



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

PSEG NUCLEAR LLC
PHILADELPHIA ELECTRIC COMPANY
DELMARVA POWER AND LIGHT COMPANY
ATLANTIC CITY ELECTRIC COMPANY

DOCKET NO. 50-272

SALEM NUCLEAR GENERATING STATION, UNIT NO. 1

FACILITY OPERATING LICENSE

Amendment No.
License No. DPR-70

1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application for license filed by the Public Service Electric and Gas Company, Philadelphia Electric Company, Delmarva Power and Light Company, and Atlantic City Electric Company (the licensees) and the application for license amendment dated November 8, 1976, filed by Public Service Electric and Gas Company comply with the standards and requirements of the Atomic Energy Act (the Act) of 1954, as amended, and the Commission's rules and regulations set forth in 10 CFR Chapter I and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Salem Nuclear Generating Station, Unit No. 1 (facility) has been substantially completed in conformity with Provisional Construction Permit No. CPPR-52 and the application, as amended, the provisions of the Act and the rules and regulations of the Commission;
 - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
 - D. There is reasonable assurance: (i) that the activities authorized by this amended operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
 - E. PSEG Nuclear LLC is technically qualified and the licensees are financially qualified to engage in the activities authorized by this amended operating license in accordance with the rules and regulations of the Commission;

- F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
 - G. The issuance of this amended operating license will not be inimical to the common defense and security or to the health and safety of the public;
 - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of Amendment No. 3 to Facility Operating License No. DPR-70 subject to the conditions for protection of the environment set forth in the Technical Specifications, Appendix B is in accordance with 10 CFR Part 51 (and with former Appendix D to 10 CFR Part 50) of the Commission's regulations and all applicable requirements have been satisfied; and
 - I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this amended license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70, including 10 CFR Sections 30.33, 40.32, and 70.23 and 70.31.
2. Facility Operating License No. DPR-70, issued to PSEG Nuclear LLC, Philadelphia Electric Company, Delmarva Power and Light Company, and Atlantic City Electric Company, is hereby amended in its entirety, to read as follows:
- A. This amended license applies to the Salem Nuclear Generating Station, Unit No. 1, a pressurized water nuclear reactor and associated equipment (the facility), owned by PSEG Nuclear LLC, Philadelphia Electric Company, Delmarva Power and Light Company, and Atlantic City Electric Company and operated by PSEG Nuclear LLC. The facility is located on the applicants' site in Salem County, New Jersey, on the southern end of Artificial Island on the east bank of the Delaware River in Lower Alloways Creek Township, and is described in the "Final Safety Analysis Report" as supplemented and amended (Amendments 10 through 39) and the Environmental Report as supplemented and amended (Amendments 1 through 3).
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses

- (1) PSEG Nuclear LLC, Philadelphia Electric Company, Delmarva Power and Light Company, and Atlantic City Electric Company to possess the facility at the designated location in Salem County, New Jersey, in accordance with the procedures and limitations set forth in this amended license;
- (2) PSEG Nuclear LLC, pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use and operate the facility;
- (3) PSEG Nuclear LLC, pursuant to the Act and 10 CFR Part 70, to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report, as supplemented and amended;
- (4) PSEG Nuclear LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (5) PSEG Nuclear LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- (6) PSEG Nuclear LLC, pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This amended license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

PSEG Nuclear LLC is authorized to operate the facility at a steady state reactor core power level not in excess of 3411 megawatts (one hundred percent of rated core power). Prior to attaining the one hundred percent power level, Public Service Electric and Gas Company shall complete the preoperational tests, startup tests and other items identified in Attachment 1 to this amended license in the sequence specified. Attachment 1 is an integral part of this amended license.

(2) Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

(3) Deleted Per Amendment 22, 11-20-79

(4) Less than Four Loop Operation

PSEG Nuclear LLC shall not operate the reactor at power levels above P-7 (as defined in Table 3.3-1 of Specification 3.3.1.1 of Appendix A to this license) with less than four (4) reactor coolant loops in operation until safety analyses for less than four loop operation have been submitted by the licensees and approval for less than four loop operation at power levels above P-7 has been granted by the Commission by Amendment of this license.

(5) PSEG Nuclear LLC shall implement and maintain in effect all provisions of the approved fire protection program as described in the Updated Final Safety Analysis Report, and as approved in the NRC Safety Evaluation Report dated November 20, 1979, and in its supplements, subject to the following provision:

PSEG Nuclear LLC may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

- (6) The licensee shall implement a secondary water chemistry monitoring program to inhibit steam generator tube degradation. This program shall include:
1. Identification of a sampling schedule for the critical parameters and control points for these parameters;
 2. Identification of the procedures used to measure the values of the critical parameters;
 3. Identification of process sampling points;
 4. Procedure for recording and management of data;
 5. Procedures defining corrective actions for off control point chemistry conditions; and
 6. A procedure identifying (a) the authority responsible for the interpretation of the data, and (b) the sequence and timing of administrative events required to initiate corrective action.

(7) Systems Integrity

The licensee shall implement a program to reduce leakage from systems outside containment that would or could contain highly radioactive fluids during a serious transient or accident to as low as practical levels. This program shall include the following:

1. Provisions establishing preventive maintenance and periodic inspection requirements, and
2. Integrated leak test requirements for each system at a frequency not to exceed refueling cycle intervals.

(8) Iodine Monitoring

The licensee shall implement a program which will ensure the capability to accurately determine the airborne iodine concentration in vital areas under accident conditions. This program shall include the following:

1. Training of personnel;
2. Procedures for monitoring, and
3. Provisions for maintenance of sampling and analysis equipment.

(9) Backup Method for Determining Subcooling Margin

The licensee shall implement a program which will ensure the capability to accurately monitor the Reactor Coolant System subcooling margin. This program shall include the following:

1. Training of personnel, and
2. Procedures for monitoring.

(10) Additional Conditions

The Additional Conditions contained in Appendix C, as revised through Amendment No. , are hereby incorporated into this license. PSEG Nuclear LLC shall operate the facility in accordance with the Additional Conditions.

(11) PSE&G to PSEG Nuclear LLC License Transfer Conditions

- a. PSEG Nuclear LLC shall take all necessary steps to ensure that the decommissioning trust is maintained in accordance with the application, the requirements of the Order Approving Transfer of License and Conforming Amendment, dated and the related Safety Evaluation dated
- b. The decommissioning trust agreement shall provide that:
 - 1) The use of assets in both the qualified and non-qualified funds shall be limited to expenses related to decommissioning of the unit as defined by the NRC in its regulations and issuances, and as provided in the unit's license and any amendments thereto. However, upon completion of decommissioning, as defined above, the assets may be used for any purpose authorized by law.
 - 2) Investments in the securities or other obligations of PSE&G or affiliates thereof, or their successors or assigns, shall be prohibited. In addition, except for investments tied to market indexes or other non-nuclear sector mutual funds, investments in any entity owning one or more nuclear power plants shall be prohibited.
 - 3) No disbursements or payments from the trust shall be made by the trustee until the trustee has first given the NRC 30 days notice of the payment. In addition, no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the Director, Office of Nuclear Reactor Regulation.
 - 4) The trust agreement shall not be modified in any material respect without prior written notification to the Director, Office of Nuclear Reactor Regulation.
 - 5) The trustee, investment advisor, or anyone else directing the investments made in the trust shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(3) of the Federal Energy Regulatory Commission's regulations.
- c. PSEG Nuclear LLC shall not take any action that would cause PSEG Power LLC or its parent companies to void, cancel, or diminish the commitment to fund an extended plant shutdown as represented in the application for approval of the transfer of this license from PSE&G to PSEG Nuclear LLC.

- D. Paragraph 2.D. has been combined with paragraph 2.E. per Amendment No. 86, June 27, 1988.
- E. The licensees shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Salem Nuclear Generating Station Physical Security Plan," with revisions submitted through September 4, 1987; "Salem Nuclear Generating Station Guard Training and Qualification Plan," with revisions submitted through September 4, 1987; and "Salem Nuclear Generating Station Safeguards Contingency Plan," with revisions submitted through December 2, 1986. Changes made in accordance with 10 CFR 73.55 shall be implemented in accordance with the schedule set forth therein.
- F. In accordance with the requirement imposed by the October 8, 1976, order of the United States Court of Appeals for the District of Columbia Circuit in Natural Resources Defense Council v. Nuclear Regulatory Commission, No. 74-1385 and 74-1586, that the Nuclear Regulatory Commission "shall make any licenses granted between July 21, 1976 and such time when the mandate is issued subject to the outcome of the proceedings herein," the license amendment issued herein shall be subject to the outcome of such proceedings.
- G. Prior to startup following the first regularly scheduled refueling outage, Public Service Electric and Gas Company shall install, to the satisfaction of the Commission, a long-term means of protection against reactor coolant system over-pressurization when water-solid.
- H. This amended license is effective as of the date of its issuance. Facility Operating License No. DPR-70, as amended, shall expire at midnight, August 13, 2016.

I. IAEA SAFEGUARDS

1. INCORPORATION OF FACILITY ATTACHMENT:

Pursuant to 10 CFR 75.8, NRC License No. DPR-70 is hereby amended to incorporate by reference Codes 1. through 7. of Facility Attachment No. 13 dated October 1, 1986, to the US/IAEA of Safeguards Agreement.

2. FACILITY ATTACHMENT CODE 2.2

Notification of the changes referred to in Code 2.2 of the facility attachment is the responsibility of the operating facility. They can be notified to the NRC with a Concise Note (DOE/NRC Form 740M) or a letter. Notification is required 70 days prior to the event.

3. FACILITY ATTACHMENT CODE 3.1.3 & 5.1.2 & 5.2.3

The itemized lists of nuclear material to be provided to the IAEA as of cycle shutdown date prior to physical inventory taking are:

1. A complete list of fuel assemblies by ID number at all locations.
2. Reactor and fuel storage maps showing location of fuel by ID number at time of physical inventory taking.
3. A list, by batch, of any other accountable nuclear material, e.g., start-up sources, samples.

4. FACILITY ATTACHMENT CODE 3.2.2

Please refer to NRC letter dated May 27, 1986, to Mr. C.A. McNeill from Steven A. Varga which spells out timeliness and procedures for notification under this code.

5. FACILITY ATTACHMENT CODE 5.1.1 & 6.1.1

The statement "when calculated" means at least as often as required on page 2 of NUREG/BR-0006 Revision 2 or more often, at your option, if you calculate burn up more than every six months.

6. FACILITY ATTACHMENT CODE 6.1.1 & 6.1.2

The phrase "as specified in relevant paragraphs of Code 10" is a requirement on the U.S. All of the paragraphs in the US/IAEA Agreement that require a report from the U.S. to the IAEA based on source data from an operating facility have been incorporated into NUREG's BR-0006 and 0007 so that the NRC may collect the needed data for transmittal to the IAEA. PSEG Nuclear LLC should follow these NUREGs precisely in reporting inventory changes. A complete response to the reporting instructions in the NUREGs will satisfy the requirements specified in Code 10.

7. FACILITY ATTACHMENT CODE 6.2.2

The phrase "precise forecasts" means best estimates. These required concise notes should be dispatched to the NRC at least 40 days in advance of a projected 6 month operational programming.

8. FACILITY ATTACHMENT CODE 6.3.1 & 6.3.2

See response to Code 6.1.1 and 6.1.2 above.

9. FACILITY ATTACHMENT CODE 7.9

The specific facility health and safety rules and regulations to be observed by the Agency's (IAEA) inspectors, as specified in Paragraph 54 of the design information as of October 10, 1986, provided by the U.S.A. mean:

Agency inspectors who have previously visited the facility will be informed as necessary at the time of entry into the facility of health and safety rules and ad hoc rules as might be required in view of a special situation that has occurred at the facility since the inspector's last visit to the facility. The briefing will be of a short duration, not to exceed 30 minutes, covering topics deemed relevant by the licensee.

Agency inspectors who have not previously visited the facility will be informed as necessary at the time of entry into the facility of health and safety rules and ad hoc rules as might be required in view of a special situation that has occurred at the facility. The briefing will be of an appropriate duration, not to exceed three hours, and consist of topics deemed relevant by the licensee.

In either case, the licensee should take into account the Agency inspector's prior training, expertise and experience. In neither case shall the Agency inspector be subject to any form of evaluation or testing by facility representatives or representatives of the U.S. Government.

For health and safety reasons, Agency inspectors will be escorted by qualified facility personnel at times deemed appropriate by the licensee.

10. TERMINATION

Pursuant to the provisions of 10 CFR 75.41, the Commission will inform the licensee, in writing, when its installation is no longer subject to Article 39(b) of the principal text of the US/IAEA Safeguards Agreement. The IAEA Safeguards License Conditions incorporating Code 7. of the Facility Attachment as part of NRC License DPR-70 will be terminated as of the date of such notice from the Commission. However, since the IAEA may elect to maintain the licensee's installation under Article 2(a) of the Protocol, provisions equivalent to Codes 1. through 6. of the Facility Attachment (with possible appropriate modifications) may still apply, and accordingly all other IAEA Safeguards License Conditions to NRC License No. DPR-70 will remain in effect until the Commission notifies the licensee otherwise. If this option is not selected by the IAEA, the Commission will then notify the licensee that all License Conditions pertaining to the US/IAEA Safeguards Agreement are terminated.

J. RELOCATED TECHNICAL SPECIFICATIONS

PSEG Nuclear LLC shall relocate certain technical specification requirements to licensee-controlled documents as described below. The location of these requirements shall be retained by the licensee.

- a. This license condition approves the relocation of certain technical specification requirements to licensee-controlled documents (UFSAR), as described in the licensee's applications with the staff's safety evaluation approval and Amendment No. as noted below:

<u>Licensee's Applications</u>	<u>Safety Evaluations</u>	<u>Amendment Nos.</u>
September 25, 1996	January 30, 1997	189

Implementation shall include the relocation of technical specifications requirements to the appropriate licensee-controlled document as identified in the licensee's application.

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed by Roger S. Boyd

Roger S. Boyd, Director
Division of Project Management
Office of Nuclear Reactor Regulation

Attachments:

- 1. Incomplete Preoperational Tests, Startup Tests, and Other Items Which Must Be Completed
- 2. Page Changes to Technical Specifications, Appendix A

Date of Issuance: December 1, 1976

DEFINITIONS

- b. Leakage into the containment atmosphere from sources that are both specifically located and known either not to interfere with the operation of leakage detection systems or not to be PRESSURE BOUNDARY LEAKAGE, or
- c. Reactor coolant system leakage through a steam generator to the secondary system.

MEMBER(S) OF THE PUBLIC

1.16 MEMBER(S) OF THE PUBLIC shall be all those persons who are not occupationally associated with the plant. This category does not include employees of PSEG Nuclear LLC, its contractors, or vendors. Also excluded from this category are persons who enter the site to service equipment or to make deliveries. This category does include persons who use portions of the site for recreational, occupational, or other purposes not associated with the plant.

OFFSITE DOSE CALCULATION MANUAL (ODCM)

1.17 The OFFSITE DOSE CALCULATION MANUAL shall be that manual which contains the current methodology and parameters used in the calculation of offsite doses due to radioactive gaseous and liquid effluents, in the calculation of gaseous and liquid effluent monitoring alarm/trip setpoints, and in the conduct of the environmental radiological monitoring program.

OPERABLE - OPERABILITY

1.18 A system, subsystem, train, component or device shall be OPERABLE or have OPERABILITY when it is capable of performing its specified function(s), and when all necessary attendant instrumentation, controls, a normal and an emergency electrical power source, cooling or seal water, lubrication or other auxiliary equipment that are required for the system, subsystem, train, component or device to perform its function(s) are also capable of performing their related support function(s).

OPERATIONAL MODE - MODE

1.19 An OPERATIONAL MODE (ie., MODE) shall correspond to any one inclusive combination of core reactivity condition, power level and average reactor coolant temperature specified in Table 1.1.

APPENDIX B

TO

FACILITY OPERATING LICENSE NO. DPR-70

SALEM GENERATING STATION UNIT 1

DOCKET NO. 50-272

AND

FACILITY OPERATING LICENSE NO. DPR-75

SALEM GENERATING STATION UNIT 2

DOCKET NO. 50-311

PSEG NUCLEAR LLC

ENVIRONMENTAL PROTECTION PLAN

(NONRADIOLOGICAL)

4.0 Environmental Conditions

4.1 Unusual or Important Environmental Events

Any occurrence of an unusual or important event that indicates or could result in significant environmental impact causally related to plant operation shall be recorded and reported to the NRC within 24 hours followed by a written report per Subsection 5.4.2. The following are examples: excessive bird impaction events; onsite plant or animal disease outbreaks; mortality or unusual occurrence of any species protected by the Endangered Species Act of 1973; fish kills or impingement events on the intake screens; increase in nuisance organisms or conditions; unanticipated or emergency discharge of waste water or chemical substances.

No routine monitoring programs are required to implement this condition.

4.2 Environmental Monitoring

4.2.1 Aquatic Monitoring

The certifications and permits required under the Clean Water Act provide mechanisms for protecting water quality and, indirectly, aquatic biota. The Nuclear Regulatory Commission (NRC) will rely on the decisions made by the State of New Jersey under the authority of the Clean Water Act and, in the case of sea turtles and shortnose sturgeon, decisions made by the National Marine Fisheries Service (NMFS) under the authority of the Endangered Species Act, for any requirements pertaining to aquatic monitoring.

In accordance with Section 7(a) of the Endangered Species Act, on May 14, 1993, the National Marine Fisheries Service issued a Section 7 Consultation Biological Opinion related to the operation of Salem Unit 1 and 2 Generating Stations. This Section 7 Consultation entitled, "Reinitiation of a consultation in accordance with Section 7(a) of the Endangered Species Act regarding continued operation of the Salem and Hope Creek Nuclear Generating Stations on the eastern shore of the Delaware River in New Jersey," concluded that "...continued operation is not likely to jeopardize the continued existence of listed species."

PSEG Nuclear LLC shall adhere to the specific requirements within the Incidental Take Statement, to the Biological Opinion. Changes to the incidental take statement must be preceded by consultation between the NRC, as the authorizing agency, and NMFS.

The Conservation Recommendation, to the Biological Opinion suggests conservation recommendations for implementation by Salem Generating Station. The Station shall implement these recommendations to the satisfaction of the NRC and National Marine Fisheries Service.

APPENDIX C
ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-70

PSEG Nuclear LLC, Philadelphia Electric Company, Delmarva Power and Light Company, and Atlantic City Electric Company shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
192	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated January 11, 1996, as supplemented by letters dated February 26, May 22, June 27, July 12, December 23, 1996, and March 17, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from March 21, 1997.
194	The licensee is authorized to upgrade the initiation circuitry for the power operated relief valves, as described in the licensee's application dated January 31, 1997, as supplemented by letters dated March 14, April 8, and April 28, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented prior to entry into Mode 3 from the current outage for Salem, Unit 1.
196	<p>Containment Fan Cooler Units</p> <p>The licensee shall complete all modifications associated with the amendment request concerning Containment Fan Cooler Units (CFCU) response time dated October 25, 1996, as described in the letters supplementing the amendment request dated December 11, 1996, January 28, March 27, April 24, June 3, and June 12, 1997, prior to entry into Mode 3 following refueling outage 12. All modifications made in support of this amendment request and described in the referenced submittals shall be in conformance with the existing design basis for Salem Unit 1, and programmatic controls for tank monitoring instrumentation shall be as described in the letter dated April 24, 1997. Post modification testing and confirmatory analyses shall be as described in the letter dated March 27, 1997. Future changes to the design described in these submittals may be made in accordance with the provisions of 10 CFR 50.59. Further, the administrative controls associated with CFCU operability and containment integrity described in the letters dated March 27, and April 24, 1997 shall not be relaxed or changed without prior staff review until such time as the license has been amended to include the administrative controls as technical specification requirements.</p>	The amendment shall be implemented prior to entry into Mode 3 from the current outage for Salem, Unit 1.
198	The licensee shall perform an evaluation of the containment liner anchorage by November 30, 1997, for the loading induced on the containment liner during a Main Steam Line Break event to confirm the assumptions provided in the Preliminary Safety Analysis Report and Updated Final Safety Analysis Report.	The amendment shall be implemented within 30 days from July 17, 1997.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

PSEG NUCLEAR LLC
PHILADELPHIA ELECTRIC COMPANY
DELMARVA POWER AND LIGHT COMPANY
ATLANTIC CITY ELECTRIC COMPANY

DOCKET NO. 50-311

SALEM NUCLEAR GENERATING STATION, UNIT NO. 2

FACILITY OPERATING LICENSE

License No. DPR-75

1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application for license filed by Public Service Electric and Gas Company for itself and the Philadelphia Electric Company, Delmarva Power and Light Company and Atlantic City Electric Company (hereinafter referred to as the licensees) complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Salem Nuclear Generating Station, Unit No. 2 (facility) has been substantially completed in conformity with Construction Permit No. CPPR-53 and the application, as amended, the provisions of the Act and the regulations of the Commission;
 - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission;
 - D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I;
 - E. PSEG Nuclear LLC is technically qualified to engage in the activities authorized by this operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;

- F. The licensees are financially qualified to engage in the activities authorized by this license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
 - G. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
 - H. The issuance of this operating license will not be inimical to the common defense and security or to the health and safety of the public;
 - I. After weighing the environmental, economic, technical and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of Facility Operating License No. DPR-75 subject to the conditions for protection of the environment set forth herein is in accordance with 10 CFR Part 50 Appendix D of the Commission's regulations and all applicable requirements have been satisfied; and
 - J. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40 and 70.
2. Pursuant to approval by the Nuclear Regulatory Commission at meetings on January 14, 1981, April 28, 1981, and May 19, 1981, the License for Fuel-Loading and Low-Power Testing issued on April 18, 1980 is superseded by Facility Operating License No. DPR-75 hereby issued to PSEG Nuclear LLC, Philadelphia Electric Company, Delmarva Power and Light Company and Atlantic City Electric Company (licensees) to read as follows:
- A. This license applies to the Salem Nuclear Generating Station, Unit No. 2, a pressurized water nuclear reactor and associated equipment (the facility), owned by the licensees. The facility is located on the southern end of Artificial Island on the east bank of the Delaware River in Lower Alloways Creek Township in Salem County, New Jersey and is described in the Final Safety Analysis Report as supplemented and amended and the Environmental Report as supplemented and amended.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) PSEG Nuclear LLC, Philadelphia Electric Company, Delmarva Power and Light Company and Atlantic City Electric Company to possess the facility at the designated location in Salem County, New Jersey, in accordance with the procedures and limitations set forth in the license;

- (2) PSEG Nuclear LLC, pursuant to Section 104b of the Act and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," to possess, use and operate the facility at the designated location in Salem County, New Jersey, in accordance with the limitations set forth in this license;
 - (3) PSEG Nuclear LLC, pursuant to the Act and 10 CFR Part 70, to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report, as supplemented and amended;
 - (4) PSEG Nuclear LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration and as fission detectors in amounts as required;
 - (5) PSEG Nuclear LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
 - (6) PSEG Nuclear LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.
- C. This license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:
- (1) Maximum Power Level

PSEG Nuclear LLC is authorized to operate the facility at steady state reactor core power levels not in excess of 3411 megawatts (thermal).

- (d) Complete and auditable records must be available and maintained at a central location which describe the environmental qualification method used for all safety-related electrical equipment in sufficient detail to document the degree of compliance with the DOR Guidelines or NUREG-0588. Such records should be updated and maintained current as equipment is replaced, further tested, or otherwise further qualified to document complete compliance by June 30, 1982.
- (e) Within 90 days of receipt of the equipment qualification safety evaluation, the licensee shall either (i) provide missing documentation identified in Sections 3 and 4 of the equipment qualification safety evaluation which will demonstrate compliance of the applicable equipment with NUREG-0588, or (ii) commit to corrective actions which will result in documentation of compliance of applicable equipment with NUREG-0588 no later than June 30, 1982.

(10) Fire Protection

PSEG Nuclear LLC shall implement and maintain in effect all provisions of the approved fire protection program as described in the Updated Final Safety Analysis Report, and as approved in the NRC Safety Evaluation Report dated November 20, 1979, and in its supplements, subject to the following provision:

PSEG Nuclear LLC may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

(n) Revised Small-Break Loss-of-Coolant-Accident Methods
(Section 22.3, II.K.3.30)

PSE&G shall comply with the requirements of this position as specified in NUREG-0737, "Clarification of TMI Action Plan Requirements."

(o) Compliance With 10 CFR Part 50.46 (Section 22.3, II.K.3.31)

PSE&G shall perform plant-specific calculations using NRC-approved models for small-break loss-of-coolant accidents (LOCAs) to show compliance with 10 CFR Part 50.46. PSE&G shall submit these calculations by January 1, 1983, or one year after NRC approval of LOCA analysis models, whichever is later, only if model changes have been made.

(p) Emergency Support Facilities (Section 22.3, III.A.1.2)

PSE&G shall maintain in effect an interim Technical Support Center and an interim Emergency Operations Facility until such time as the final facilities are complete.

(26) Additional Conditions

The Additional Conditions contained in Appendix C, as revised through Amendment No. , are hereby incorporated into this license. PSEG Nuclear LLC shall operate the facility in accordance with the Additional Conditions.

(27) PSE&G to PSEG Nuclear LLC License Transfer Conditions

- a. PSEG Nuclear LLC shall take all necessary steps to ensure that the decommissioning trust is maintained in accordance with the application, the requirements of the Order Approving Transfer of License and Conforming Amendment, dated , and the related Safety Evaluation dated
- b. The decommissioning trust agreement shall provide that:
 - 1) The use of assets in both the qualified and non-qualified funds shall be limited to expenses related to decommissioning of the unit as defined by the NRC in its regulations and issuances, and as provided in the unit's license and any amendments thereto. However, upon completion of decommissioning, as defined above, the assets may be used for any purpose authorized by law.

- 2) Investments in the securities or other obligations of PSE&G or affiliates thereof, or their successors or assigns, shall be prohibited. In addition, except for investments tied to market indexes or other non-nuclear sector mutual funds, investments in any entity owning one or more nuclear power plants shall be prohibited.
 - 3) No disbursements or payments from the trust shall be made by the trustee until the trustee has first given the NRC 30 days notice of the payment. In addition, no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the Director, Office of Nuclear Reactor Regulation.
 - 4) The trust agreement shall not be modified in any material respect without prior written notification to the Director, Office of Nuclear Reactor Regulation.
 - 5) The trustee, investment advisor, or anyone else directing the investments made in the trust shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(3) of the Federal Energy Regulatory Commission's regulations.
- c. PSEG Nuclear LLC shall not take any action that would cause PSEG Power LLC or its parent companies to void, cancel, or diminish the commitment to fund an extended plant shutdown as represented in the application for approval of the transfer of this license from PSE&G to PSEG Nuclear LLC.

- D. An exemption from certain requirements of Appendix J to 10 CFR Part 50 is described in the Office of Nuclear Reactor Regulation's Safety Evaluation Report, Supplement No. 4. This exemption was authorized by law and will not endanger life or property or the common defense and security and is otherwise in the public interest. The exemption, therefore, remains in effect. The granting of the exemption was authorized with the issuance of the License for Fuel-Loading and Low-Power Testing, dated April 18, 1980. The facility will operate, to the extent authorized herein, in conformity with the application as amended, the provisions of the Act, and the regulations of the Commission.
- E. The licensees shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54 (p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Salem Nuclear Generating Station Physical Security Plan," with revisions submitted through September 4, 1987; "Salem Nuclear Generating Station Guard Training and Qualification Plan," with revisions submitted through September 4, 1987; and "Salem Nuclear Generating Station Safeguards Contingency Plan," with revisions submitted through December 2, 1986. Changes made in accordance with 10 CFR 73.55 shall be implemented in accordance with the schedule set forth therein.
- F. A temporary exemption from General Design Criterion 57 found in Appendix A to 10 CFR Part 50 is described in the Office of Nuclear Reactor Regulation's Safety Evaluation Report, Supplement No. 5, Section 6.2.3.1. This exemption is authorized by law and will not endanger life or property or the common defense and security and is otherwise in the public interest. The exemption, therefore, is hereby granted and shall remain in effect through the first refueling outage as discussed in Section 6.2.3.1 of Supplement 5 to the Safety Evaluation Report. The granting of the exemption is authorized with the issuance of the Facility Operating License, dated May 20, 1981. The facility will operate, to the extent authorized herein, in conformity with the application as amended, the provisions of the Act, and the regulations of the Commission.
- G. This license is subject to the following additional condition for the protection of the environment:

Before engaging in additional construction or operational activities which may result in an environmental impact that was not evaluated by the Commission, PSEG Nuclear LLC shall prepare and record an environmental evaluation of such activity. When the evaluation indicates that such activity may result in a significant adverse environmental impact that was not evaluated, or that is significantly greater than that evaluated in the Final Environmental Statement or any addendum thereto, PSEG Nuclear LLC shall provide a written evaluation of such activities and obtain prior approval from the Director of Nuclear Reactor Regulation.

- H. If PSEG Nuclear LLC plans to remove or to make significant changes in the normal operation of equipment that controls the amount of radioactivity in effluents from the Salem Nuclear Generating Station, the NRC shall be notified in writing regardless of whether the change affects the amount of radioactivity in effluents.
- I. PSEG Nuclear LLC shall report any violations of the requirements contained in Section 2, Items C.(3) through C.(25), E., F., and G of this license within 24 hours by telephone and confirmed by telegram, mailgram, or facsimile transmission to the Director of the Regional Office, or his designee, no later than the first working day following the violation, with a written-followup report within 14 days.
- J. The licensees shall immediately notify the Commission of any accident at this facility which could result in an unplanned release of quantities of fission products in excess of allowable limits for normal operation established by the Commission.
- K. The licensees shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended to cover public liability claims.
- L. The licensee is authorized to defer certain eighteen-month surveillance items from the dates required by Technical Specifications 4.0.2(a) and 4.7.10.2(c). These surveillances shall be completed prior to startup following the first refueling outage. The provisions of Technical Specifications 4.0.2(b) and 4.7.10.2(c) are not changed. The affected items are identified in the Safety Evaluation accompanying Amendment No. 14 issued October 22, 1982 and this license change.
- M. This license is effective as of the date of the issuance and shall expire at midnight April 18, 2020.

N. Relocated Technical Specifications

PSEG Nuclear LLC shall relocate certain technical specification requirements to licensee-controlled documents as described below. The location of these requirements shall be retained by the licensee.

- a. This license condition approves the relocation of certain technical specification requirements to licensee-controlled documents (UFSAR), as described in the licensee's applications with the staff's safety evaluation approval and Amendment No. as noted below:

<u>Licensee's Application</u>	<u>Safety Evaluations</u>	<u>Amendment Nos.</u>
September 25, 1996	January 30, 1997	172

Implementation shall include the relocation of technical specifications requirements to the appropriate licensee-controlled document as identified in the licensee's application.

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed by Edson G. Case

Edson G. Case, Acting Director
Office of Nuclear Reactor Regulation

Attachment:
Appendices A & B

Date of Issuance: May 20, 1981

DEFINITIONS

- b. Leakage into the containment atmosphere from sources that are both specifically located and known either not to interfere with the operation of leakage detection systems or not to be PRESSURE BOUNDARY LEAKAGE, or
- c. Reactor coolant system leakage through a steam generator to the secondary system.

MEMBER(S) OF THE PUBLIC

1.16 MEMBER(S) OF THE PUBLIC shall be all those persons who are not occupationally associated with the plant. This category does not include employees of PSEG Nuclear LLC, its contractors, or vendors. Also excluded from this category are persons who enter the site to service equipment or to make deliveries. This category does include persons who use portions of the site for recreational, occupational, or other purposes not associated with the plant.

OFFSITE DOSE CALCULATION MANUAL (ODCM)

1.17 The OFFSITE DOSE CALCULATION MANUAL shall be that manual which contains the current methodology and parameters used in the calculation of offsite doses due to radioactive gaseous and liquid effluents, in the calculation of gaseous and liquid effluent monitoring alarm/trip setpoints, and in the conduct of the environmental radiological monitoring program.

OPERABLE - OPERABILITY

1.18 A system, subsystem, train, component or device shall be OPERABLE or have OPERABILITY when it is capable of performing its specified function(s), and when all necessary attendant instrumentation, controls, a normal and an emergency electrical power source, cooling or seal water, lubrication or other auxiliary equipment that are required for the system, subsystem, train, component or device to perform its function(s) are also capable of performing their related support function(s).

OPERATIONAL MODE - MODE

1.19 An OPERATIONAL MODE (ie., MODE) shall correspond to any one inclusive combination of core reactivity condition, power level and average reactor coolant temperature specified in Table 1.1.

APPENDIX B

TO

FACILITY OPERATING LICENSE NO. DPR-70
SALEM GENERATING STATION UNIT 1
DOCKET NO. 50-272

AND

FACILITY OPERATING LICENSE NO. DPR-75
SALEM GENERATING STATION UNIT 2
DOCKET NO. 50-311

PSEG NUCLEAR LLC

ENVIRONMENTAL PROTECTION PLAN

(NONRADIOLOGICAL)

4.0 Environmental Conditions

4.1 Unusual or Important Environmental Events

Any occurrence of an unusual or important event that indicates or could result in significant environmental impact causally related to plant operation shall be recorded and reported to the NRC within 24 hours followed by a written report per Subsection 5.4.2. The following are examples: excessive bird impaction events; onsite plant or animal disease outbreaks; mortality or unusual occurrence of any species protected by the Endangered Species Act of 1973; fish kills or impingement events on the intake screens; increase in nuisance organisms or conditions; unanticipated or emergency discharge of waste water or chemical substances.

No routine monitoring programs are required to implement this condition.

4.2 Environmental Monitoring

4.2.1 Aquatic Monitoring

The certifications and permits required under the Clean Water Act provide mechanisms for protecting water quality and, indirectly, aquatic biota. The Nuclear Regulatory Commission (NRC) will rely on the decisions made by the State of New Jersey under the authority of the Clean Water Act and, in the case of sea turtles and shortnose sturgeon, decisions made by the National Marine Fisheries Service (NMFS) under the authority of the Endangered Species Act, for any requirements pertaining to aquatic monitoring.

In accordance with Section 7(a) of the Endangered Species Act, on May 14, 1993, the National Marine Fisheries Service issued a Section 7 Consultation Biological Opinion related to the operation of Salem Unit 1 and 2 Generating Stations. This Section 7 Consultation entitled, "Reinitiation of a consultation in accordance with Section 7(a) of the Endangered Species Act regarding continued operation of the Salem and Hope Creek Nuclear Generating Stations on the eastern shore of the Delaware River in New Jersey," concluded that "...continued operation is not likely to jeopardize the continued existence of listed species."

PSEG Nuclear LLC shall adhere to the specific requirements within the Incidental Take Statement, to the Biological Opinion. Changes to the incidental take statement must be proceeded by consultation between the NRC, as the authorizing agency, and NMFS.

The Conservation Recommendations, to the Biological Opinion suggests conservation recommendations for implementation by Salem Generating Station. The Station shall implement these recommendations to the satisfaction of the NRC and National Marine Fisheries Service.

APPENDIX C

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-75

PSEG Nuclear LLC, Philadelphia Electric Company, Delmarva Power and Light Company, and Atlantic City Electric Company shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
175	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated January 11, 1996, as supplemented by letters dated February 26, May 22, June 27, July 12, December 23, 1996, and March 17, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from March 21, 1997.
177	The licensee is authorized to upgrade the initiation circuitry for the power operated relief valves, as described in the licensee's application dated January 31, 1997, as supplemented by letters dated March 14, April 8, and April 28, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented prior to entry into Mode 3 from the current outage for Salem, Unit 2.
179	<p>Containment Fan Cooler Units</p> <p>All modifications made in support of the amendment request concerning Containment Fan Cooler Unit (CFCU) response time dated October 25, 1996, as described in the letters supplementing the amendment request dated December 11, 1996, January 28, March 27, April 24, June 3, and June 12, 1997, shall be in conformance with the existing design basis for Salem Unit 2, and programmatic controls for tank monitoring instrumentation shall be as described in the letter dated April 24, 1997. Post modification testing and confirmatory analyses shall be as described in the letter dated March 27, 1997. Future changes to the design described in these submittals may be made in accordance with the provisions of 10 CFR 50.59. Further, the administrative controls associated with CFCU operability and containment integrity described in the letters dated March 27 and April 24, 1997, shall not be relaxed or changed without prior staff review until such time as the license has been amended to include the administrative controls as technical specification requirements.</p>	The amendment shall be implemented prior to entry into Mode 3 from the current outage for Salem, Unit 2.
181	The licensee shall perform an evaluation of the containment liner anchorage by November 30, 1997, for the loading induced on the containment liner during a Main Steam Line Break event to confirm the assumptions provided in the Preliminary Safety Analysis Report and Updated Final Safety Analysis Report.	The amendment shall be implemented within 30 days from July 17, 1997.