1.0 Background

Dominion Nuclear Connecticut, Inc. (DNC or the licensee) is the holder of Facility Operating License Nos. DPR–21, DPR–65, and NP–49, which authorize operation of the Millstone Power Station, Unit Nos. 1, 2, and 3 (Millstone). The licenses provide, 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 boiling water reactor and two pressurized water reactors located in New London County, Connecticut. The boiling water reactor is permanently shut down.

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 March 27, 2009 (74 FR 13926), requires licensees to protect, with high assurance, against radiological sabotage by designing and implementing comprehensive site security plans. The final rule became effective on May 26, 2009, and compliance with the final rule is required by March 31, 2010. 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 new requirements that DNC 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. Specifically, by letter dated January 12, 2010 [Agencywide Documents Access and Management System (ADAMS) Accession No. ML100131116], as supplemented by letter dated January 12, 2010 (ADAMS Accession No. ML100131115), DNC requested an exemption in accordance with 10 CFR 73.5, “Specific exemptions.” Due to the procurement and installation activities associated with the required security system upgrades, the licensee has requested exemption from the March 31, 2010, implementation date specified in the new rule for two specific requirements. The two items subject to the request for exemption are proposed to be implemented by August 31, 2010, and September 30, 2010, respectively. The January 12, 2010, letter, contains four attachments that were designated by the licensee as containing safeguards information and, accordingly, the attachments are not available to the public. The supplemental January 12, 2010, letter contains, as an attachment, an environmental assessment.

Being granted this exemption for the two items would allow the licensee sufficient time to complete the upgrades to the Millstone security system as required by the recent revisions to 10 CFR 73.55.

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 73.3, 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 request would, as noted above, allow an extension from March 31, 2010, until August 31, 2010, for certain uninterrupted power requirements and September 30, 2010, for certain alarm station requirements. As stated above, 10 CFR 73.5 allows the NRC to grant exemptions from the requirements of 10 CFR part 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, NRC approval of the licensees exemption request is authorized by law.

In the draft final rule sent to the Commission on July 9, 2008 (ADAMS Accession No. ML081780209), 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 reach full compliance.