



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

February 26, 2010

Mr. Rick A. Muench
President and Chief Executive Officer
Wolf Creek Nuclear Operating Corporation
Post Office Box 411
Burlington, KS 66839

SUBJECT: WOLF CREEK GENERATING STATION – EXEMPTION FROM THE
REQUIREMENTS OF 10 CFR PART 73, SECTION 73.55 IMPLEMENTATION
DEADLINE FOR PHYSICAL SECURITY PLANS (TAC NO. ME2939)

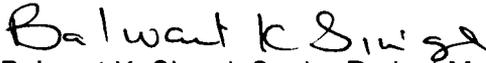
Dear Mr. Muench:

The U.S. Nuclear Regulatory Commission (NRC) has approved the enclosed exemption from specific requirements of Title 10 of the *Code of Federal Regulations* (10 CFR), Part 73, Section 73.55, for the Wolf Creek Generating Station (WCGS). This action is in response to the Wolf Creek Nuclear Operating Corporation's (the licensee's) application dated December 15, 2009 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML100070503). Portions of the December 15, 2009, submittal contain security-related and safeguards information and, accordingly, is being withheld from the public. The redacted version of the December 15, 2009, letter was submitted by the licensee on January 12, 2010 (ADAMS Accession No. ML100250025), and is available to the public.

The licensee requested NRC approval of an exemption from March 31, 2010, implementation date for certain security requirements of 10 CFR Part 73, "Physical protection of plants and materials," for WCGS, issued by NRC in a Final Rule dated March 27, 2009 (74 FR 13926). The proposed exemption would allow an extension from the March 31, 2010, implementation date for two specific requirements, until December 31, 2010.

A copy of the exemption is enclosed. The exemption has been forwarded to the Office of the Federal Register for publication.

Sincerely,


Balwant K. Singal, Senior Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-482

Enclosure:
Exemption

cc w/encl: Distribution via Listserv

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
WOLF CREEK NUCLEAR OPERATING CORPORATION
WOLF CREEK GENERATING STATION
DOCKET NO. 50-482
EXEMPTION

1.0 BACKGROUND

Wolf Creek Nuclear Operating Corporation (WCNOC, the licensee) is the holder of Renewed Facility Operating License No. NPF-42, which authorizes the operation of the Wolf Creek Generating Station (WCGS). The license provides, among other things, that the facility is subject to all rules, regulations, and orders of the U.S. Nuclear Regulatory Commission (NRC, the Commission) now or hereafter in effect.

The facility consists of one pressurized-water reactor located in Coffey County, Kansas.

2.0 REQUEST/ACTION

Title 10 of the *Code of Federal Regulations* (10 CFR) Part 73, "Physical protection of plants and materials," Section 73.55, "Requirements for physical protection of licensed activities in nuclear power reactors against radiological sabotage," published in the *Federal Register* on March 27, 2009, effective May 26, 2009, with a full implementation date of March 31, 2010, requires licensees to protect, with high assurance, against radiological sabotage by designing and implementing comprehensive site security programs. The amendments to 10 CFR 73.55 published on March 27, 2009, establish and update generically applicable security requirements similar to those previously imposed by Commission orders issued after the terrorist attacks of September 11, 2001, and implemented by licensees. In addition, the amendments to 10 CFR 73.55 include additional requirements to further enhance site security based upon insights

gained from implementation of the post September 11, 2001, security orders. It is from two of these additional requirements that WCGS now seeks an exemption from the March 31, 2010, implementation date. All other physical security requirements established by this recent rulemaking have already been or will be implemented by the licensee by March 31, 2010.

By letter dated December 15, 2009, the licensee requested an exemption in accordance with 10 CFR 73.5, "Specific exemptions." Portions of the December 15, 2009, submittal contain security-related and safeguards information and, accordingly, is being withheld from the public. The redacted version of the December 15, 2009, letter was submitted by the licensee on January 12, 2010, and is available to the public (Agencywide Documents Access and Management System (ADAMS) Accession No. ML100250025). The licensee has requested an exemption from the March 31, 2010, compliance date stating that it must complete a number of significant modifications to the current site security configuration before all requirements can be met. Specifically, the request is to extend the compliance date for two specific requirements from the current March 31, 2010, deadline to December 31, 2010. Granting this exemption for the two items would allow the licensee to complete the modifications designed to incorporate substantial configuration changes and incorporate state-of-the-art technology to meet or exceed the noted regulatory requirements.

3.0 DISCUSSION OF PART 73 SCHEDULE EXEMPTIONS FROM THE MARCH 31, 2010, FULL IMPLEMENTATION DATE

Pursuant to 10 CFR 73.55(a)(1), "By March 31, 2010, each nuclear power reactor licensee, licensed under 10 CFR Part 50, shall implement the requirements of this section through its Commission-approved Physical Security Plan, Training and Qualification Plan, Safeguards Contingency Plan, and Cyber Security Plan referred to collectively hereafter as 'security plans.'" Pursuant to 10 CFR 73.5, the Commission may, upon application by any

interested person or upon its own initiative, grant exemptions from the requirements of 10 CFR Part 73 when the 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.

NRC approval of this exemption, as noted above, would allow an extension from March 31, 2010, until December 31, 2010, for the implementation date for two specific requirements of the new rule. As stated above, 10 CFR 73.5 allows the NRC to grant exemptions from the requirements of 10 CFR 73. The NRC staff has determined that granting of the licensee's proposed exemption would not result in a violation of the Atomic Energy Act of 1954, as amended, or the Commission's regulations. Therefore, the NRC approval of the licensee's exemption request is authorized by law.

In the draft final rule provided to the Commission, the NRC staff proposed that the requirements of the new regulation be met within 180 days. The Commission directed a change from 180 days to approximately 1 year for licensees to fully implement the new requirements. This change was incorporated into the final rule. From this, it is clear that the Commission wanted to provide a reasonable timeframe for licensees to achieve full compliance.

As noted in the final rule, the Commission also anticipated that licensees would have to conduct site-specific analyses to determine what changes were necessary to implement the rule's requirements, and that changes could be accomplished through a variety of licensing mechanisms, including exemptions. Since issuance of the final rule, the Commission has rejected a generic industry request to extend the rule's compliance date for all operating nuclear power plants, but noted that the Commission's regulations provide mechanisms for individual licensees, with good cause, to apply for relief from the compliance date (Reference: June 4, 2009, letter from R. W. Borchardt, NRC, to M. S. Fertel, Nuclear Energy Institute, ADAMS

Accession No. ML091410404). The licensee's request for an exemption is therefore consistent with the approach set forth by the Commission and discussed in the June 4, 2009, letter.

WCGS Schedule Exemption Request

The licensee provided detailed information in its letter dated December 15, 2009, requesting an exemption. The licensee describes a comprehensive plan to install equipment related to certain requirements in the new Part 73 rule and provides a timeline for achieving full compliance with the new regulation. The submittal contains security-related and safeguards information regarding the site security plan, details of the specific requirements of the regulation for which the site cannot achieve compliance by the March 31, 2010, deadline, justification for the extension request, a description of the required changes to the site's security configuration, and a timeline with critical path activities that would bring the licensee into full compliance by December 31, 2010. The timeline provides dates indicating when (1) the various phases of the project begin and end (i.e., design, field construction and (2) critical equipment will be ordered, installed, tested and become operational.

Notwithstanding the scheduler exemptions for these limited requirements, the licensee will continue to be in compliance with all other applicable physical security requirements as described in 10 CFR 73.55 and reflected in its current NRC approved physical security program. By December 31, 2010, WCGS will be in full compliance with the regulatory requirements of 10 CFR 73.55, as issued on March 27, 2009.

4.0 CONCLUSION FOR PART 73 SCHEDULE EXEMPTION REQUEST

The NRC staff has reviewed the licensee's submittals and concludes that the licensee has provided adequate justification for its request for an extension of the compliance date to December 31, 2010, for two specified requirements of 10 CFR 73.55.

Accordingly, the Commission has determined that pursuant to 10 CFR 73.5, "Specific exemptions," an exemption from the March 31, 2010, compliance date is authorized by law and will not endanger life or property or the common defense and security, and is otherwise in the public interest. Therefore, the Commission hereby grants the required exemption.

The long-term benefits that will be realized when the WCGS equipment installation is complete justifies exceeding the full compliance date in the case of this particular licensee. The security measures that WCGS needs additional time to implement, are new requirements imposed by March 27, 2009, amendments to 10 CFR 73.55, and are in addition to those required by the security orders issued in response to the events of September 11, 2001. Therefore, it is concluded that the licensee's actions are in the best interest of protecting the public health and safety through the security changes that will result from granting this exemption.

As per the licensee's request and the NRC's regulatory authority to grant an exemption from the March 31, 2010, deadline for the two requirements specified in WCNOG letter dated December 15, 2009, the licensee is required to be in full compliance by December 31, 2010. In achieving compliance, the licensee is reminded that it is responsible for determining the appropriate licensing mechanism (i.e., 10 CFR 50.54(p) or 10 CFR 50.90) for incorporation of all necessary changes to its security plans.

Pursuant to 10 CFR 51.32, "Finding of no significant impact," the Commission has previously determined that the granting of this exemption will not have a significant effect on the quality of the human environment (75 FR 5631; February 3, 2010).

This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 25th day of February 2010.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in cursive script that reads "Allen G. Howe". The signature is written in black ink and is positioned above the printed name and title.

Allen G. Howe, Acting Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

February 26, 2010

Mr. Rick A. Muench
President and Chief Executive Officer
Wolf Creek Nuclear Operating Corporation
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/RA/

Balwant K. Singal, Senior Project Manager
Plant Licensing Branch IV
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ADAMS Accession Nos.: Letter: ML100250191, Exemption: ML100250206

*memo dated

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NAME	BSingal	JBurkhardt	DHuyck*	SMorris	RCorreia
DATE	1/28/10	1/28/10	1/14/10	2/1/10	Not Required
OFFICE	OGC	NRR/DORL/LPL4/BC	NRR/DORL/D	NRR/DORL/LPL4/PM	
NAME	DRoth	MMarkley	JGitter AHowe for	BSingal	
DATE	2/3/10	2/22/10	2/26/10	2/26/10	

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