February 2, 1, i

Mr. William T. Cottle
Group Vice-President, Nuclear
Houston Lighting & Power Company
South Texas Project Electric
Generating Station
P. O. Box 289
Wadsworth, TX 77483

SUBJECT: NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENTS - SOUTH TEXAS

PROJECT, UNITS 1 AND 2 (TAC NOS. M92169 AND M92170)

Dear Mr. Cottle:

The Commission has requested the Office of the Federal Register to publish the enclosed "Notice of Consideration of Issuance of Amendments to Facility Operating Licenses, Proposed No Significant Hazards Consideration Determination, and Opportunity for a Hearing." This notice relates to your application for amendments dated May 1, 1995, (published in the Federal Register on June 6, 1995 [60 FR 29876], which requested a special test exception that would allow an extension of the standby diesel generator (SDG) allowed outage time for a cumulative 21 days on each SDG once per fuel cycle, and it would also allow an extension of the essential cooling water (ECW) loop allowed outage time for a cumulative 7 days on each ECW loop once per fuel cycle. These extended allowed outage times will be used to perform required inspections and maintenance on the SDGs and the ECW system during power operation. That application was supplemented by letters dated June 22, August 28, November 22, December 19, 1995, January 4, January 8 (two letters), and January 23, 1996.

Sincerely,
Original signed by
George Kalman, Project Manager
Project Directorate IV-1
Division of Reactor Projects III/IV
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

Enclosure: Notice

cc w/encl: See next page

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UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

February 2, 1996

Mr. William T. Cottle
Group Vice President, Nuclear
Houston Lighting & Power Company
South Texas Project Electric
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P. O. Box 289
Wadsworth, TX 77483

SUBJECT: NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENTS - SOUTH TEXAS

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Sincerely,

George Kalman, Project Manager

Project Directorate IV-1

Division of Reactor Projects III/IV Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

Enclosure: Notice

cc w/encl: See next page

Mr. William T. Cottle Houston Lighting & Power Company

cc:

Mr. David P. Loveless Senior Resident Inspector U.S. Nuclear Regulatory Commission P. O. Box 910 Bay City, TX 77414

Mr. J. C. Lanier/M. B. Lee City of Austin Electric Utility Department 721 Barton Springs Road Austin, TX 78704

Mr. K. J. Fiedler Mr. M. T. Hardt Central Public Service Board P. O. Box 1771 San Antonio, TX 78296

Mr. G. E. Vaughn/C. A. Johnson Central Power and Light Company P. O. Box 289 Mail Code: N5012 Wadsworth, TX 74483

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Regional Administrator, Region IV U.S. Nuclear Regulatory Commission 611 Ryan Plaza Drive, Suite 1000 Arlington, TX 76011

Mr. Joseph M. Hendrie 50 Bellport Lane Bellport, NY 11713

Judge, Matagorda County Matagorda County Courthouse 1700 Seventh Street Bay City, TX 77414

Mr. Lawrence E. Martin General Manager, Nuclear Assurance Licensing Houston Lighting and Power Company P. O. Box 289 Wadsworth, TX 77483

South Texas, Units 1 & 2

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Licensing Representative .
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Bethesda, MD 20814

Rufus S. Scott Associate General Counsel Houston Lighting and Power Company P. O. Box 61867 Houston, TX 77208

Joseph R. Egan, Esq. Egan & Associates, P.C. 2300 N Street, N.W. Washington, DC 20037

Office of the Governor
ATTN: Andy Barrett, Director
Environmental Policy
P. O. Box 12428
Austin, TX 78711

Arthur C. Tate, Director Division of Compliance & Inspection Bureau of Radiation Control Texas Department of Health 1100 West 49th Street Austin, TX 78756

J. W. Beck Little Harbor Consultants, Inc. 44 Nichols Road Cohasset, MA 02025-1166

UNITED STATES NUCLEAR REGULATORY COMMISSION HOUSTON LIGHTING AND POWER COMPANY CITY PUBLIC SERVICE BOARD OF SAN ANTONIO CENTRAL POWER AND LIGHT COMPANY CITY OF AUSTIN, TEXAS

DOCKET NOS. 50-498 AND 50-499

NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENTS TO

FACILITY OPERATING LICENSES, 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-76 and NPF-80, issued to Houston Lighting & Power Company, et. al., (the licensee) for operation of the South Texas Project, located in Matagorda County, Texas. The original application dated May 1, 1995, was previously published in the FEDERAL REGISTER on June 6, 1995 (60 FR 29876). That application was supplemented by letters dated June 22, August 28, November 22, December 19, 1995, January 4, January 8 (two letters), and January 23, 1996.

The proposed amendment would provide a special test exception that would allow an extension of the standby diesel generator (SDG) allowed outage time for a cumulative 21 days on each SDG once per fuel cycle, and it would also allow an extension of the essential cooling water (ECW) loop allowed outage time for a cumulative 7 days on each ECW loop once per fuel cycle. These extended allowed outage times will be used to perform required inspections and maintenance on the SDGs and the ECW system during power operation.

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 10 CFR 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. The proposed change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

The Standby Diesel Generators are not accident initiators, therefore the increase in Allowed Outage Times for this system does not increase the probability of an accident previously evaluated. The three train design of the South Texas Project ensures that even during the seven days the Essential Cooling Water loop is inoperable there are still two complete trains available to mitigate the consequences of any accident. If the Essential Cooling Water loop is not inoperable during the 21 days the Standby Diesel Generator is inoperable, the Standby Diesel Generator's Engineered Safety Features bus and equipment in the train will be operable. This ensures that all three redundant safety trains of the South Texas Project design are operable. In addition the Emergency Transformer will be available to supply the Engineered Safety Features bus normally supplied by the inoperable Standby Diesel Generator. These actions will ensure that the changes do not involve a significant increase in the consequences of previously evaluated accidents.

 The proposed change does not create the possibility of a new or different kind of accident from any accident previously evaluated. The proposed changes affect only the magnitude of the Standby Diesel Generator and Essential Cooling Water Allowed Outage Times once per fuel cycle as identified by the marked-up Technical Specification. As indicated above, the proposed change does not involve the alteration of any equipment nor does it allow modes of operation beyond those currently allowed. Therefore, implementation of these proposed changes does not create the possibility of a new or different kind of accident from any accident previously evaluated.

3. The proposed change does not involve a significant reduction in a margin of safety.

The proposed changes result in no significant increase in core damage or large early release frequencies.

Three sets of PSA [probabilistic safety assessment] results have been presented to the NRC for the South Texas Project. One submitted in 1989 from the initial Level 1 PSA of internal and external events with a mean annual average CDF [core damage frequency] estimate of 1.7 x 10(-4), a second one submitted in 1992 to meet the IPE requirements from the Level 2 PSA/IPE with a CDF estimate of 4.4 \times 10(-5), and an update of the PSA that was reported in the August 1993 Technical Specifications submittal with a variety of CDF estimates for different assumptions regarding the rolling maintenance profile and different combinations of modified Technical Specifications. The South Texas Project PSA was updated in March of 1995 to include the NRC approved Risk-Based Technical Specifications, Plant Specific Data and incorporate the Emergency Transformer into the model. This update resulted in a CDF estimate of 2.07 x 10(-5). When the requested changes are modeled along with the compensatory actions, the resulting CDF estimate is $2.30 \times 10(-5)$. While this is slightly higher (approx. 11%) than the updated results, it is still significantly lower (approx. 46%) than the previous Risk-Based Evaluation of Technical Specification submitted in 1993. Therefore, it is concluded that there is no significant reduction in the margin of safety.

Based on the above evaluation, Houston Lighting & Power has concluded that these changes do not involve any significant hazards considerations.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice period such that failure to act in a timely way would result, for example, in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves mo significant hazards consideration. The final determination will consider all public and State comments received. Should the Commission take this action, it will publish in the FEDERAL REGISTER a notice of issuance and provide for opportunity for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Rules Review and Directives Branch, Division of Freedom of Information and Publications Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and should cite the publication date and page number of this FEDERAL REGISTER notice. Written comments may also be delivered to Room 6D22, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. Federal workdays. Copies of written comments received may be examined at the NRC Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC.

The filing of requests for hearing and petitions for leave to intervene is discussed below.

By March 11, 1996, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for a hearing and a petition for leave to intervene. Requests for a hearing and a petition for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. Interested persons should consult a current copy of 10 CFR 2.714 which is available at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Wharton County Junior College, J. M. Hodges Learning Center, 911 Boling Highway, Wharton, Texas 77488. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition; and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) the nature

of the petitioner's right under the Act to be made party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the Board up to 15 days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than 15 days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter. Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner shall provide a brief explanation of the bases of the contention and a concise statement of the alleged facts or expert opinion which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner must also provide references to those specific sources and documents of which the petitioner is aware and on which the petitioner intends to rely to establish those facts or expert opinion. Petitioner must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would

entitle the petitioner to relief. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Attention: Docketing and Services Branch, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, by the above date. Where petitions are filed during the last 10 days of the notice period, it is requested that the petitioner promptly so inform the Commission by a toll-free

telephone call to Western Union at 1-(800) 248-5100 (in Missouri 1-(800) 342-6700). The Western Union operator should be given Datagram Identification Number N1023 and the following message addressed to William D. Beckner, Director, Project Directorate IV-1: petitioner's name and telephone number, date petition was mailed, plant name, and publication date and page number of this FEDERAL REGISTER notice. A copy of the petition should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and to Jack R. Newman, Esq., Newman & Holtzinger, P.C., 1615 L Street, N.W., Washington, D.C. 20036, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment dated May 1, 1995, as supplemented by letters dated June 22, August 28, November 22, December 19, 1995, January 4, January 8 (two letters), and January 23, 1996, which are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the

Wharton County Junior College, J. M. Hodges Learning Center, 911 Boling Highway, Wharton, Texas 77488.

Dated at Rockville, Maryland, this 2nd day of February 1996.

FOR THE NUCLEAR REGULATORY COMMISSION

George Kalman, Project Manager Project Directorate IV-1 Division of Reactor Projects III/IV Office of Nuclear Reactor Regulation