

SAFEGUARDS INFORMATION

October 28, 2004

Mr. Fred Dacimo
Site Vice President
Indian Point Nuclear Generating Station, Units 2 and 3
Entergy Nuclear Operations, Inc.
450 Broadway, GSB
P. O. Box 249
Buchanan, NY 10511-0249

SUBJECT: INDIAN POINT NUCLEAR GENERATING STATION, UNITS 2 AND 3 - ADMINISTRATIVE CHANGE TO FACILITY OPERATING LICENSES IN CONJUNCTION WITH THE COMMISSION ORDER EA-03-086 REGARDING REVISED DESIGN BASIS THREAT (DBT); AND REVISIONS TO PHYSICAL SECURITY PLAN, TRAINING AND QUALIFICATION PLAN, AND SAFEGUARDS CONTINGENCY PLAN (TAC NOS. MC2929 AND MC2930)

Dear Mr. Dacimo:

By letter dated April 28, 2004, the Entergy Nuclear Operations, Inc., submitted a supplemental response in accordance with Order EA-03-086, the Order requiring compliance with the revised design basis threat, dated April 29, 2003 (DBT Order), for Indian Point Nuclear Generating Station, Units 2 and 3 (Indian Point). Section III.A of the DBT Order required licensees to revise physical security plans (PSPs), training and qualification plans (T&Q Plans), and safeguards contingency plans (SCPs) in order to provide protection against the revised DBT set forth in Attachment 2 to the DBT Order. These revised plans, along with an implementation schedule, were required to be submitted to the Nuclear Regulatory Commission (NRC or the Commission) for review and approval no later than April 29, 2004.

The NRC staff's review of the Indian Point PSP, SCP, and T&Q Plan submitted in your letter dated April 28, 2004, as supplemented on July 8, July 14, July 26, August 4, August 8, August 12, August 19, August 27, September 10, October 4, and October 14, 2004, has focused on ensuring that the necessary programmatic elements are contained in these plans in order to provide high assurance that activities involving special nuclear material are not inimical to the common defense and security and do not constitute an unreasonable risk to the public health and safety.

NOTICE: Enclosure 2 contains Safeguards Information. Upon separation from Enclosure 2, this letter and Enclosure 1 are DECONTROLLED.

SAFEGUARDS INFORMATION

The NRC staff has determined that, subject to subsequent inspection and evaluation, these plans contain the necessary programmatic elements that, when effectively implemented, will provide high assurance that Indian Point will be protected against the revised DBT. The NRC staff, therefore, approves the PSP, SCP, and T&Q Plan for Indian Point. Ultimately the effectiveness of these plans will be judged on your ability to meet regulatory requirements through facility implementing procedures and site practices. As such, your facility implementing procedures and practices will continue to be subject to future NRC review and inspection, including NRC-conducted force-on-force exercises.

In addition, the NRC staff noted that your PSP included alternatives to certain requirements of Title 10 of the *Code of Federal Regulations* (10 CFR) Section 73.55. In each case, the NRC staff found that the alternative measures provide an equivalent level of protection to that of the associated requirements and meet the high assurance objectives of 10 CFR 73.55(a). The NRC staff, therefore, approves the alternatives shown in the table below. The NRC staff's evaluation is discussed further in the enclosed Safety Evaluation (SE).

Approved Alternatives to the Requirements of 10 CFR Part 73			
SE Section	PSP Section	Alternative to 10 CFR	Description
3.6.2	6.2	73.55(c)(2)	PA barrier requirements
3.6.2	6.2	73.55(c)(3)	Isolation zones
3.9.4.3	9.4.3	73.55(d)(4)	PA vehicle search requirements
3.9.4.4	9.4.4	73.55(d)(1)	PA personnel search requirements
3.9.5.2	9.5	73.55(d)(1) 73.55(d)(4)	PA personnel access control requirements
3.10.1	10.1	73.55(c)(5)	PA illumination requirements
3.13.1	14.1	73.55(c)(1) 73.55(d)(7)(i)(B)	Temporary reclassification of VAs to PA status (devitalization)

Finally, consistent with the DBT Order, conforming administrative changes to Facility Operating Licenses (FOLs) are required to ensure implementation of DBT Order requirements. Therefore, administrative license changes to FOL Nos. DPR-26 and DPR-64 are being made to incorporate the reference to the revised PSP, SCP, and T&Q Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's rules and regulations set forth in 10 CFR Chapter I.

Please replace the enclosed pages to your FOLs as indicated in Enclosure 1.

F. Dacimo

- 3 -

A copy of our SE with regard to your security plans (designated as Safeguards Information) is provided in Enclosure 2.

Sincerely,

/RA/

John A. Nakoski, Section Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-247 and 50-286

Enclosures: 1. Administrative Change to FOL Nos. DPR-26 and DPR-64
2. Safety Evaluation (**Safeguards Information**)

cc w/encl 1 only: See Mailing List 1

cc w/encls 1 and 2: Fred Marcussen, Site Security Manager

F. Dacimo

- 3 -

A copy of our SE with regard to your security plans (designated as Safeguards Information) is provided in Enclosure 2.

Sincerely,

/RA/

John A. Nakoski, Section Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-247 and 50-286

Enclosures: 1. Administrative Change to FOL Nos. DPR-26 and DPR-64
2. Safety Evaluation (**Safeguards Information**)

cc w/encl 1 only: See Mailing List 1

cc w/encls 1 and 2: Fred Marcussen, Site Security Manager

DISTRIBUTION (w/o Enclosure 2):

PUBLIC SPRT R/F OGC ACRS SLittle PMilano
RLaufer CHolden DLPM DPR TBoyce GHill(4) GMatakas, RI

Accession No.: ML043120005

*See previous concurrence

OFFICE	SPRT/TL	SPRT/PM	SPRT/LA	SPRT/PL	OGC*	NSIR/SC	NRR/SC
NAME	DHuyck	RFretz	CRaynor	JPeralta	JHeck NLO w/ comments	SMorris	JNakoski
DATE	10/22/04	10/22/04	10/22/04	10/22/04	10/22/04	10/28/04	10/28/04

OFFICIAL RECORD COPY

ENTERGY NUCLEAR OPERATIONS, INC.

INDIAN POINT NUCLEAR GENERATING STATION, UNIT 2

DOCKET NO. 50-247

ADMINISTRATIVE LICENSE CHANGE TO FACILITY OPERATING LICENSE

License No. DPR-26

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. Consistent with Order EA-03-086, the Order requiring compliance with the revised design basis threat, (DBT Order) issued on April 29, 2003, conforming administrative changes to Facility Operating Licenses (FOLs) are required to ensure implementation of DBT Order requirements. Therefore, an administrative license change to FOL No. DPR-26 is being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this administrative license change can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this administrative license change will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this administrative license change is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

Enclosure 1

2. Accordingly, the FOL is changed, as indicated in the attachment.
3. This administrative license change is effective as of its date of issuance and shall be implemented on or before October 29, 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

John A. Nakoski, Section Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to the FOL

Date of Issuance: October 28, 2004

CHANGES TO FACILITY OPERATING LICENSE NO. DPR-26

DOCKET NO. 50-247

Replace the following pages of Facility Operating License DPR-26 with the attached revised pages as indicated. The revised pages are identified by revision date and contain marginal lines indicating the areas of change.

Remove Page

4
5

Insert Page

4
5

2. The following is a schedule for implementing surveillance requirements (SRs):

For SRs that are new in this amendment, the first performance is due at the end of the first surveillance interval that begins on the date of implementation of this amendment.

For SRs that existed prior to this amendment whose intervals of performance are being reduced, the first reduced surveillance interval begins upon completion of the first surveillance performed after the date of implementation of this amendment.

For SRs that existed prior to this amendment that have modified acceptance criteria, the first performance is due at the end of the first surveillance interval that began on the date the surveillance was last performed prior to the date of implementation of this amendment.

For SRs that existed prior to this amendment whose intervals of performance are being extended, the first extended surveillance interval begins upon completion of the last surveillance performed prior to the date of implementation of this amendment.

- D. (1) Deleted per Amdt. 82, 12-11-82.
(2) Deleted per Amendment 238.
- E. Deleted per Amdt. 71, dated 8-5-81, effective 5-14-81.
- F. This amended license is also subject to appropriate conditions by the New York State Department of Environmental Conservation in its letter of September 24, 1973, to Consolidated Edison Company of New York, Inc., granting a Section 401 certification under the Federal Water Pollution Control Act amendments of 1972.
- G. Pursuant to Section 50.60 of 10 CFR Part 50, paragraph 4 of Provisional Construction Permit No. CPPR-21 allocating quantities of special nuclear material, together with the related estimated schedules contained in Appendix A attached to said provisional construction permit, shall remain in effect.
- H. ENO shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822), and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans¹ for the

¹ The Training and Qualification Plan and Safeguards Contingency Plan are Appendices to the Security Plan.

Indian Point Energy Center, which contain Safeguards Information protected under 10 CFR 73.21, is entitled: "Physical Security, Training and Qualification, and Safeguards Contingency Plan, Revision 0," and was submitted by letter dated October 14, 2004.

- I. Deleted per Amdt. 133, 7-6-88.
 - J. Deleted per Amdt. 133, 7-6-88.
 - K. ENO shall implement and maintain in effect all provisions of the NRC-approved fire protection program as described in the Updated Final Safety Analysis Report for the facility and as approved in Safety Evaluations Reports dated November 30, 1977, February 3, 1978, January 31, 1979, October 31, 1980, August 22, 1983, March 30, 1984, October 16, 1984, September 16, 1985, November 13, 1985, March 4, 1987, January 12, 1989, and March 26, 1996. ENO may make changes to the NRC-approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.
 - L. Deleted per Amendment 238
 - M. Deleted per Amendment 238
3. On the closing date of the transfer of the license, Con Edison shall transfer to ENIP2 all of the accumulated decommissioning trust funds for IP2 and such additional funds to be deposited in the decommissioning trust for IP2 such that the total amount transferred for Indian Point Nuclear Generating Unit No. 1 (IP1) and IP2 is no less than \$430,000,000. Furthermore, ENIP2 shall either (a) establish a provisional trust for decommissioning funding assurance for IP1 and IP2 in an amount no less than \$25,000,000 (to be updated as required under applicable NRC regulations, unless otherwise approved by the NRC) or (b) obtain a surety bond for an amount no less than \$25,000,000 (to be updated as required under applicable NRC regulations, unless otherwise approved by the NRC). The total decommissioning funding assurance provided for IP2 by the combination of the decommissioning trust and the provisional trust or the provisional trust or surety bond at the time of transfer of the licenses shall be at a level no less than the amounts calculated pursuant to, and required under, 10 CFR 50.75. The decommissioning trust, provisional trust, and surety bond shall be subject to or be consistent with the following requirements, as applicable:

ENTERGY NUCLEAR OPERATIONS, INC.

INDIAN POINT NUCLEAR GENERATING STATION, UNIT 3

DOCKET NO. 50-286

ADMINISTRATIVE LICENSE CHANGE TO FACILITY OPERATING LICENSE

License No. DPR-64

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. Consistent with Order EA-03-086, the Order requiring compliance with the revised design basis threat, (DBT Order) issued on April 29, 2003, conforming administrative changes to Facility Operating Licenses (FOLs) are required to ensure implementation of DBT Order requirements. Therefore, an administrative license change to FOL No. DPR-64 is being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this administrative license change can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this administrative license change will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this administrative license change is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the FOL is changed, as indicated in the attachment.
3. This administrative license change is effective as of its date of issuance and shall be implemented on or before October 29, 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

John A. Nakoski, Section Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to the FOL

Date of Issuance: October 28, 2004

CHANGES TO FACILITY OPERATING LICENSE NO. DPR-64

DOCKET NO. 50-286

Replace the following pages of Facility Operating License DPR-64 with the attached revised pages as indicated. The revised pages are identified by revision date and contains marginal lines indicating the areas of change.

Remove Page

3
4

Insert Page

3
4

- C. This amended license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; and is subject to all applicable provisions of the Act and to the rules, regulations, and order of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

ENO is authorized to operate the facility an steady state reactor core Power levels not in excess of 3025 megawatts thermal (100% of rated power).

(2) Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 220 are hereby incorporated in the License. ENO shall operate the facility in accordance with the Technical Specifications.

(3) (DELETED)

(4) (DELETED)

- D. (DELETED)

- F. This amended license is also subject to appropriate conditions by the New York State Department of Environmental Conservation in its letter of May 2, 1975, to Consolidated Edison Company of New York, Inc., granting a Section 401 certification under the Federal Water Pollution Control Act Amendments of 1972.

- G. ENO shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822), and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans¹ for the

¹ The Training and Qualification Plan and Safeguards Contingency Plan are Appendices to the Security Plan.

Indian Point Energy Center, which contain Safeguards Information protected under 10 CFR 73.21, is entitled: "Physical Security, Training and Qualification, and Safeguards Contingency Plan, Revision 0," and was submitted by letter dated October 14, 2004.

- H. ENO shall implement and maintain in effect all provisions of the approved Fire Protection Program as described in the Final Safety Analysis Report for Indian Point Nuclear Generating Unit No. 3 and as approved in NRC fire protection safety evaluations (SEs) dated September 21, 1973, March 6, 1979, May 2, 1980, November 18, 1982, December 30, 1982, February 2, 1984, April 16, 1984, January 7, 1987, September 9, 1988, October 21, 1991, April 20, 1994, January 5, 1995, and supplements thereto, subject to the following provision:

ENO may make changes to the approved Fire Protection Program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

- I. (DELETED)
- J. (DELETED)
- K. (DELETED)
- L. (DELETED)
- M. (DELETED)
- N. (DELETED)
- O. Evaluation, status and schedule for completion of balance of plant modifications as outlined in letter dated February 12, 1983, shall be forwarded to the NRC by January 1, 1984.
- P. Entergy Nuclear IP3 and ENO shall take no action to cause Entergy Global Investments, Inc. or Entergy International Ltd. LLC, or their parent

Indian Point Nuclear Generating Station, Units 1, 2, and 3

cc w/o encl.:

Mr. Gary J. Taylor
Chief Executive Officer
Entergy Operations, Inc.
1340 Echelon Parkway
Jackson, MS 39213

Resident Inspector's Office
James A. FitzPatrick Nuclear Power Plant
U. S. Nuclear Regulatory Commission
P.O. Box 136
Lycoming, NY 13093

Mr. John T. Herron
Sr. VP and Chief Operating Officer
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Ms. Charlene D. Faison
Manager, Licensing
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. Theodore A. Sullivan
Site Vice President
Entergy Nuclear Operations, Inc.
James A. FitzPatrick Nuclear Power Plant
P. O. Box 110
Lycoming, NY 13093

Mr. Michael J. Colomb
Director of Oversight
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. Kevin J. Mulligan
General Manager, Plant Operations
Entergy Nuclear Operations, Inc.
James A. FitzPatrick Nuclear Power Plant
P. O. Box 110
Lycoming, NY 13093

Mr. William Maquire
Director, Nuclear Safety Assurance
Entergy Nuclear Operations, Inc.
James A. FitzPatrick Nuclear Power Plant
P.O. Box 110
Lycoming, NY 13093

Mr. Danny L. Pace
Vice President, Engineering
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. Andrew Halliday
Manager, Regulatory Compliance
Entergy Nuclear Operations, Inc.
James A. FitzPatrick Nuclear Power Plant
P. O. Box 110
Lycoming, NY 13093

Mr. Brian O'Grady
Vice President, Operations Support
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Supervisor
Town of Scriba
Route 8, Box 382
Oswego, NY 13126

Mr. John F. McCann
Director, Nuclear Safety Assurance
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. Charles Donaldson, Esquire
Assistant Attorney General
New York Department of Law
120 Broadway
New York, NY 10271

Indian Point Nuclear Generating Station, Units 1, 2, and 3

cc w/o encl.:

Regional Administrator, Region I
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

Oswego County Administrator
Mr. Steven Lyman
46 East Bridge Street
Oswego, NY 13126

Mr. Peter R. Smith, President
New York State Energy, Research,
and Development Authority
17 Columbia Circle
Albany, NY 12203-6399

Mr. Paul Eddy
New York State Dept. of Public Service
3 Empire State Plaza
Albany, NY 12223-1350

Mr. John M. Fulton
Assistant General Counsel
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. Ken L. Graesser
BWR SRC Consultant
38832 N. Ashley Drive
Lake Villa, IL 60046

Mr. Jim Sniezek
Nuclear Management Consultant
5486 Nithsdale Drive
Salisbury, MD 21801

Mr. Ron Toole
BWR SRC Consultant
1282 Valley of Lakes
Box R-10
Hazelton, PA 18202

Ms. Stacey Lousteau
Treasury Department
Entergy Services, Inc.
639 Loyola Avenue
Mail Stop L-ENT-15E
New Orleans, LA 70113

Mr. Michael Kansler, President
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10611