

SAFEGUARDS INFORMATION

October 28, 2004

Mr. R. T. Ridenoure
Vice President
Omaha Public Power District
Fort Calhoun Station, Unit 1
444 South 16th Street Mall
Omaha, NE 68102-2247

SUBJECT: FORT CALHOUN STATION, UNIT 1 - ADMINISTRATIVE CHANGE TO RENEWED 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 QUALIFICATIONS PLAN, AND SAFEGUARDS CONTINGENCY PLAN (TAC NO. MC2922)

Dear Mr. Ridenoure:

By letter dated April 29, 2004, Omaha Public Power District submitted a supplemental response in accordance with Order EA-03-086, "Order Requiring Compliance with the Revised Design Basis Threat," dated April 29, 2003, (DBT Order) for the Fort Calhoun Station, Unit 1. Section III.A of the Order requires licensees to revise their physical security plan (PSP), training and qualification plan (T&Q Plan), and safeguards contingency plan (SCP) 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 PSP, SCP, and T&Q Plans submitted in your April 29, 2004, letter, as supplemented on July 16, July 22, August 5, August 6 (two letters), August 16, August 17, August 27, September 7, September 14, September 30, and October 18, 2004, has focused on ensuring the necessary programmatic elements are contained in these plans 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 the required high assurance that the Fort Calhoun Station will be protected against the revised DBT. Therefore, your PSP, SCP, and T&Q Plans are approved for use at Fort Calhoun Station, 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, based on the NRC staff's review of your application, alternatives to the requirements of Title 10 of the *Code of Federal Regulations* (10 CFR) **Part 73** were identified. The NRC staff has approved these alternatives to the requirements of 10 CFR 73.55 as discussed in the associated sections of the PSP as listed in the table below. 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). Details of the alternatives and the basis for the NRC staff's approval are provided in the enclosed Safety Evaluation (SE).

Approved Alternatives to NRC Regulations

SE Section	Plan Section	Alternative to 10 CFR	Description
3.6.2	6.2	73.55(c)(3)	Isolation Zones
3.9.4.3	PSP 9.4.3	73.55(d)(4)	Protected Area (PA) vehicle search requirements
3.9.4.4	PSP 9.4.4	73.55(d)(1)	PA personnel search requirements
3.9.5.2	PSP 9.5	73.55(d)(1) 73.55(d)(4)	PA access control requirements
3.10.1	PSP 10.1	73.55(c)(5)	PA illumination requirements
3.13.1	PSP 14.1	73.55(c)(1) 73.55(d)(7)(i)(B)	Temporary reclassification of Vital Areas to PA status (devitalization)

Mr. Ridenoure

-3-

Finally, consistent with the DBT Order, conforming administrative license changes to Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, an administrative license change to Renewed FOL No. DPR-40 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 of your Renewed FOL as indicated in the Enclosure.

A copy of our SE (designated as Safeguards Information), is also enclosed.

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. 50-285

Enclosures: 1. Administrative Change to Renewed FOL No. DPR-40
2. Safety Evaluation (**Safeguards Information**)

cc w/encl 1 only: See Mailing List 1

cc w/encls 1 & 2: Mr. Alan Clark

Mr. Ridenoure

-3-

Finally, consistent with the DBT Order, conforming administrative license changes to Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, an administrative license change to Renewed FOL No. DPR-40 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 of your Renewed FOL as indicated in the Enclosure.

A copy of our SE (designated as Safeguards Information), is also enclosed.

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. 50-285

Enclosures: 1. Administrative Change to Renewed FOL No. DPR-40
2. Safety Evaluation (**Safeguards Information**)

cc w/encl 1 only: See Mailing List 1

cc w/encls 1 & 2: Mr. Alan Clark

DISTRIBUTION:

With Enclosure 1 Only - See Distribution List 1

With Enclosures 1 & 2 - See Distribution List 2

Accession No.:

OFFICE	SPRT/TL	SPRT/PM	SPRT/LA	SPRT/PL	OGC	NSIR/SC	NRR/SC
NAME	PPeduzzi	MChernoff	CHawes	JPeralta	DCummings	SMorris	JNakoski
DATE	10-2-04	10-11-04	10-21-04	10-2-04	10-23-04	10-27-04	10-24-04

OFFICE	NSIR/PD
NAME	JShea
DATE	10-24-04

Ft. Calhoun Station, Unit 1

cc w/o encl.:

Winston & Strawn
ATTN: James R. Curtiss, Esq.
1400 L Street, N.W.
Washington, DC 20005-3502

Chairman
Washington County Board of Supervisors
P.O. Box 466
Blair, NE 68008

Mr. John Kramer, Resident Inspector
U.S. Nuclear Regulatory Commission
P. O. Box 310
Fort Calhoun, NE 68023

Regional Administrator, Region IV
U.S. Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 400
Arlington, TX 76011-4005

Ms. Sue Semerera, Section Administrator
Nebraska Health and Human Services
Systems
Division of Public Health Assurance
Consumer Services Section
301 Centennial Mall, South
P. O. Box 95007
Lincoln, NE 68509-5007

Mr. David J. Bannister, Manager
Fort Calhoun Station
Omaha Public Power District
Fort Calhoun Station FC-1-1 Plant
P. O. Box 550
Fort Calhoun, NE 68023-0550

Mr. Daniel K. McGhee
Bureau of Radiological Health
Iowa Department of Public Health
401 SW 7th Street, Suite D
Des Moines, IA 50309

Mr. Richard P. Clemens
Division Manager - Nuclear Assessments
Omaha Public Power District
Fort Calhoun Station
P. O. Box 550
Fort Calhoun, NE 68023-0550

OMAHA PUBLIC POWER DISTRICT

DOCKET NO. 50-285

FORT CALHOUN STATION, UNIT 1

ADMINISTRATIVE LICENSE CHANGE TO RENEWED FACILITY OPERATING LICENSE

License No. DPR-40

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) dated April 29, 2003, conforming administrative license changes to Facility Operating Licenses are required to ensure implementation of the DBT Order requirements. Therefore, an administrative license change to Renewed Operating License (ROL) No. DPR-40 is being made to incorporate the reference to the revised **Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plans** 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 ROL 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 ROL

Date of Issuance:

CHANGES TO RENEWED OPERATING LICENSE NO. DPR-40

DOCKET NO. 50-285

Replace the following page of the Renewed Operating License DPR-40 with the attached revised page as indicated. The revised page is identified by revision date and contains marginal lines indicating the area of change.

Remove Page

3

Insert Page

3

- (4) Pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use in amounts as required any byproduct, source, or special nuclear material without restriction to chemical or physical form for sample analysis or instrument calibration or when associated with radioactive apparatus or components;
- (5) Pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by operation of the facility.

3. This renewed license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter 1: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Section 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 orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

A. Maximum Power Level

Omaha Public Power District is authorized to operate the Fort Calhoun Station, Unit 1, at steady state reactor core power levels not in excess of 1500 megawatts thermal (rated power).

B. Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 221, are hereby incorporated in the license. Omaha Public Power District shall operate the facility in accordance with the Technical Specifications.

C. Security and Safeguards Contingency Plans

The Omaha Public Power District 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 entitled: "Fort Calhoun Station Security Plan, Training And Qualification Plan, Safeguards Contingency Plan" submitted by letter dated October 18, 2004.