

themselves; rather, they measure policies that are necessary conditions for a country to achieve broad-based sustainable economic growth. The indicators were selected based on their relationship to growth and poverty reduction, the number of countries they cover, their transparency and availability, and their relative soundness and objectivity. Where possible, the indicators rely on indices of performance developed by independent sources.

Ruling Justly:

(1) *Civil Liberties:* A panel of independent experts rates countries on: freedom of expression, association and organizational rights, rule of law and human rights, and personal autonomy and economic rights. Source: Freedom House.

(2) *Political Rights:* A panel of independent experts rates countries on: the prevalence of free and fair elections of officials with real power; the ability of citizens to form political parties that may compete fairly in elections; freedom from domination by the military, foreign powers, totalitarian parties, religious hierarchies and economic oligarchies; and the political rights of minority groups. Source: Freedom House.

(3) *Voice and Accountability:* An index of surveys that rates countries on: ability of institutions to protect civil liberties, the extent to which citizens of a country, are able to participate in the selection of governments, and the independence of the media. Source: World Bank Institute.

(4) *Government Effectiveness:* An index of surveys that rates countries on: the quality of public service provision, civil services' competency and independence from political pressures, and the government's ability to plan and implement sound policies. Source: World Bank Institute.

(5) *Rule of Law:* An index of surveys that rates countries on: the extent to which the public has confidence in and abides by rules of society; incidence of violent and non-violent crime; effectiveness and predictability of the judiciary; and the enforceability of contracts. Source: World Bank Institute.

(6) *Control of Corruption:* An index of surveys that rates countries on: The frequency of "additional payments to get things done," the effects of corruption on the business environment, "grand corruption" in the political arena and the tendency of elites to engage in "state capture." Source: World Bank Institute.

Encouraging Economic Freedom

(1) *Country Credit Rating:* A semi-annual survey of bankers' and fund managers' perceptions of a country's risk of default. Source: Institutional Investor Magazine.

(2) *Inflation:* The most recent 12 month change in consumer prices as reported in the IMF's International Financial Statistics or in another public forum by the relevant national monetary authorities. Source: Multiple.

(3) *Fiscal Policy:* The overall budget deficit divided by GDP, averaged over a three-year period. The data for this measure is being provided directly by the recipient government and will be cross checked with other sources and made publicly available to try to ensure consistency across countries. Source: National Governments and IMF WEO.

(4) *Days to Start a Business:* The Private Sector Advisory Service of the World Bank Group works with local lawyers and other professionals to examine specific regulations that impact business investment. One of their studies measures how many days it takes to open a new business. Source: World Bank.

(5) *Trade Policy:* A measure of a country's openness to international trade based on average tariff rates and non-tariff barriers to trade. Source: The Heritage Foundation's Index of Economic Freedom.

(6) *Regulatory Quality Rating:* An index of surveys that rates countries on: the burden of regulations on business, price controls, the government's role in the economy, foreign investment regulation and many other areas. Source: World Bank Institute.

Investing in People

(1) *Public Expenditure on Health:* Total expenditures by government at all levels on health divided by GDP. Source: National Governments.

(2) *Immunization:* The average of DPT3 and measles immunization rates for the most recent year available. Source: The World Health Organization WHO.

(3) *Total Public Expenditure on Primary Education:* Total expenditures by government at all levels on primary education divided by GDP. Source: National Governments.

(4) *Girls' Primary Completion Rate:* The number of female students completing primary education divided by the population in the relevant age cohort. Source: World Bank and UNESCO.

Dated: August 26, 2004.

Paul V. Applegarth,

Chief Executive Officer, Millennium Challenge Corporation.

[FR Doc. 04-19859 Filed 8-30-04; 8:45 am]

BILLING CODE 9210-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 40-3392]

In the Matter of Honeywell International, Inc., Metropolis Works Facility; Order Modifying License (Effective Immediately)

AGENCY: Nuclear Regulatory Commission.

ACTION: Issuance of Order for Implementation of Additional Security Measures Associated with Access Authorization.

FOR FURTHER INFORMATION CONTACT:

Michael Raddatz, Senior Project Manager, Fuel Cycle Facilities Branch, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Rockville, MD 20852. Telephone: (301) 415-6334; fax number: (301) 415-5955; e-mail: MGR@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

Pursuant to 10 CFR 2.106, the Nuclear Regulatory Commission (NRC) is providing notice in the Matter of Honeywell International, Inc., Metropolis Works Facility of the issuance of an order modifying License (SUB-526) (ML042240002) (Effective Immediately).

II. Further Information

Honeywell International, Inc. ("Honeywell" or the "licensee") holds Materials License No. SUB-526, issued by the U. S. Nuclear Regulatory Commission (NRC or Commission) authorizing the licensee to receive, acquire, possess and transfer byproduct and source material in accordance with the Atomic Energy Act of 1954 and 10 CFR parts 30 and 40. Commission regulations at 10 CFR § 20.1801, require the licensee to secure licensed material from unauthorized removal or access from controlled or unrestricted areas. Further, License Condition 10 of Materials License No. SUB-526, as amended, requires the licensee to implement and maintain specific measures to control public and private access to the facility as described in the

October 1, 1998, enclosure to its application dated September 23, 1998.

II

On September 11, 2001, terrorists simultaneously attacked targets in New York, NY and Washington, DC, utilizing large commercial aircraft as weapons. In response to the attacks and intelligence information subsequently obtained, the Commission issued a number of Safeguards and Threat Advisories to its licensees in order to strengthen licensees' capabilities and readiness to respond to a potential attack on a nuclear facility. The Commission has also communicated with other Federal, State, and Local government agencies and industry representatives to discuss and evaluate the current threat environment in order to assess the adequacy of security measures at licensed facilities. In addition, the Commission has been conducting a comprehensive review of its safeguards and security programs and requirements.

As a result of its initial consideration of the current safeguards and security requirements, as well as a review of information provided by the intelligence community, the Commission issued a Confirmatory Action Letter, No. RIII-01-005, dated December 21, 2001 to Honeywell, confirming the Licensee's agreement to immediately implement enhanced security measures and review longer term security enhancements to the site. On March 29, 2002 the Commission issued an Order to Honeywell to put the actions taken in response to the advisories in the established regulatory framework and implement additional enhancements which emerged from the NRC's ongoing comprehensive review. The Commission has now determined that certain additional security measures are required to address the current threat. Therefore, the Commission is imposing requirements, set forth in Attachment 1¹ of this Order, which supplement existing regulatory requirements and any previously issued Order, to provide the Commission with reasonable assurance that the public health and safety and the common defense and security continue to be adequately protected in the current threat environment. These requirements will remain in effect until the Commission determines otherwise.

The Commission recognizes that some of the requirements set forth in Attachment 1 to this Order may already have been initiated by Honeywell in

response to previously issued advisories, Confirmatory Action Letter No. RIII-01-005, the March 29, 2002 Order or on its own. It also recognizes that some measures may need to be tailored to accommodate the specific circumstances or characteristics existing at the licensee's facility, to achieve the intended objectives and avoid any unforeseen effect on safe operation. Although the licensee's response to the Safeguards Threat Advisories and the March 29, 2002 Order has been adequate to provide reasonable assurance of adequate protection of the public health and safety, the Commission believes that the response must be supplemented because the current threat environment continues to persist. Therefore, it is appropriate to require certain additional security measures.

In order to provide assurance that the licensee is implementing prudent measures to achieve an appropriate level of protection to meet the current threat environment, Materials License No. SUB-526 is modified to include the requirements identified in Attachment 1 to this Order. In addition, pursuant to 10 CFR § 2.202, I find that, in the circumstances described above, the public health, safety and interest require that this Order be immediately effective.

III

Accordingly, pursuant to Sections 63, 81, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, the Commission's regulations in 10 CFR § 2.202 and 10 CFR Parts 30 and 40, *It Is Hereby Ordered, Effective Immediately, That Materials License No. SUB-526 Is Modified as Follows:*

A. The licensee shall, notwithstanding the provisions of any Commission regulation or license to the contrary, comply with the requirements described in Attachment 1 to this Order. The Licensee shall immediately start implementation of the requirements in Attachment 1 to the Order and shall complete implementation **no later than 180 days from the date of this Order**, with the exception of the additional security measure B.4., which shall be implemented **no later than 365 days from the date of this Order**.

B. 1. The Licensee shall, within **twenty (20) days** of the date of this order, notify the Commission, (1) If it is unable to comply with any of the requirements described in Attachment 1; (2) if compliance with any of the requirements is unnecessary in its specific circumstances; or (3) if implementation of any of the requirements would cause the Licensee to be in violation of the provisions of

any Commission regulation or the facility license. The notification shall provide the Licensee's justification for seeking relief from or variation of any specific requirement.

2. If the Licensee considers that implementation of any of the requirements described in Attachment 1 to this Order would adversely impact safe operation of the facility, the Licensee must notify the Commission, within **twenty (20) days** of this Order, of the adverse safety impact, the basis for its determination and that the requirement has an adverse safety impact, and either a proposal for achieving the same objectives specified in the Attachment 1 requirement in question, or a schedule for modifying the facility procedures and practices to address the adverse safety condition. If neither approach is appropriate, the Licensee must supplement its response to Condition B.1 of this Order to identify the condition as a requirement with which it cannot comply, with attendant justifications as required in Condition B.1.

C. 1. The Licensee shall, within **twenty (20) days** of the date of this Order, submit to the Commission, a schedule for achieving compliance with each requirement described in Attachment 1.

2. The Licensee shall report to the Commission, when it has achieved full compliance with the requirements described in Attachment 1.

D. Notwithstanding any provision of the Commission's regulations to the contrary, all measures implemented or actions taken in response to this Order shall be maintained pending until the Commission determines otherwise.

Licensee responses to Conditions B.1, B.2, C.1 and C.2 above, shall be submitted in accordance with 10 CFR 30.6 and 40.5. In addition, Licensee submittals that contain Safeguards Information shall be properly marked and handled in accordance with 10 CFR 73.21.

The Director, Office of Nuclear Material Safety and Safeguards, may, in writing, modify, relax or rescind any of the above conditions upon demonstration by the Licensee of good cause.

IV

In accordance with 10 CFR 2.202, the Licensee must, and any other person adversely affected by this Order may, submit an answer to this Order, and may request a hearing on this Order, within 20 days of the date of the Order. Where good cause is shown, consideration will be given to the time to request a hearing. A request for

¹ Attachment 1 contains *Safeguards Information* and will not be released to the public.

extension of time in which to submit an answer or request a hearing must be made in writing to the Director, Office of Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission, Washington, DC 20555, and include a statement of good cause for the extension. The answer may consent to this Order. Unless the answer consents to this Order, the answer shall, in writing and under oath or affirmation, specifically set forth the matters of fact and law on which the Licensee or other person adversely affected relies and the reasons as to why the Order should not have been issued. Any answer or request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, ATTN: Rulemakings and Adjudications Staff, Washington, DC 20555. Copies also shall be sent to the Director, Office of Nuclear Material Safety and Safeguards and the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington DC, 20555, to the Assistant General Counsel for Materials Litigation and Enforcement, at the same address, to the Regional Administrator, NRC Region II, 801 Warrenville Road, Lisle, Illinois 60532, and to the Licensee if the answer or hearing request is by a person other than the Licensee. Because of possible disruptions in delivery of mail to United States Government offices, it is requested that decontrolled answers, (no Safeguards Information) and requests for a hearing be transmitted to the Secretary of the Commission either by means of facsimile transmission to (301) 415-1101 or by e-mail to hearingdocket@nrc.gov and also to the Office of General Counsel either by means of facsimile transmission to (301) 415-3725 or by e-mail to OGCMailCenter@nrc.gov. If a person other than the Licensee requests a hearing, that person shall set forth with particularity the manner in which his/her interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR § 2.714(d). If a person other than the Licensee requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by the Licensee or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

Pursuant to 10 CFR 2.202(c)(2)(I), the Licensee, may, in addition to demanding a hearing, at the time the

answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations or error.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section III above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section III shall be final when the extension expires if a hearing request has not been received.

An Answer or a Request for Hearing Shall Not Stay the Immediate Effectiveness of This Order.

For The Nuclear Regulatory Commission
Dated this 18th day of August 2004.

Margaret V. Federline,

Deputy Director, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 04-19805 Filed 8-30-04; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50-348 and 50-364]

Southern Nuclear Operating Company, Inc.; Alabama Power Company; Joseph M. Farley Nuclear Plant, Units 1 and 2; Notice of Consideration of Issuance of Amendment to Facility Operating License, Proposed No Significant Hazards Consideration Determination, and Opportunity for a Hearing

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License Nos. NPF-2 and NPF-8, issued to Southern Nuclear Operating Company, Inc. (the licensee) for operation of the Joseph M. Farley Nuclear Plant (FNP), Units 1 and 2, located in Houston County, Alabama.

The proposed amendment would revise FNP, Units 1 and 2 Technical Specifications (TSs) to address control room boundary unfiltered inleakage by revising Limiting Condition for Operation (LCO) 3.7.10, "Control Room Emergency Filtration/Pressurization System (CREFS)" and TS 5.5.11, "Ventilation Filter Testing Program (VFTP)." It would also add a new section, TS 5.5.18, "Control Room Integrity Program (CRIP)."

Before issuance of the proposed license amendment, the Commission

will have made findings required by the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) Involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

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

Response: No.

The proposed changes do not adversely affect accident initiators or precursors nor alter the design assumptions, conditions, or configuration of the facility. The proposed changes do not alter or prevent the ability of structures, systems, and components (SSCs) from performing their intended function to mitigate the consequences of an initiating event within the assumed acceptance limits. This is a revision to the TS for the control room ventilation system which is a mitigation system designed to minimize inleakage and to filter the control room atmosphere to protect the operator following accidents previously analyzed. An important part of the system is the control room envelope (CRE). The CRE integrity is not an initiator or precursor to any accident previously evaluated.

Editorial changes and implementation of the guidance in Regulatory Guide 1.52, Revision 3 for testing cannot be initiators of any accident. Therefore, the probability of any accident previously evaluated is not increased. Performing tests and implementing programs that verify the integrity of the CRE and control room habitability ensure mitigation features are capable of performing the assumed function. Therefore, the consequences of any accident previously evaluated are not increased.

Therefore, it is concluded that this change does not significantly increase