption keys, codes and passwords will be protected from compromise; actions to be taken if the encryption keys, codes or passwords are, or are suspected to have been, compromised (e.g., notification of all authorized users); and how the identity and access authorization of the recipient will be verified.

Detroit Edison intends to exchange SGI with the NRC, Nuclear Energy Institute (NEI), and other SGI holders who have received NRC approval to use PGP software. Mr. Joseph H. Korte, Manager - Nuclear Security, is responsible for the overall implementation of the SGI encryption program at Detroit Edison. Mr. Korte is responsible for collecting, safeguarding, and disseminating the software tools needed for encryption and decryption of SGI.

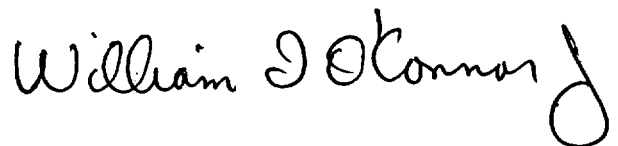
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Pursuant to 10 CFR 73.21(g)(3), the transmission of encrypted material to other authorized SGI holders, who have received NRC approval to use PGP software, would be considered a protected telecommunications system. The transmission and dissemination of unencrypted SGI is subject to the provisions of 10 CFR 73.21(g)(1) and (2).

Should you have any questions or require additional information, please contact Mr. Joseph H. Korte at (734) 586-1095.

Sincerely,

A handwritten signature in black ink that reads "William J. O'Connor". The signature is written in a cursive style with a large, looped final letter 'J'.

cc: James Davis – NEI
Louis Grosman – NRC/OCIO
Scott Morris – NRC/NSIR
Lynn Silvius – NRC/NSIR

D. P. Beaulieu
E. R. Duncan
NRC Resident Office
Regional Administrator, Region III
Supervisor, Electric Operators,
Michigan Public Service Commission