

November 3, 1999

Mr. John P. McElwain
Chief Nuclear Officer
Clinton Power Station
Illinois Power Company
Mail Code V-275
P. O. Box 678
Clinton, IL 61727

Dear Mr. McElwain:

This is to inform you that the U.S. Nuclear Regulatory Commission (NRC) and the State of Illinois Department of Nuclear Safety (IDNS) have amended their joint Memorandum of Understanding, Sub-agreement No. 3, pertaining to state resident engineers, by signing a new addendum. A copy of the new addendum is enclosed for your information and will be published in the Federal Register.

Under this amendment, the State of Illinois may perform inspections for and on behalf of the NRC at nuclear power plants in the State of Illinois which are undergoing decommissioning, and which are no longer being inspected by resident inspectors. Joint team decommissioning inspections under this addendum will be conducted by NRC and IDNS.

At the present time, the only facilities directly affected by the new addendum are ComEd's Dresden Unit 1 and Zion Units 1 and 2. The Region III Division of Nuclear Materials Safety is responsible for conduct of the NRC inspection program at decommissioning reactors in this region.

If you have any questions, please contact Bruce Jorgensen at (630) 829-9615.

Sincerely,

/s/ C. D. Pederson

Cynthia D. Pederson, Director
Division of Nuclear Materials Safety

Docket No. 50-461
License No. NPF-62

Enclosure: As stated

DOCUMENT NAME: G:\SEC\CLI102_9.dnm

*See Previous Concurrence

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J. McElwain

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cc w/encl: M. Coyle, Assistant Vice President
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and Performance Improvement
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ADDENDUM NO. 1 TO SUBAGREEMENT NO. 3
PERTAINING TO STATE RESIDENT ENGINEERS
BETWEEN THE
U.S. NUCLEAR REGULATORY COMMISSION
AND THE
STATE OF ILLINOIS

I. Purpose

The purpose of this Addendum is to modify Subagreement No. 3 pertaining to State Resident Engineers between the U.S. Nuclear Regulatory Commission (NRC) and the State of Illinois (State), hereafter referred to as Subagreement No. 3, to address State inspections at permanently shut down nuclear power plants in Illinois that remain under license by the NRC.

II. Background

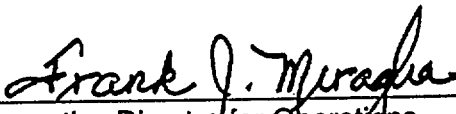
- A. The NRC and the State entered into Subagreement No. 3 to define the way in which NRC and the State, with the assistance of State Resident Engineers will cooperate in planning and conducting inspections at operating nuclear power plants in Illinois. Subagreement No. 3 provided, among other things, for interaction and cooperation between State Resident Engineers and NRC Resident Inspectors. Since the entry into Subagreement No. 3, "State Resident Engineers" as referred to in Subagreement No. 3, have become known as "State Resident Inspectors."
- B. Since the entry into Subagreement No. 3, NRC has received notice that a licensed nuclear power plant in Illinois has permanently ceased operations and has begun decommissioning.
- C. It is NRC's practice to, approximately one year after shut down, withdraw its resident inspectors from licensed nuclear power plants that have permanently ceased operations and are undergoing decommissioning and to conduct inspections of such power plants with staff from its Regional offices.
- D. The NRC has requested and the State of Illinois has agreed, in accordance with Section X. of Subagreement 3, to modify the Subagreement to recognize the changed circumstances for licensed power plants that are permanently shut down, are undergoing decommissioning, and are no longer inspected by NRC resident inspectors, and to provide for continued cooperation and coordination with the State of Illinois with regard to inspections at such plants.

III. Modifications

- A. Subagreement No. 3 is modified as provided in this Addendum. Subagreement No. 3 shall remain in full and complete effect except as specifically modified in this Addendum. Insofar as any provisions in Subagreement No. 3 are inconsistent with this Addendum, this Addendum shall control for the purposes of decommissioning inspections at permanently shut down commercial nuclear power reactors.
- B. The title to Subagreement No. 3 is modified to read "SUBAGREEMENT NO. 3 BETWEEN THE U.S. NUCLEAR REGULATORY COMMISSION AND THE STATE OF ILLINOIS PERTAINING TO STATE RESIDENT INSPECTORS AND STATE INSPECTORS FOR DECOMMISSIONING PLANTS."
- C. Section VI.C.13 of Subagreement No. 3 is modified to read as follows:
All written communications with the licensee will be made through NRC. After completing its portion of a safety inspection, the State will document to NRC its inspection's scope, details, and results in a report written in the format described in the NRC Inspection Manual. The NRC will use the information, as appropriate, in preparation of the NRC's final report. The State is responsible for the technical adequacy of State Resident Inspector's or State Inspector's inspection reports.
- D. "State Resident Engineer" is modified in Subagreement No. 3 to read "State Resident Inspector."
- E. State personnel who conduct decommissioning inspections pursuant to this Addendum and who need not be resident at nuclear power plants shall be referred to as "State Inspectors."
- F. After NRC's withdrawal of its resident inspectors from licensed nuclear power plants in Illinois that have permanently ceased operations, State participation in NRC decommissioning inspections at these facilities will be governed by Subagreement 3 and this Addendum. This Addendum will not apply to State inspections conducted pursuant to any authority other than Subagreement No. 3.
- G. State Inspectors will be State Resident Inspectors qualified and certified by the State in accordance with the NRC Inspection Manual, or its equivalent, for the specific inspection function they are to perform.
- H. The State will utilize the NRC's Master Inspection Plan as the basis for proposing State Inspectors' participation in NRC scheduled decommissioning inspections. The State will submit inspection recommendations to the NRC Regional Administrator, Region III (or designee), at least one month prior to the scheduled inspection to allow sufficient time for NRC review and approval.

- I. The State will perform decommissioning safety inspections only in accordance with the inspection plans using applicable procedures in the NRC Inspection Manual.
- J. To facilitate cooperation and efficient use of resources, NRC and State Inspectors will conduct joint team decommissioning inspections under this Addendum. An NRC inspector will lead the team and be in charge of the inspection.
- K. The principal senior management contacts for this Addendum will be the Director, Division of Nuclear Materials Safety, Region III, and the Manager, Office of Nuclear Facility Safety, Illinois Department of Nuclear Safety.

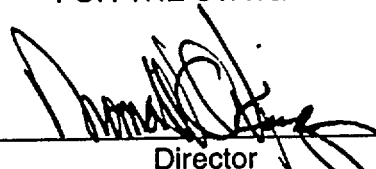
FOR THE U.S. NUCLEAR REGULATORY COMMISSION



Acting Executive Director for Operations

Date: 9/28/99

FOR THE STATE OF ILLINOIS



Director
Illinois Department of Nuclear Safety

Date: 10/4/99