

January 31, 2006

Mr. Jeffrey S. Forbes
Site Vice President
Arkansas Nuclear One
Entergy Operations, Inc.
1448 S.R. 333
Russellville, AR 72802

SUBJECT: NRC RESPONSE TO ENTERGY OPERATIONS, INCORPORATED
(ENTERGY) LETTER OF INTENT TO ADOPT 10 CFR 50.48(c) (NFPA 805
RULE) FOR ARKANSAS NUCLEAR ONE, UNITS 1 AND 2

Dear Mr. Forbes:

This letter responds to your letter dated November 2, 2005, Agencywide Document Access and Management System (ADAMS) accession no. ML053140128, in which you informed us that Entergy intends to adopt National Fire Protection Association (NFPA) 805, "Performance-Based Standard for Fire Protection for Light Water Reactor Electric Generating Plants," 2001 Edition (NFPA 805 Rule), in accordance with the requirements of Title 10 of the *Code of Federal Regulations* (10 CFR), Paragraph 50.48(c) for Arkansas Nuclear One (ANO), Units 1 and 2.

Your letter requests enforcement discretion for existing identified noncompliances in accordance with the U.S. Nuclear Regulatory Commission's (NRC's) Interim Enforcement Policy (69 FR 33684 and 70 FR 2662). Since you have met the deadline to receive discretion for existing identified noncompliances, NRC approves your request.

In your letter, you informed us that your transition to the performance-based standard for fire protection will commence during the first quarter of 2006. You indicated that your transition leading to development of the license amendment requests (LARs) for both units is expected to take 36 months. You provided numerous reasons for requesting an enforcement discretion window of 3 years, as opposed to the 2-year window approved by the Commission. Some of the key reasons that you provided for requesting an extension are:

- Limited availability of experts within and outside of Entergy; and
- Dissimilarity between ANO Unit 1, which is a Babcock & Wilcox plant and ANO Unit 2, which is a Combustion Engineering plant and consequential differences in the analyses.

Under the enforcement discretion policy currently in place, the discretion period for both ANO Unit 1 and ANO Unit 2 begins December 31, 2005, and will expire on December 31, 2007. However, issues similar to the ones that you have raised as the basis to request a 36-month enforcement discretion window have been raised by a number of other licensees that have sent us letters of intent to adopt NFPA 805. The NRC staff is considering your request and will contact you when we have reached a decision.

Please note that in order to receive enforcement discretion, you must: (1) evaluate the risk significance of all noncompliances to assure that they do not constitute "Red" findings, (2) enter them into your corrective action program, and (3) implement and maintain appropriate compensatory measures, until the NRC staff approves your LARs to transition to NFPA 805 and issues the safety evaluation report. Please refer to NRC Regulatory Issue Summary (RIS) 2005-07, "Compensatory Measures to Satisfy the Fire Protection Program Requirements," to determine appropriate compensatory measures.

Your letter states that the ANO units are dissimilar and that they will be the first two units to transition to NFPA 805 in NRC Region IV. As such, you have proposed that we consider ANO units as pilot plants for the initial implementation of NFPA 805, and requested that we waive all licensing and review fees for the LARs for both ANO units. NRC has already selected two pilot plants to enable us to develop and refine the regulatory structure supporting the NFPA 805 implementations. The Chief Financial Officer will respond to you separately on your request for a fee waiver per regulation 10 CFR 170.11.

A number of utilities have requested meetings with the NRC staff to review their project plan and discuss transition issues. We recognize the benefits of communication among transitioning licensees, the Office of Nuclear Reactor Regulation (NRR), and regional staff. Therefore, we plan to hold periodic workshops at the regional offices on NFPA 805 implementation issues. We recognize that ANO Units 1 and 2 will be the first two Region IV plants to transition to NFPA 805 and lessons learned from your transition would be beneficial to the Region IV staff and other licensees who are transitioning. These workshops will allow you to communicate ongoing transition issues and facilitate the development of final acceptable solutions. It will also afford you a chance to learn from other licensee's transition issues industry wide. In addition, the opportunity always exists for on-site visits to ANO with NRR and regional staff on an as-needed basis.

If you have any questions regarding this matter, please contact Drew Holland at (301) 415-1436.

Sincerely,

/RA/

Catherine Haney, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-313 and 50-368

cc: See next page

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NRR-106

OFFICE	DRA/FPB	DRA/FPB	BC: DRA/FPB	BC: DRIS/IRIB	OE
NAME	Nlqbal	PLain	SWeerakkody	RGibbs	CNolan
DATE	12/ 16 /05	12/ 21 /05	01/ 04 /06	01/ 06 /06	01/ 12 /06

OFFICE	BC: R-IV/DRS/EB2	CFO/DFM	D: NRR/DRA
NAME	LSmith (S.Weerakkody for)	RSuri	JLyons
DATE	01/ 05 /06 (Email)	01/ 17 /06	01/ 17 /06

OFFICE	LA:LPLIV	PM:LPLIV	BC:LPLIV	D: NRR/DORL
NAME	DJohnson	DHolland	DTerao	CHaney
DATE	01/ 23 /06	01/24/06	01/ 24 /06	01/31/06

Arkansas Nuclear One

cc:

Senior Vice President
& Chief Operating Officer
Entergy Operations, Inc.
P. O. Box 31995
Jackson, MS 39286-1995

Vice President, Operations Support
Entergy Operations, Inc.
P. O. Box 31995
Jackson, MS 39286-1995

Director, Division of Radiation
Control and Emergency Management
Arkansas Department of Health
4815 West Markham Street, Slot 30
Little Rock, AR 72205-3867

Wise, Carter, Child & Caraway
P. O. Box 651
Jackson, MS 39205

Winston & Strawn
1700 K Street, N.W.
Washington, DC 20006-3817

Senior Resident Inspector
U.S. Nuclear Regulatory Commission
P. O. Box 310
London, AR 72847

Regional Administrator, Region IV
U.S. Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 400
Arlington, TX 76011-8064

County Judge of Pope County
Pope County Courthouse
Russellville, AR 72801

September 2005