Entergy

Entergy Nuclear Operations, Inc.
Palisades Nuclear Plant
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Anthony J. Vitale
Site Vice President

10 CFR 2.390 Attachments Withheld

PNP 2013-086

December 30, 2013

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

SUBJECT: License Amendment Request – Cyber Security Plan Implementation Schedule

Palisades Nuclear Plant
Docket 50-255
License No. DPR-20

REFERENCES:

1. NRC Internal Memorandum to Barry Westreich from Russell Felts, *Review Criteria for Title 10 of the Code of Federal Regulations Part 73.54, Cyber Security Implementation Schedule Milestone 8 License Amendment Requests*, dated October 24, 2013 (Adams Accession No. ML13295A467)

2. NRC letter to Entergy Nuclear Operations, Inc., *Palisades Nuclear Plant - Issuance of Amendment Regarding the Cyber Security Plan: (TAC NO. ME4355)*, dated July 28, 2011 (Adams Accession No. ML111801243)

3. NRC Internal Memorandum to Directors of Regional Divisions of Reactor Safety from Barry Westreich, *Enhanced Guidance For Licensee Near-Term Corrective Actions To Address Cyber Security Inspection Findings And Licensee Eligibility For "Good- Faith" Attempt Discretion*, dated July 1, 2013

Dear Sir or Madam:

Pursuant to 10 CFR 50.4 and 10 CFR 50.90, Entergy Nuclear Operations, Inc. (ENO) hereby requests an amendment to the Renewed Facility Operating Licenses for Palisades Nuclear Plant (PNP). In accordance with the guidelines provided by Reference 1, this request proposes a change to the PNP Cyber Security Plan Milestone 8 full implementation date as set forth in the Cyber Security Plan Implementation Schedule approved by Reference 2.

Attachment 1 provides an analysis of the proposed change. Attachment 2 contains proposed marked-up operating license pages for the Physical Protection license condition for PNP that reference the commitment change provided in this submittal. Attachment 3 contains the

proposed revised operating license pages. Attachment 4 contains a change to the date of Implementation Milestone 8. ENO requests that Attachments 1 (Sections 1, 2, and 3) and 4, which contain security-related information (S-RI), be withheld from public disclosure in accordance with 10 CFR 2.390.

The proposed changes have been evaluated in accordance with 10 CFR 50.91(a)(1) using criteria in 10 CFR 50.92(c), and it has been determined that the changes involve no significant hazards consideration. The bases for these determinations are included in Attachment 1.

ENO requests this license amendment be effective as of its date of issuance. Although this request is neither exigent nor emergency, your review and approval is requested prior to December 15, 2014.

This letter contains one revised commitment related to the full implementation of PNP cyber security plan, which is listed in Attachment 5.

In accordance with 10 CFR 50.91(b), ENO is notifying the State of Michigan of this proposed license amendment by transmitting a copy of this letter to the designated state official.

Should you have any questions concerning this letter, or require additional information, please contact Jim Miksa at 269-764-2945.

I declare under penalty of perjury that the foregoing is true and correct. Executed on December 30, 2013.

Sincerely,

p.p.

for Anthony J. Vitale

ajv/jpm

Attachments:
1. Analysis of Proposed Operating License Change (contains S-RI)
2. Proposed PNP Operating License Changes (mark-up)
3. Renewed Operating License Page Change Instructions and Revised PNP Operating License Pages
4. Revised Cyber Security Plan Implementation Schedule (contains S-RI)
5. List of Regulatory Commitments

cc: Administrator, Region III, USNRC
Project Manager, Palisades, USNRC
Resident Inspector, Palisades, USNRC
State of Michigan

ATTACHMENT 2

Proposed PNP Operating License Changes
(showing proposed changes; additions are highlighted and deletions are strikethrough)

One page follows

D. The facility has been granted certain exemptions from the requirements of Section III, G of Appendix R to 10 CFR Part 50, "Fire Protection Program for Nuclear Power Facilities Operating Prior to January 1, 1979." This section relates to fire protection features for ensuring the systems and associated circuits used to achieve and maintain safe shutdown are free of fire damage. These exemptions were granted in letters dated February 8, 1983, July 12, 1985, and July 23, 1985.

In addition, the facility has been granted certain exemptions from Appendix J to 10 CFR Part 50, "Primary Reactor Containment Leakage Testing for Water Cooled Power Reactors." This section contains leakage test requirements, schedules and acceptance criteria for tests of the leak-tight integrity of the primary reactor containment and systems and components which penetrate the containment. These exemptions were granted in a letter dated December 6, 1989.

These exemptions granted pursuant to 10 CFR 50.12, are authorized by law, will not present an undue risk to the public health and safety, and are consistent with the common defense and security. With these exemptions, the facility will operate, to the extent authorized herein, in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission.

E. ENO 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 contains Safeguards Information protected under 10 CFR 73.21, is entitled: "Entergy Nuclear Palisades Nuclear Plant Physical Security Plan."

ENO shall fully implement and maintain in effect all provisions of the Commission-approved cyber security plan (CSP), including changes made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The Palisades CSP was approved by License Amendment No. 243 ~~(~~as supplemented by ~~a~~ changes approved by License Amendment Nos. 248~~)~~ and XXX.

F. [deleted]

G. ENP and ENO 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.

ATTACHMENT 3

Renewed Operating License Page Change Instructions

and

Revised PNP Operating License Pages

Two pages follow

Page Change Instructions

ATTACHMENT TO LICENSE AMENDMENT NO. 2xx

RENEWED FACILITY OPERATING LICENSE NO. DPR-20

DOCKET NO. 50-255

Remove the following page of Renewed Facility Operating License, and replace with the attached revised page. The revised page is identified by amendment number and contains a line in the margin indicating the area of change.

REMOVE	INSERT
Page 6	Page 6

D. The facility has been granted certain exemptions from the requirements of Section III, G of Appendix R to 10 CFR Part 50, "Fire Protection Program for Nuclear Power Facilities Operating Prior to January 1, 1979." This section relates to fire protection features for ensuring the systems and associated circuits used to achieve and maintain safe shutdown are free of fire damage. These exemptions were granted in letters dated February 8, 1983, July 12, 1985, and July 23, 1985.

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F. [deleted]

G. ENP and ENO 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.

ATTACHMENT 5

LIST OF REGULATORY COMMITMENTS

One page follows

List of Regulatory Commitments

The following table identifies those actions committed to by Entergy Nuclear Operations, Inc. in this document. Any other statements in this submittal are provided for information purposes and are not considered to be regulatory commitments.

COMMITMENT	**TYPE** (Check One)		**SCHEDULED COMPLETION DATE** (If Required)
	ONE-TIME ACTION	**CONTINUING COMPLIANCE**	
Full implementation of *Palisades Nuclear Plant Cyber Security Plan* for all safety, security, and emergency preparedness functions will be achieved.	X		June 30, 2016

4.0 REGULATORY EVALUATION

4.1 Applicable Regulatory Requirements/Criteria

10 CFR 73.54 requires licensees to maintain and implement a CSP. PNP's Facility Operating License No. DPR-20 includes a Physical Protection license condition that requires ENO to fully implement and maintain in effect all provisions of the Commission-approved CSP, including changes made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p).

4.2 Significant Safety Hazards Consideration

Entergy Nuclear Operations, Inc. (ENO) is requesting an amendment to the Palisades Nuclear Plant (PNP) Facility Operating License to revise the Physical Protection license condition as it relates to the Cyber Security Plan (CSP). This change includes a proposed change to a CSP Implementation Schedule milestone date and a proposed revision to the PNP Facility Operating License to include the proposed deviation. Specifically, ENO is proposing a change to the Implementation Milestone 8 completion date.

ENO has evaluated whether or not a significant hazards consideration is involved with the proposed amendment by focusing on the three standards set forth in 10 CFR 50.92, "Issuance of amendment," as discussed below:

1. Does the proposed change involve a significant increase in the probability or consequences of an accident previously evaluated?

   Response: No.

   The proposed change to the CSP Implementation Schedule is administrative in nature. This change does not alter accident analysis assumptions, add any initiators, or affect the function of plant systems or the manner in which systems are operated, maintained, modified, tested, or inspected. The proposed change does not require any plant modifications which affect the performance capability of the structures, systems, and components relied upon to mitigate the consequences of postulated accidents, and has no impact on the probability or consequences of an accident previously evaluated.

   Therefore, the proposed change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Does the proposed change create the possibility of a new or different kind of accident from any accident previously evaluated?

   Response: No.

   The proposed change to the CSP Implementation Schedule is administrative in nature. This proposed change does not alter accident analysis assumptions, add any initiators, or affect the function of plant systems or the manner in which systems are operated, maintained, modified, tested, or inspected. The proposed change does not require any plant modifications which affect the performance capability of the structures, systems, and components relied upon to mitigate the consequences of postulated accidents and

does not create the possibility of a new or different kind of accident from any accident previously evaluated.

Therefore, the proposed change does not create the possibility of a new or different kind of accident from any accident previously evaluated.

3. Does the proposed change involve a significant reduction in a margin of safety?

Response: No.

Plant safety margins are established through limiting conditions for operation, limiting safety system settings, and safety limits specified in the technical specifications. The proposed change to the CSP Implementation Schedule is administrative in nature. In addition, the milestone date delay for full implementation of the CSP has no substantive impact because other measures have been taken which provide adequate protection during this period of time. Because there is no change to established safety margins as a result of this change, the proposed change does not involve a significant reduction in a margin of safety.

Therefore, the proposed change does not involve a significant reduction in a margin of safety.

Based on the above, ENO concludes that the proposed change presents no significant hazards consideration under the standards set forth in 10 CFR 50.92(c), and accordingly, a finding of "no significant hazards consideration" is justified.

4.3 Conclusion

In conclusion, based on the considerations discussed above: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner; (2) such activities will be conducted in compliance with the Commission's regulations; and (3) the issuance of the amendment will not be inimical to the common defense and security or to the health and safety of the public.

5.0 ENVIRONMENTAL CONSIDERATION

The proposed amendment provides a change to the CSP Implementation Schedule. The proposed amendment meets the eligibility criterion for a categorical exclusion set forth in 10 CFR 51.22(c)(12). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the issuance of the amendment.

6.0 REFERENCES

1. NRC Internal Memorandum to Barry Westreich from Russell Felts, *Review Criteria for 10 CFR 73.54, Cyber Security Implementation Schedule Milestone 8 License Amendment Requests*, dated October 24, 2013 (Adams Accession No. ML13295A467)

2. NRC letter to ENO, *Palisades Nuclear Plant - Issuance of Amendment Regarding Cyber Security Plan: (TAC NO. ME4355)* dated July 28, 2011 (Adams Accession No. ML111801243)

3. NRC internal memorandum from the Director Cyber Security Directorate, Office of Nuclear Security and Incident Response, to the Region I through IV Directors of Reactor Safety, *Enhanced Guidance for Licensee Near-Term Corrective Actions to Address Cyber Security Inspection Findings and Licensee Eligibility for "Good-Faith" Attempt Discretion, Enclosure 2, Milestone 4 Resolution Actions,* dated July 1, 2013