



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

~~SAFEGUARDS INFORMATION~~

October 28, 2004

Mr. John Carlin
Vice President - Nuclear Assessments
c/o Mr. Ted Straub
PSEG Nuclear LLC
P. O. Box 236
Hancocks Bridge, NJ 08038-0236

SUBJECT: SALEM NUCLEAR GENERATING STATION, UNITS 1 AND 2, AND HOPE CREEK GENERATING STATION, UNIT 1 - ADMINISTRATIVE CHANGE TO FACILITY OPERATING LICENSES 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, SAFEGUARDS CONTINGENCY PLAN (TAC NOS. MC2928, MC2967, AND MC2968)

Dear Mr. Carlin:

By letter dated April 29, 2004, PSEG Nuclear LLC 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 Salem Nuclear Generating Station (Salem), Units 1 and 2, and the Hope Creek Generating Station (Hope Creek), 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 Salem, and the Hope Creek Generating Station, Unit 1 PSP, SCP, and T&Q Plan submitted in your letter dated April 29, 2004, as supplemented on July 13, July 28, August 12, October 1, 2004, and October 19, 2004 has focused on ensuring the necessary programmatic elements are contained in these plans in order to provide the 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, subject to subsequent inspection and evaluation, that these plans contain the necessary programmatic elements that, when effectively implemented, will provide the required high assurance that Salem and Hope Creek will be protected against

NOTICE: Enclosure 2 contains Safeguards Information.
Upon separation from Enclosure 2, this letter and
Enclosure 1 are DECONTROLLED.

~~SAFEGUARDS INFORMATION~~

the revised DBT. The NRC staff, therefore approves the PSP, SCP, and T&Q Plan for Salem and Hope Creek. 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)	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 DBT Order requirements. Therefore, administrative license changes to FOL Nos. DPR-70, DPR-75, and NPF-57 are 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.

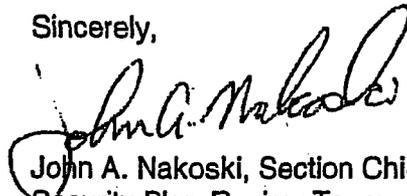
J. Carlin

- 3 -

Please replace the enclosed pages to your FOLs as indicated in the enclosure.

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

Sincerely,



John A. Nakoski, Section Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-272, 50-311, and 50-354

Enclosures: 1. Administrative Change to FOL Nos. DPR-70, DPR-75, and NPF-57
2. Safety Evaluation Regarding the Security Plans. (SAFEGUARDS)

cc w/encl 1 only: See next page

cc w/encls 1 and 2: Ted Straub, Security Manager

J. Carlin

- 3 -

Please replace the enclosed pages to your FOLs as indicated in the enclosure.

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

Sincerely,

John A. Nakoski, Section Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

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2. Safety Evaluation Regarding the Security Plans. (SAFEGUARDS)

cc w/encl 1only: See next page
cc w/encls 1 and 2: Ted Straub, Security Manager

DISTRIBUTION W/O ENC.

PUBLIC SPRT R/F OGC ACRS CRaynor GMiller
DCollins CHolden GHill (4) DLPM DPR TBoyce GMatakas, RI

Accession No.:

OFFICE	SPRT/TL	SPRT/PM	SPRT/LA	SPRT/PL	OGC	NSIR/SC	NRR/SC
NAME	M Burrell	BVaidya	CRaynor	JPerata	SCole	SMorris	JNakoski
DATE	10/28/04	10/28/04	10/28/04	10/28/04	10/23/04	10/26/04	10/26/04

DOCUMENT NAME: A:\PSEG-Cover letter Latest-100804.wpd

OFFICIAL RECORD COPY

*Raynor 10/25/04
no based
on previous review
of SE to change,
+ subject to
changes*

CCT

Hope Creek Generating Station and Salem Nuclear Generating Station, Unit Nos. 1 and 2

cc w/o encl.:

Mr. Timothy J. O'Connor
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P.O. Box 236
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Mr. John T. Carlin
Vice President - Nuclear Assessment
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Vice President - Engineering/Tech Support
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Vice President - Site Operations
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Nuclear Group Headquarters KSA1-E
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Kennett Square, PA 19348

Lower Alloways Creek Township
c/o Mary O. Henderson, Clerk
Municipal Building, P.O. Box 157
Hancocks Bridge, NJ 08038

Dr. Jill Lipoti, Asst. Director
Radiation Protection Programs
NJ Department of Environmental
Protection and Energy
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Trenton, NJ 08625-0415

Brian Beam
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Richard Hartung
Electric Service Evaluation
Board of Regulatory Commissioners
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Regional Administrator, Region I
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King of Prussia, PA 19406

Senior Resident Inspector
Salem Nuclear Generating Station
U.S. Nuclear Regulatory Commission
Drawer 0509
Hancocks Bridge, NJ 08038

Hope Creek Generating Station and Salem Nuclear Generating Station, Unit Nos. 1 and 2

cc w/o encl.:

Hope Creek Resident Inspector
U.S. Nuclear Regulatory Commission
Drawer 0509
Hancocks Bridge, NJ 08038

Mr. Carl J. Fricker
Plant Manager - Salem
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Mr. James A. Hutton
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Hancocks Bridge, NJ 08038



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

PSEG NUCLEAR LLC

DOCKET NO. 50-272

SALEM NUCLEAR GENERATING STATION, UNIT 1

ADMINISTRATIVE LICENSE CHANGE TO FACILITY OPERATING LICENSE

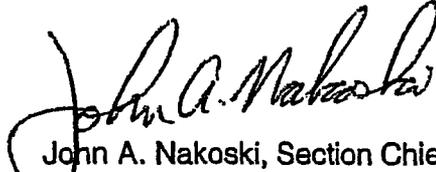
License No. DPR-70

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. DPR-70 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.

Enclosure 1

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

A handwritten signature in black ink, appearing to read "John A. Nakoski". The signature is written in a cursive style with a large initial "J".

John A. Nakoski, Section Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Change to the FOL

Date of Issuance: October 28, 2004

CHANGES TO FACILITY OPERATING LICENSE NO. DPR-70

DOCKET NO. 50-272

Replace the following page of the Facility Operating License DPR-70 with the attached revised page as indicated. The revised page is identified by revision date and contains marginal lines indicating the area of change.

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- D. Paragraph 2.D. has been combined with paragraph 2.E. per Amendment No. 86, June 27, 1988.
- 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 combined set of plans, which contain Safeguards Information protected under 10 CFR 73.21, is entitled "Salem-Hope Creek Integrated Security Plan: Physical Security, Training & Qualification, and Safeguards Contingency Plans," submitted by letter dated October 1, 2004, and supplemented by letter dated October 19, 2004.
- F. In accordance with the requirement imposed by the October 8, 1976, order of the United States Court of Appeals for the District of a Columbia Circuit in Natural Resources Defense Council v. Nuclear Regulatory Commission, No. 74-1385 and 74-1586, that the Nuclear Regulatory Commission "shall make any licenses granted between July 21, 1976 and such time when the mandate is issued subject to the outcome of the proceedings herein," the license amendment issued herein shall be subject to the outcome of such proceedings
- G. Prior to startup following the first regularly scheduled refueling outage, Public Service Electric and Gas Company shall install, to the satisfaction of the Commission, a long-term means of protection against reactor coolant system over-pressurization when water-solid.
- H. This amended license is effective as of the date of its issuance. Facility operating License No. DPR-70, as amended, shall expire at midnight, August 13, 2016.



UNITED STATES
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PSEG NUCLEAR LLC

DOCKET NO. 50-311

SALEM NUCLEAR GENERATING STATION, UNIT 2

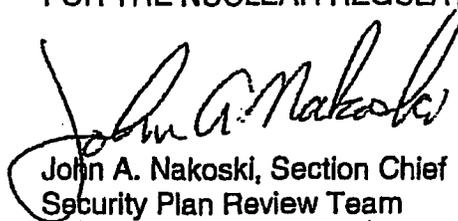
ADMINISTRATIVE LICENSE CHANGE TO FACILITY OPERATING LICENSE

License No. DPR-75

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. DPR 75 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

A handwritten signature in black ink, appearing to read "John A. Nakoski". The signature is written in a cursive style with a large initial "J".

John A. Nakoski, Section Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Change to the FOL

Date of Issuance: October 28, 2004

CHANGES TO FACILITY OPERATING LICENSE NO. DPR-75

DOCKET NO. 50-311

Replace the following page of the Facility Operating License DPR-75 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

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- D. An exemption from certain requirements of Appendix J to 10 CFR Part 50 is described in the Office of Nuclear Reactor Regulations Safety Evaluation Report, Supplement No. 4. This exemption was authorized by law and will not endanger life or property or the common defense and security and is otherwise in the public interest. The exemption, therefore, remains in effect. The granting of the exemption was authorized with the issuance of the License for Fuel-Loading and Low-Power Testing, dated April 18, 1980. The facility will operate, to the extent authorized herein, in conformity with the application as amended, the provisions of the Act, and the regulations of the Commission.
- 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 PR 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 "Salem-Hope Creek Integrated Security Plan: Physical Security, Training & Qualification, and Safeguards Contingency Plans," submitted by letter dated October 1, 2004, and supplemented by letter dated October 19, 2004.
- F. A temporary exemption from General Design Criterion 57 found in Appendix A to 10 CFR Part 50 is described in the Office of Nuclear Reactor Regulation's Safety Evaluation Report, Supplement No. 5, Section 6.2.3.1. This exemption is authorized by law and will not endanger life or property or the common defense and security and is otherwise in the public interest. The exemption, therefore, is hereby granted and shall remain in effect through the first refueling outage as discussed in Section 6.2.3.1 of Supplement 5 to the Safety Evaluation Report. The granting of the exemption is authorized with the issuance of the Facility Operating License, dated May 20, 1981. The facility will operate, to the extent authorized herein, in conformity with the application as amended, the provisions of the Act, and the regulations of the Commission.
- G. This license is subject to the following additional condition for the protection of the environment:
- Before engaging in additional construction or operational activities which may result in an environmental impact that was not evaluated by the Commission, PSEG Nuclear LLC shall prepare and record an environmental evaluation of such activity. When the evaluation indicates that such activity may result in a significant adverse environmental impact that was not evaluated, or that is significantly greater than that evaluated in the Final Environmental Statement or any addendum thereto, PSEG Nuclear LLC shall provide a written evaluation of such activities and obtain prior approval from the Director of Nuclear Reactor Regulation.



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

PSEG NUCLEAR LLC

DOCKET NO. 50-354

HOPE CREEK GENERATING STATION, UNIT 1

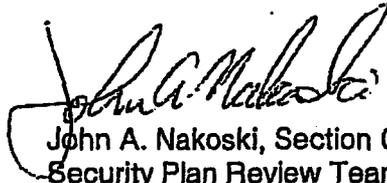
ADMINISTRATIVE LICENSE CHANGE TO FACILITY OPERATING LICENSE

License No. NPF-57

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-57 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



John A. Nakoski, Section Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Change to the FOL

Date of Issuance: October 28, 2004

CHANGES TO FACILITY OPERATING LICENSE NO. NPF-57

DOCKET NO. 50-354

Replace the following page of the Facility Operating License NPF-57 with the attached revised page as indicated. The revised page is identified by revision date and contains marginal lines indicating the area of change.

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Insert Page

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- 8 -

- 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 combined set of plans, which contain Safeguards Information protected under 10 CFR 73.21, is entitled "Salem-Hope Creek Integrated Security Plan: Physical Security, Training & Qualification, and Safeguards Contingency Plans," submitted by letter dated October 1, 2004, and supplemented by letter dated October 19, 2004.
- F. Except as otherwise provided in the Technical Specifications or Environmental Protection Plan, PSEG Nuclear LLC 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 within thirty days in accordance with the procedures described in 10 CFR 50.73(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 1954, as amended, to cover public liability claims.
- H. This license is effective as of the date of issuance and shall expire at midnight on April 11, 2026.

FOR THE NUCLEAR REGULATORY COMMISSION

- original signed by H.R. Denton -

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Enclosures:

1. Appendix A - Technical Specifications (NUREG-1202)
2. Appendix B - Environmental Protection Plan

Date of Issuance: July 25, 1986