



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

May 31, 2007

Mr. Christopher M. Crane President and Chief Nuclear Officer Exelon Nuclear Exelon Generation Company, LLC 200 Exelon Way, KSA 3-E Kennett Square, PA 19348

SUBJECT:

LIMERICK GENERATING STATION, UNITS 1 AND 2 - ADMINISTRATIVE

CHANGE TO FACILITY OPERATING LICENSE IN CONJUNCTION WITH THE

COMMISSION ORDER EA-06-037 AND REVISIONS TO PHYSICAL SECURITY PLAN, TRAINING AND QUALIFICATION PLAN, AND

SAFEGUARDS CONTINGENCY PLAN (TAC NOS. MD2240 AND MD2241)

Dear Mr. Crane:

By letter to the Nuclear Regulatory Commission (NRC) dated May 17, 2006, AmerGen Energy Company LLC (the licensee) submitted its revised security plans and confirmed the full implementation at the Limerick Generating Station (LGS), Units 1 and 2, of Order EA-06-037, regarding an updated 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 2), the NRC staff has determined that the licensee's changes to the LGS 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 Facility Operating License Nos. NPF-39, and NPF-85, are being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan. 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 Page 8 of the LGS Unit 1 Facility Operating License No. NPF-39, and page 4 of the LGS Unit 2 Facility Operating License No. NPF-85, with the enclosed pages (Enclosure 1). Enclosure 2 to this letter is designated as exempt from public disclosure, pursuant to 10 CFR 2.390(d)(1).

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

OFFICIAL USE ONLY SECURITY RELATED INFORMATION



Mr. C. Crane

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If you have any questions, please contact me at (301) 415-2833.

Sincerely,

Peter Bamford, Project Manager

Plant Licensing Branch I-2

Division of Operating Reactor Licensing Office of Nuclear Reactor Regulation

Docket Nos. 50-352 and 50-353

Enclosures:

1. Revised Page 8 of License NPF-39 and revised Page 4 of License NPF-85

2. Safeguards Evaluation

cc w/encls 1 and 2: See attached distribution

cc w/encl 1 only: See attached distribution

- OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION



Mr. C. Crane

-2-

If you have any questions, please contact me at (301) 415-2833.

Sincerely,

/ra/

Peter Bamford, Project Manager Plant Licensing Branch I-2 Division of Operating Reactor Licensing Office of Nuclear Reactor Regulation

Docket Nos. 50-352 and 50-353

Enclosures:

1. Revised Page 8 of License NPF-39 and revised Page 4 of License NPF-85

2. Safeguards Evaluation

cc w/encls 1 and 2: See attached distribution

cc w/encl 1 only: See attached distribution

PB

Limerick Generating Station, Unit Nos. 1 and 2

cc w/enclosures 1 and 2:

Mr. Christopher M. Crane President and Chief Nuclear Officer Exelon Nuclear Exelon Generation Company, LLC 200 Exelon Way, KSA 3-E Kennett Square, PA 19348

Mr. Oliver J. Becker Limerick Site Security Manager Limerick Generating Station Exelon Generation Company, LLC P.O. Box 2300 Sanatoga, PA 19464

Mr. Paul Krohn, Region I U.S. Nuclear Regulatory Commission 475 Allendale Road King of Prussia, PA 19406

Mr. David Allard
Director, Bureau of Radiation Protection
Pennsylvania Dept. of Environmental
Protection
Rachel Carson State Office Building
P.O. Box 8469
Harrisburg, PA 17105-8469

Limerick Generating Station, Unit Nos. 1 and 2

cc w/enclosure 1 only:

Site Vice President Limerick Generating Station Exelon Generation Company, LLC P.O. Box 2300 Sanatoga, PA 19464

Plant Manager Limerick Generating Station Exelon Generation Company, LLC P.O. Box 2300 Sanatoga, PA 19464

Regulatory Assurance Manager - Limerick Exelon Generation Company, LLC P.O. Box 2300 Sanatoga, PA 19464

Senior Vice President - Nuclear Services Exelon Generation Company, LLC 4300 Winfield Road Warrenville, IL 60555

Vice President - Operations, Mid-Atlantic Exelon Generation Company, LLC 200 Exelon Way, KSA 3-N Kennett Square, PA 19348

Vice President Licensing and Regulatory Affairs Exelon Generation Company, LLC 4300 Winfield Road Warrenville, IL 60555

Director Licensing and Regulatory Affairs Exelon Generation Company, LLC 200 Exelon Way, KSA 3-E Kennett Square, PA 19348

Manager Licensing Limerick Generating Station Exelon Generation Company, LLC 200 Exelon Way, KSA 3-E Kennett Square, PA 19348

Assistant General Counsel Exelon Generation Company, LLC 200 Exelon Way Kennett Square, PA 19348 Correspondence Control Desk Exelon Generation Company, LLC P.O. Box 160 Kennett Square, PA 19348

Regional Administrator, Region I U.S. Nuclear Regulatory Commission 475 Allendale Road King of Prussia, PA 19406

Senior Resident Inspector U.S. Nuclear Regulatory Commission Limerick Generating Station P.O. Box 596 Pottstown, PA 19464

Library
U.S. Nuclear Regulatory Commission
Region I
475 Allendale Road
King of Prussia, PA 19406

Chairman
Board of Supervisors of Limerick Township
646 West Ridge Pike
Linfield, PA 19468

Dr. Judith Johnsrud
National Energy Committee
Sierra Club
433 Orlando Avenue
State College, PA 16803

These exemptions are authorized by law and will not endanger life or property or the common defense and security and are otherwise in the public interest. Therefore these exemptions are hereby granted pursuant to 10 CFR 50.12 and 50.47(c). With the granting of these exemptions the facility will operate, to the extent authorized herein, in conformity with the application, as amended, the provision of the Act, and the rules and regulations of the Commission.

- E. Exelon Generation Company 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 the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans¹, submitted by letter dated May 17, 2006, is entitled: "Limerick Generating Station Security Plan, Training and Qualification Plan, and Safeguards Contingency Plan, Revision 2." The set contains Safeguards Information protected under 10 CFR 73.21.
- F. Deleted
- G. The licensee 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.

¹The Training and Qualification Plan and Safeguards Contingency Plan are Appendices to the Security Plan.

(4) Physical Security and Safeguards

Exelon Generation Company shall fully implement and maintain in effect all provisions of the Commission-approves 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 the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans¹, submitted by letter dated May 17, 2006, is entitled: "Limerick Generating Station Security Plan, Training and Qualification Plan, and Safeguards Contingency Plan, Revision 2." The set contains Safeguards Information protected under 10 CFR 73.21.

- (5) Exelon Generation Company shall provide the Director of the Office of Nuclear Reactor Regulation a copy of any application, at the time it is filed, to transfer (excluding grants of security interests or liens) from Exelon Generation Company to its direct or indirect parent, or to any other affiliated company, facilities for the production, transmission or distribution of electric energy having a depreciated book value exceeding ten percent (10%) of Exelon Generation Company's consolidated net utility plant, as recorded on Exelon generation Company's book of accounts.
- (6) Exelon Generation Company shall have decommissioning trust funds for Limerick, Unit 2, in the following minimum amount, when Limerick, Unit 2, is transferred to Exelon Generating Company:

Limerick, Unit 2

\$59,687,081

- (7) The decommissioning trust agreement for Limerick, Unit 2, at the time the transfer of the unit to Exelon Generation Company is effected and thereafter, is subject to the following:
 - (a) The decommissioning trust agreement must be in a form acceptable to the NRC.
 - (b) With respect to the decommissioning trust fund, investments in the securities or other obligations of Exelon Corporation or affiliates thereof, or their successors or assigns are prohibited. Except for investments tied to market indexes or other non-nuclear sector mutual funds, investments in any entity owning one or more nuclear power plants are prohibited.

¹The Training and Qualification Plan and Safeguards Contingency Plan are Appendicies to the Security Plan.