

SAFEGUARDS INFORMATION

April 7, 2003

Mr. William O'Connor, Jr.
Vice President
Nuclear Generation
Detroit Edison Company
6400 North Dixie Highway
Newport, MI 48166

SUBJECT: FERMIL POWER PLANT
NRC SAFEGUARDS INSPECTION OF COMPLIANCE WITH ORDER
INSPECTION REPORT 50-341/03-03

Dear Mr. O'Connor:

On February 27, 2003, the NRC completed an inspection at your Fermi 2 Nuclear Power Station. The enclosed report documents the inspection findings which were discussed on February 27, 2003, with Mr. S. Stasek and other members of your staff.

The inspection examined activities conducted under your license as they relate to compliance with an Order issued on February 25, 2002, which required your site to implement specific measures related to the security of your facility. The inspection utilized Temporary Instruction 2515/148, "Inspection of Nuclear Reactor Safeguards Interim Compensatory Measures," to verify implementation of the Order as clarified in your response dated March 18, 2002. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of this inspection, no findings of significance were identified.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material will not be placed in the Public Document Room.

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Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

/RA/

James R. Creed
Safeguards Program Manager
Division of Reactor Safety

Docket No. 50-341
License No. NPF-43

Enclosure: Inspection Report 50-341/03-03
(SAFEGUARDS INFORMATION)

cc w/encl w/**SAFEGUARDS**

INFORMATION: N. Peterson, Director, Nuclear Licensing
P. Marquardt, Corporate Legal Department
Compliance Supervisor
Vonna Ordaz (NSIR/DNS/RSS) (MS T4D8)
Juan Peralta (NSIR/DNS/SOS) (MS T4D8)
Elaine McNeil (NSIR/DNS/RSS) (MS T4D8)

cc w/encl w/o **SAFEGUARDS**

INFORMATION: R. Whale, Michigan Public Service Commission
Michigan Department of Environmental Quality
Monroe County, Emergency Management Division
Emergency Management Division
MI Department of State Police

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U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket No: 50-341
License No: DPR-43

Report No: 50-341/03-03

Licensee: Detroit Edison Company

Facility: Fermi 2 Nuclear Power Station, Unit 2

Location: 6400 N. Dixie Hwy.
Newport, MI 48166

Dates: February 24-27, 2003

Inspectors: J. Belanger, Senior Physical Security Inspector
J. Maynen, Physical Security Inspector
G. Pirtle, Physical Security Inspector
R. Jickling, Emergency Preparedness Inspector

Approved by: James Creed
Safeguards Program Manager
Division of Reactor Safety

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SUMMARY OF FINDINGS

IR 50-341/03-03, Detroit Edison Company, on 2/24-27/03, Fermi 2 Nuclear Power Station; Unit 2. TI 2515/148, Verification of Compliance with Interim Compensatory Measures Order.

The inspection was conducted by three regional physical security inspectors and a regional emergency preparedness inspector.

Cornerstone: Physical Security

- On February 25, 2002, the NRC imposed by Order, Interim Compensatory Measures to enhance physical security. The inspectors determined that, overall, the licensee appropriately incorporated the Interim Compensatory Measures into the site protective strategy and access authorization program; developed and implemented relevant procedures; ensured that the emergency plan could be implemented; and established and effectively coordinated interface agreements with offsite organizations.

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