



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

February 1, 2007

Mr. Dennis L. Koehl
Site Vice President
Point Beach Nuclear Plant
Nuclear Management Company, LLC
6610 Nuclear Road
Two Rivers, WI 54241-9516

SUBJECT: POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2 - ADMINISTRATIVE CHANGE TO FACILITY OPERATING LICENSE IN CONJUNCTION WITH THE COMMISSION ORDER EA-06-037 REGARDING REVISIONS TO PHYSICAL SECURITY PLAN, TRAINING AND QUALIFICATION PLAN, AND SAFEGUARDS CONTINGENCY PLAN (TAC NOS. MD2263 AND MD2264)

Dear Mr. Koehl:

By letter to the Nuclear Regulatory Commission (NRC) dated May 10, 2006, Nuclear Management Company, LLC (NMC), submitted its revised security plans and confirmed the full implementation at Point Beach Nuclear Plant, Unit Nos. 1 and 2 (PBNP 1 and 2) of Order EA-06-037. Order EA-06-037 provided an update to an adversary characteristic of the design-basis threat.

The NRC staff has completed its review of the changes related to implementation of Order EA-06-037. As discussed in the enclosed safeguards evaluation (Enclosure 3), the NRC staff has determined that NMC's changes to the security plans meet the requirements of the NRC Order and Title 10 of the *Code of Federal Regulations* (10 CFR) Part 73 requirements and are, therefore, acceptable. The effectiveness of these security provisions will continue to be the subject of NRC review and inspection:

Consistent with the Order, administrative license changes to Renewed Facility Operating License Nos. DPR-24 and DPR-27 are being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan. The changes comply with the standards and requirements of the Atomic Energy Act of 1954, as

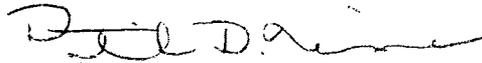
D. Koehl

- 2 -

amended, and the Commission's rules and regulations set forth in 10 CFR Chapter I. Please replace Page 4 of the PBNP 1 and 2 Renewed Facility Operating Licenses with the enclosed pages (Enclosures 1 and 2). Enclosure 3 to this letter is designated exempt from public disclosure under 10 CFR 2.390(d)(1).

Please contact me at (301) 415-1457 if you have any questions on this issue.

Sincerely,



Patrick D. Milano, Senior Project Manager
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-266 and 50-301

Enclosures:

1. Revised Page 4 of License DPR-24
2. Revised Page 4 of License DPR-27
3. Safeguards Evaluation

cc w/encls 1, 2, and 3: Brian Kopetsky, Security Manager, PBNP
Patrick Loudon, Region III

cc w/encls 1 and 2 only: See next page

Point Beach Nuclear Plant, Units 1 and 2

cc:

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Senior Vice President & Chief Nuclear
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Nuclear Management Company, LLC
700 First Street
Hudson, WI 54016

Site Director of Operations
Nuclear Management Company, LLC
6610 Nuclear Road
Two Rivers, WI 54241

D. Physical Protection

NMC 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 plans, which contain Safeguards Information protected under 10 CFR 73.21, is entitled: "Nuclear Management Company Point Beach Nuclear Plant Physical Security Plan, (Revision 4)," submitted by letter dated May 10, 2006.

E. Safety Injection Logic

The licensee is authorized to modify the safety injection actuation logic and actuation power supplies and related changes as described in licensee's application for amendment dated April 27, 1979, as supplemented May 7, 1979. In the interim period until the power supply modification has been completed, should any DC powered safety injection actuation channel be in a failed condition for greater than one hour, the unit shall thereafter be shutdown using normal procedures and placed in a block-permissive condition for safety injection actuation.

- F. NMC shall implement and maintain in effect all provisions of the approved fire protection program as described in the FSAR for the facility and as approved in the Safety Evaluation Report dated August 2, 1979 (and supplements dated October 21, 1980, January 22, 1981, and July 27, 1988) and the safety evaluation issued January 8, 1997, for Technical Specification Amendment No. 170, subject to the following provision:

NMC 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.

G. Secondary Water Chemistry Monitoring Program

NMC shall implement a secondary water chemistry monitoring program to inhibit steam generator tube degradation. This program shall include:

1. Identification of a sampling schedule for the critical parameters and control points for these parameters;
2. Identification of the procedures used to quantify parameters that are critical to control points;
3. Identification of process sampling points;
4. Procedure for the recording and management of data;
5. Procedures defining corrective actions for off control point chemistry condition; and

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