



Stephen A. Byrne
Senior Vice President, Nuclear Operations
803.345.4622

June 1, 2004
RC-04-0093

U. S. Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555-0001

Dear Sir / Madam:

Subject: VIRGIL C. SUMMER NUCLEAR STATION
DOCKET NO. 50-395
OPERATING LICENSE NO. NPF-12
USE OF ENCRYPTION SOFTWARE FOR ELECTRONIC TRANSMISSION
OF SAFEGUARDS INFORMATION

Reference: 1. 10 CFR 73.21
2. NRC Regulatory Issue Summary 2002-15

Pursuant to the requirements of 10 CFR 73.21(g)(3), Virgil C. Summer Nuclear Station (VCSNS) 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 (for example, notification of all authorized users); and how the identity and access authorization of the recipient will be verified.

VCSNS intends to exchange SGI with the NRC, Nuclear Energy Institute (NEI), and other SGI holders who have received NRC approval to use PGP software. Dr. Mark P. Findlay, Manager, Nuclear Protection Services, is responsible for the overall implementation of the SGI encryption program at VCSNS. Dr. Mark P. Findlay, Manger, Nuclear Protection Services, is responsible for collecting, safeguarding, and disseminating the software tools needed for encryption and decryption of SGI.

5008

Document Control Desk
L-04-0007
RC-04-0093
Page 2 of 2

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 Dr. Findlay at (803) 345-4186.

Sincerely,



Stephen A. Byrne

SBR/SAB/dr

c: N. O. Lorick
N. S. Carns
R. J. White
T. G. Eppink
S. A. Morris
A. L. Silvious
L. H. Grosman
Regional Administrator, NRC/RII
K. R. Cotton
NRC Resident Inspector
J. W. Davis
K. M. Sutton
NSRC
RTS (L-04-0007)
File (810.32)
DMS (RC-04-0093)