

SAFEGUARDS INFORMATION

October 28, 2004

Mr. William R. Kanda
Vice President - Nuclear
c/o Mr. Thomas Mahon
FirstEnergy Nuclear Operating Company
Perry Nuclear Power Plant, Unit 1
10 Center Road
Perry, OH 44081

SUBJECT: PERRY NUCLEAR POWER PLANT, UNIT 1 - ADMINISTRATIVE CHANGE TO FACILITY OPERATING LICENSE 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 NO. MC2955)

Dear Mr. Kanda:

By letter dated April 28, 2004, FirstEnergy Nuclear Operating 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 Perry Nuclear Power Plant, Unit 1. 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 Perry Nuclear Power Plant, Unit 1 PSP, SCP, and T&Q Plan submitted in your letter dated April 28, 2004, as supplemented on July 1, 2004, July 14, 2004, July 26, 2004, August 17, 2004, August 31, 2004, September 9, 2004, September 30, 2004, and October 13, 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.

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 these plans contain the necessary programmatic elements that, when effectively implemented, will provide the required high assurance that Perry Nuclear Power Plant, Unit 1 will be protected against the revised DBT. The NRC staff, therefore approves the **PSP, SCP, and T&Q Plan** for Perry Nuclear Power Plant, Unit 1. 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.

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 provides an equivalent level of protection to that of the associated requirement and meets 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)(1) 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 Vital Areas to PA status (devitalization)

Finally, consistent with the DBT Order, conforming administrative changes to Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, an administrative, license change to FOL No. NPF-58 is being made to incorporate the reference to the revised **PSP, SCP, and T&Q Plan** required by the DBT Order. This change complies 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 the 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. 50-440

Enclosures: 1. Administrative Change to FOL No. NPF-58
2. Safety Evaluation Regarding the Security Plans (**SAFEGUARDS INFORMATION**)

cc w/encl 1only: See next page
cc w/encls 1 and 2: Mr. Thomas Mahon

W. R. Kanda

- 3 -

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

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cc w/encl 1 only: See next page
cc w/encls 1 and 2: Mr. Thomas Mahon

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Perry Nuclear Power Plant, Unit 1

cc w/o encl.:

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FIRSTENERGY NUCLEAR OPERATING COMPANY.

DOCKET NO. 50-440

PERRY NUCLEAR POWER PLANT, UNIT 1

ADMINISTRATIVE LICENSE CHANGE TO FACILITY OPERATING LICENSE

License No. NPF-58

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 the DBT Order requirements. Therefore, an administrative license change to FOL No. NPF-58 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, Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to the FOL No. NPF-58

Date of Issuance: October 28, 2004

CHANGES TO FACILITY OPERATING LICENSE NO. NPF-58

DOCKET NO. 50-440

Replace the following page of the Facility Operating License No. NPF-58 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

6

Insert Page

6

- D. FENOC is exempted from: 1) the requirements of Section III.D.2(b)(ii), containment airlock testing requirements, Appendix J to 10 CFR Part 50, due to the special circumstance described in Section 6.2.6 of SER Supplement No. 7 authorized by 10 CFR 50.12(a)(2)(iii) and 2) the requirements of Section IV.F., Full Participation Exercise, of Appendix E to 10 CFR Part 50, due to the special circumstance described in the Exemption dated November 6, 1986. These exemptions are authorized by law, will not present an undue risk to the public health and safety, and are consistent with the common defense and security. The 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.

- E. FENOC 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 (61 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contain Safeguards Information protected under 10 CFR 73.21, is entitled: "Perry Nuclear Power Plant Physical Security Plan" submitted by letter dated September 9, 2004, and supplemented on September 30, 2004.

- F. Except for Section 2.C.(2), FENOC shall report any violations of the requirements contained in Section 2.C of this license in the following manner: Initial notification shall be made within 24 hours to the NRC Operations Center via the Emergency Notification System with written followup in accordance with the procedures described in 10 CFR 50.73(a)(1), (b), (c), and (e).

- 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 1964, as amended, to cover public liability claims.