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Michael R. Kansler
President

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BVY 04-136

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

SUBJECT: Indian Point Nuclear Generating Units Nos. 1, 2 and 3
Docket Nos. 50-003, 50-247, and 50-286
Vermont Yankee Nuclear Power Station
Docket No. 50-271
Pilgrim Nuclear Power Station
Docket No. 50-293
James A. FitzPatrick Nuclear Power Plant
Docket No. 50-333
Entergy Nuclear Operations, Inc.
Use of Encryption Software for
Electronic Transmission of Safeguards Information
(TAC Nos. MC3537, MC3538, MC3539, MC3540, MC3541 and MC3542)

- References:
1. NRC letter, B. K. Vaidya to M. Kansler dated June 16, 2004, regarding use of encryption software for secure transmission of safeguards information (TAC Nos. MC3537, MC3538, MC3539, MC3540, MC3541 and MC3542)
 2. NRC Regulatory Issue Summary 2002-15 "NRC Approval of Commercial Data Encryption Systems for the Electronic Transmission of Safeguards Information," dated August 28, 2002.
 3. 10 CFR 73.21, "Requirements for the protection of safeguards information"

Dear Sir:

On June 16, 2004 (Reference 1) the NRC authorized Entergy Nuclear Operations, Inc. (ENO) to use PGP (Pretty Good Privacy) software Corporate Software Desktop version 8.0 for encryption and electronic transmission of SGI.

This letter provides notification that ENO will begin using PGP Software Corporate Desktop Version 8.0.3 which was developed with PGP Software Development Kit (SDK) 3.0.3. NIST (National Institute of Standards and Technology) Certificate Number 394 validates compliance of

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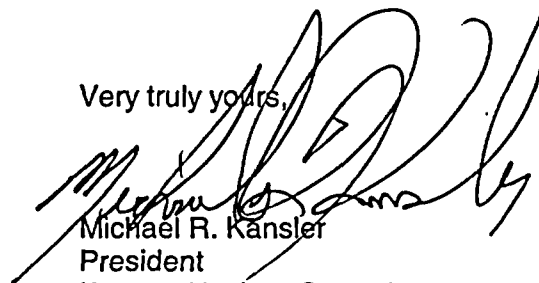
this software development tool with the FIPS (Federal Information Processing Standard) 140-2 requirements.

In an October 4, 2004, letter NEI provided notification of the industry's intent to use PGP version 8.0.3. In a November 19, 2004, response to NEI the NRC authorized the use of PGP version 8.0.3 for processing SGI electronically. This meets the requirement that the NRC be notified 30 days before "first use" of new software.

If you have any questions, please contact Ms. Charlene D. Faison at 914-272-3378.

This letter includes no new commitments.

Very truly yours,



Michael R. Kansler
President
Entergy Nuclear Operations,
Inc.

cc: Next page

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