

## **SAFEGUARDS INFORMATION**

October 29, 2004

Mr. William T. O'Connor, Jr.  
Vice President - Nuclear Generation  
Detroit Edison Company  
Fermi, Unit 2  
6400 North Dixie Highway  
Newport, MI 48166

**SUBJECT: FERM, UNIT 2 - ADMINISTRATIVE CHANGE TO FACILITY OPERATING  
LICENSE IN CONJUNCTION WITH THE COMMISSION ORDER EA-03-086  
REGARDING REVISED DESIGN BASIS THREAT; AND REVISIONS TO  
PHYSICAL SECURITY PLAN, TRAINING AND QUALIFICATION PLAN,  
SAFEGUARDS CONTINGENCY PLAN (TAC MC2920)**

Dear Mr. O'Connor:

By letter dated April 29, 2004, Detroit Edison Company 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 the Fermi, Unit 2. 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) 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 Fermi, Unit 2 PSP, SCP, T&Q Plan submitted in your letter dated April 28, 2004, as supplemented on July 7, July 21, August 9, August 11, August 26, September 9, October 7 and October 14, 2004, has focused on ensuring 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.

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 the required high assurance that Fermi, Unit 2 will be protected against the revised DBT. The NRC staff, therefore, approves the PSP, SCP, and T&Q Plan for Fermi, Unit 2. However, 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.

<p><b>NOTICE:</b> Enclosure 2 contains Safeguards Information. Upon separation from Enclosure 2, this letter and Enclosure 1 are DECONTROLLED.</p>
--

## **SAFEGUARDS INFORMATION**

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 requirement and meet the high assurance objective 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)(3)	Isolation Zones
3.9.4.3	9.4.3	73.55(d)(4)	Protected Area (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)(4)	PA 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 change to FOL No. NPF-43 is 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 page to your FOL as indicated in Enclosure 1.

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, Chief  
Security Plan Review Team  
Project Directorate II  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. 50-341

Enclosures: 1. Administrative Change to FOL No. NPF-43  
2. Safety Evaluation Regarding the Security Plans (**SAFEGUARDS**)

cc w/encl 1 only: See Mailing List

cc w/encls 1 and 2: Joe Korte, Site Security Manager

W. T. O'Connor

- 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, Chief  
Security Plan Review Team  
Project Directorate II  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. 50-341

Enclosures: 1. Administrative Change to FOL No. NPF-43  
2. Safety Evaluation Regarding the Security Plans (**SAFEGUARDS**)

cc w/encl 1only: See Mailing List  
cc w/encls 1 and 2: Mr. Joe Korte

DISTRIBUTION w/o Enclosure 2:

PUBLIC	SPRT R/F	OGC	ACRS	THarris	DBeaulieu
LRaghavan	WRuland	GHill (2)	DLPM DPR	TBoyce	SReynolds, RIII

Accession No.: ML043120029

OFFICE	SPRT/TL	SPRT/PM	SPRT/PL	OGC	NSIR/SC	NRR/SC
NAME	RManili	DSpaulding	JPeralta	DCummings	SMorris	JNakoski
DATE	10/28/04	10/27/04	10/28/04	10/28/04	10/29/04	10/29/04

**OFFICIAL RECORD COPY**

Fermi 2

cc w/o encl.:

Mr. Peter Marquardt  
Legal Department  
688 WCB  
Detroit Edison Company  
2000 2nd Avenue  
Detroit, MI 48226-1279

Michigan Department of Environmental Quality  
Waste and Hazardous Materials Division  
Hazardous Waste and Radiological Protection Section  
Nuclear Facilities Unit  
Constitution Hall, Lower-Level North  
525 West Allegan Street  
P.O. Box 30241  
Lansing, MI 48909-7741

U.S. Nuclear Regulatory Commission  
Resident Inspector's Office  
6450 W. Dixie Highway  
Newport, MI 48166

Monroe County Emergency Management  
Division  
963 South Raisinville  
Monroe, MI 48161

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

Norman K. Peterson  
Director, Nuclear Licensing  
Detroit Edison Company  
Fermi 2 - 280 TAC  
6400 North Dixie Highway  
Newport, MI 48166

Mr. William T. O'Connor, Jr.  
Vice President - Nuclear Generation  
Detroit Edison Company  
6400 North Dixie Highway  
Newport, MI 48166

DETROIT EDISON COMPANY

DOCKET NO. 50-341

FERMI, UNIT 2

ADMINISTRATIVE LICENSE CHANGE TO FACILITY OPERATING LICENSE

License No. NPF-43

1. The Nuclear Regulatory Commission (the Commission) has found that:
  - A. Consistent with Order EA-03-086, the Order requiring compliance with 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. NPF-43 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, 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 29, 2004

CHANGES TO FACILITY OPERATING LICENSE NO. NPF-43

DOCKET NO. 50-341

Replace the following page of the Facility Operating License NPF-43 with the attached revised page as indicated. The revised page is identified by a revision date and contains marginal lines indicating the area of change.

Remove Page  
8

Insert Page  
8



- D. Exemptions from certain requirements of Appendices E and J to 10 CFR Part 50, are described in supplements to the SER. These include: (a) an exemption from the requirement of Section IV.F of Appendix E that a full participation emergency planning exercise be conducted within one year before issuance of the first operating license for full power and prior to operation above five percent of rated power (Section 13.3 of SSER #6); (b) an exemption from the requirement of Paragraph III.C.2(b) of Appendix J, the testing of the main steam isolation valves at the peak calculated containment pressure associated with the design basis accident (Section 6.2.7 of SSER #5); and (c) an exemption from the requirement of Paragraph III.D.2(b)(ii) of Appendix J, the testing of containment air locks at times when containment integrity is not required (Section 6.2.7 of SSER #5). These exemptions are authorized by law and will not endanger life or property or the common defense and security and are otherwise in the public interest. Therefore, these exemptions are hereby granted pursuant to 10 CFR 50.12. With the granting of these exemptions, the facility will operate, to the extent authorized herein, in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission.
- 2.E The licensee 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 plans, which contain Safeguards Information protected under 10 CFR 73.21, are is entitled: "Fermi 2 Physical Security Plan, Security Training and Qualification Plan, and Safeguards Contingency Plan" submitted by letter dated September 9, 2004, and supplemented on October 7, 2004, and October 29, 2004.
- F. Deleted
- G. The licensees shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.