



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

October 28, 2008

Mr. Bryan S. Ford
Senior Manager, Nuclear Safety and Licensing
Entergy Operations, Inc.
1340 Echelon Parkway
Jackson, MI 39213-8298

SUBJECT: ARKANSAS NUCLEAR ONE, UNITS 1 AND 2, BIG ROCK POINT, GRAND GULF NUCLEAR STATION, UNIT 1, INDIAN POINT NUCLEAR GENERATING UNITS 1, 2, AND 3, PALISADES NUCLEAR PLANT, PILGRIM NUCLEAR POWER STATION, RIVER BEND STATION, UNIT 1, VERMONT YANKEE NUCLEAR POWER PLANT, AND WATERFORD STEAM ELECTRIC STATION, UNIT 3 – USE OF PRIVATE TELEPHONE SECURITY DEVICES FOR TRANSMISSION OF SAFEGUARDS INFORMATION (TAC NOS. MD9853-MD9862)

Dear Mr. Ford:

By letter dated September 30, 2008, you requested approval for the use of Privatel model 960V, software version 7.10 telephone security devices for the purpose of establishing protected telecommunications and transmitting encoded Safeguards Information (SGI) between authorized individuals over these protected telecommunication systems. National Institute of Standards and Technology (NIST) Certificate, Number 108, shows that the Privatel model 960V, software version 7.10 telephone device complies with Federal Information Processing Standards 140-1, "Security Requirements for Cryptographic Modules" (FIPS 140-1).

The U.S. Nuclear Regulatory Commission (NRC) staff finds the use of the Privatel model 960V, software version 7.10 telephone device is acceptable for processing and transmitting SGI electronically per your request, provided that NIST-validated Cryptographic Algorithms are used to encrypt data for electronic transmission. These algorithms are listed in the certificate with algorithm certificate numbers. The NIST website, <http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/140val-all.htm>, should be checked to ensure that the Cryptographic Algorithms selected for encrypting data are continuously approved by NIST. The NRC approves only those Cryptographic Algorithms approved by NIST. Thus, if NIST no longer approves certain Cryptographic Algorithms, the NRC also does not approve use of that Cryptographic Algorithm.

Title 10 of the *Code of Federal Regulations* (10 CFR) Section 73.21(g)(3) states, in part, "... Safeguards Information shall be transmitted only by protected telecommunication circuits (including facsimile) approved by the NRC." The NRC considers those encryption systems that the NIST has determined to be in conformance with the Security Requirements for Cryptographic Modules in Federal Information Processing Standard (FIPS) 140-2, as being acceptable. The Secretary of Commerce has made use of Cryptographic Module Validation Program products mandatory and binding for Federal agencies when a Federal agency determines that cryptography is necessary for protecting sensitive information.

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Additionally, in accordance with 10 CFR 73.21(a), the licensee is required to establish and maintain an information protection system that satisfies 10 CFR 73.21(b) through (i). Compliance with the provisions of 10 CFR 73.21, including the use of encryption media for voice communications involving SGI, is mandatory and subject to inspection.

The NRC technical point of contact regarding the use of encryption devices is Eric Lee, Senior Security Specialist, Division of Security Policy, who can be reached at (301) 415-8099, or via e-mail at Eric.Lee@nrc.gov.

If you have any questions regarding this matter, please contact me at (301) 415-2296.

Sincerely,



Carl F. Lyon, Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-313, 50-368, 50-155,
50-416, 50-003, 50-247, 50-286, 50-255,
50-293, 50-458, 50-271, and 50-482

cc w/encl: See next page

Arkansas Nuclear One, Units 1 and 2
Grand Gulf Nuclear Station, Unit 1
Indian Point Nuclear Generating Station, Units 1, 2, and 3
Palisades Nuclear Plant
Pilgrim Nuclear Power Station
Vermont Yankee Nuclear Power Plant

cc: Distribution via Listserv

River Bend Station

cc:
President of West Feliciana
Police Jury
P.O. Box 1921
St. Francisville, LA 70775

Mr. Jim Calloway
Public Utility
Commission of Texas
1701 N. Congress Avenue
Austin, TX 78711-3326

Ms. H. Anne Plettinger
3456 Villa Rose Drive
Baton Rouge, LA 70806

Additional Distribution via Listserv

Waterford Steam Electric Station, Unit 3

cc:
Parish President Council
St. Charles Parish
P.O. Box 302
Hahnville, LA 70057

Additional Distribution via Listserv

October 28, 2008

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NAME	FLyon	JBurkhardt	ELee	CErlanger	MMarkley	FLyon
DATE	10/17/08	10/17/08	10/21/08	10/21/08	10/28/08	10/28/08

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