

June 18, 2002

Mr. Mano Nazar
Site Vice President
Prairie Island Nuclear Generating Plant
Nuclear Management Company, LLC
1717 Wakonade Drive East
Welch, MN 55089

SUBJECT: PRAIRIE ISLAND NUCLEAR GENERATING PLANT, UNITS 1 AND 2 - NOTICE
OF CONSIDERATION OF ISSUANCE OF AMENDMENTS TO FACILITY
OPERATING LICENSES AND OPPORTUNITY FOR A HEARING
(TAC NOS. MB0695 AND MB0696)

Dear Mr. Nazar:

Enclosed is a copy of a "Notice of Consideration of Issuance of Amendments to Facility Operating Licenses and Opportunity for a Hearing" for your information. This notice relates to your application for amendments dated December 11, 2000, as supplemented by letters dated March 6, June 5, July 3, August 13, August 29, October 15, November 12, and December 12, 2001, and January 25, January 31, February 14, February 15, February 16, March 6, April 11, May 10, May 30, and June 7, 2002, in which you proposed to convert the current Technical Specifications for Prairie Island Nuclear Generating Plant, Units 1 and 2, to a set of improved Technical Specifications based on NUREG-1431, "Standard Technical Specifications for Westinghouse Plants," Revision 1, dated April 1995.

This notice has been forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Tae Kim, Senior Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-282 and 50-306

Enclosure: Notice

cc w/encl: See next page

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Prairie Island Nuclear Generating Plant,
Units 1 and 2

cc:

J. E. Silberg, Esquire
Shaw, Pittman, Potts and Trowbridge
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Washington, DC 20037

Site Licensing Manager
Prairie Island Nuclear Generating Plant
Nuclear Management Company, LLC
1717 Wakonade Drive East
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Office of the Attorney General
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St. Paul, MN 55101-2127

U.S. Nuclear Regulatory Commission
Resident Inspector's Office
1719 Wakonade Drive East
Welch, MN 55089-9642

Regional Administrator, Region III
U.S. Nuclear Regulatory Commission
801 Warrenville Road
Lisle, IL 60532-4351

Administrator
Goodhue County Courthouse
Box 408
Red Wing, MN 55066-0408

Commissioner
Minnesota Department of Commerce
121 Seventh Place East
Suite 200
St. Paul, MN 55101-2145

Tribal Council
Prairie Island Indian Community
ATTN: Environmental Department
5636 Sturgeon Lake Road
Welch, MN 55089

Mr. Roy A. Anderson
Executive Vice President and
Chief Nuclear Officer
Nuclear Management Company, LLC
700 First Street
Hudson, WI 54016

Nuclear Asset Manager
Xcel Energy, Inc.
414 Nicollet Mall
Minneapolis, MN 55401

March 2002

UNITED STATES NUCLEAR REGULATORY COMMISSIONNUCLEAR MANAGEMENT COMPANY, LLCDOCKET NOS. 50-282 AND 50-306NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENTS TO
FACILITY OPERATING LICENSES AND OPPORTUNITY FOR A HEARING

The U.S. Nuclear Regulatory Commission (NRC or the Commission) is considering issuance of amendments to Facility Operating License Nos. DPR-42 and DPR-60, issued to the Nuclear Management Company, LLC (the licensee), for operation of the Prairie Island Nuclear Generating Plant, Units 1 and 2, located in Goodhue County, Minnesota.

The proposed amendments would be a full conversion from the current Technical Specifications (CTS) to a set of Improved Technical Specifications (ITS) based on NUREG-1431, "Standard Technical Specifications (STS) for Westinghouse Plants," Revision 1, dated April 1995. The STS have been developed by the Commission's staff through working groups composed of both NRC staff members and industry representatives. The STS have been endorsed by the NRC staff as part of an industry-wide initiative to standardize and improve the Technical Specifications (TSs) for nuclear power plants. As part of the proposed amendments, the licensee has applied the criteria contained in the Commission's "Final Policy Statement on Technical Specification Improvements for Nuclear Power Reactors (Final Policy Statement)," published in the FEDERAL REGISTER on July 22, 1993 (58 FR 39132), to the CTS and, using NUREG-1431 as a basis, proposed ITS for Prairie Island, Units 1 and 2. The criteria in the Final Policy Statement were subsequently added to 10 CFR 50.36, "Technical Specifications," in a rule change that was published in the FEDERAL REGISTER on July 19, 1995 (60 FR 36953). The rule change became effective on August 18, 1995.

ENCLOSURE

The licensee has categorized the proposed changes to the CTS into five general groupings. These groupings are characterized as administrative changes, more restrictive changes, less restrictive changes, less restrictive relocated details, and relocated specifications.

Administrative changes include those changes that are editorial in nature or involve the reorganization or reformatting of CTS requirements without affecting technical content or operational restrictions.

More restrictive changes include those changes that result in added restrictions or reduced flexibility. The licensee, in electing to implement the specifications of the STS, proposed a number of requirements more restrictive than those in the CTS. The ITS requirements in this category include requirements that are either new, more conservative than corresponding requirements in the CTS, or have additional restrictions that are not in the CTS but are in the STS.

Less restrictive changes include deletions and relaxations to portions of the CTS in order to conform to the guidance of NUREG-1431, which would result in reduced restrictions or added flexibility. When requirements have been shown to provide little or no safety benefit, their relaxation or removal from the TSs may be appropriate. In most cases, relaxations previously granted to individual plants on a plant-specific basis were the result of (1) generic NRC actions, (2) new staff positions that have evolved from technological advancements and operating experience, or (3) resolution of the Owner's Groups' comments on STS.

Less restrictive relocated details include those changes to the CTS that eliminate details and relocate the details to licensee-controlled documents. Typically, this involves details of system designs, system descriptions including design limits, descriptions of system or plant operation, procedural details for meeting TS requirements and relocated reporting requirements, and redundant requirement references.

Relocated specifications include those changes to the CTS that relocate certain requirements which do not meet the 10 CFR 50.36 selection criteria. These requirements may be relocated to the Bases, Updated Safety Analysis Report, Core Operating Limits Report (COLR), Operational Quality Assurance Plan, plant procedures, or other licensee-controlled documents. Relocating requirements to licensee-controlled documents does not eliminate the requirements, but rather, places the requirements under more appropriate regulatory controls (i.e., 10 CFR 50.54(a)(3), and 10 CFR 50.59) to manage their implementation and future changes.

In addition to the proposed changes solely involving the conversion, there are also changes proposed that are (1) different from the requirements in both the CTS and the STS and (2) in addition to those changes that are needed to meet the overall purpose of the conversion. These changes are referred to as beyond-scope changes and include:

1. Extension of the certain surveillance interval from 18 months to 24 months to support the proposed refueling cycle of 24 months;
2. Extension of the allowed outage time for the emergency core cooling system accumulators from 1 to 24 hours;
3. Missed surveillance consolidated line item improvement to extend the delay period for a missed surveillance requirement from the current limit of 24 hours to "...up to 24 hours or up to the limit of the specified Frequency, whichever is greater;"
4. Revision to the ventilation filter testing program to incorporate the guidance provided in NRC Generic Letter 99-02, "Laboratory Testing of Nuclear-Grade Activated Charcoal," dated June 3, 1999;
5. A new methodology (to be incorporated by reference into ITS Section 5.0) that describes the method by which the shutdown margin limit during physics testing is established for inclusion within the COLR;

6. A new methodology (to be incorporated by reference to ITS Section 5.0) that describes the method by which a factor, F_Q^A , (in support of ITS 3.2.1, Heat Flux Channel Factor) is to be determined; and
7. Plant-specific instrument setpoint methodology in support of new instrument allowable values and trip setpoints in the ITS.

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.

By July 25, 2002, 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 2.714,¹ which is available at the Commission's Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland, or electronically on the Internet at the NRC Web site <http://www.nrc.gov/reading-rm/doc-collections/cfr>. If there are problems in accessing the

¹ "The most recent version of Title 10 of the Code of Federal Regulations, published January 1, 2002, inadvertently omitted the last sentence of 10 CFR 2.741(d) and subparagraphs (d)(1) and (2), regarding petitions to intervene and contentions. Those provisions are extant and still applicable to petitions to intervene. Those provisions are as follows: "In all other circumstances, such ruling body or officer shall, in ruling on--

- (1) A petition for leave to intervene or a request for hearing, consider the following factors, among other things:
 - (i) The nature of the petitioner's right under the Act to be made a party to the proceeding.
 - (ii) The nature and extent of the petitioner's property, financial, or other interest in the proceeding.
 - (iii) The possible effect of any order that may be entered in the proceeding on the petitioner's interest .
- (2) The admissibility of a contention, refuse to admit a contention if:
 - (i) The contention and supporting material fail to satisfy the requirements of paragraph (b)(2) of this section; or
 - (ii) The contention, if proven, would be of no consequence in the proceeding because it would not entitle petitioner to relief."

document, contact the PDR Reference staff at 1-800-397-4209, 301-415-4737, or by e-mail to pdr@nrc.gov. 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 must 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 a 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 that may be entered in the proceeding on the petitioner's interest. The petition must 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 that must include a list of the contentions that the petitioner seeks to have litigated in the hearing. 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 each contention and a concise statement of the alleged facts or expert opinion that 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. The 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 that, if proven, would entitle the petitioner to relief. A petitioner who fails to file such a supplement that 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.

A request for a hearing and petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications Staff, or may be delivered to the Commission's PDR, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland, by the above date. Because of continuing disruptions in delivery of mail to United States Government offices, it is requested that petitions for leave to intervene and requests for 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. A copy of the request for hearing and petition for leave to intervene should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555 0001, and because of continuing disruptions in delivery of mail to United States Government offices, it is requested that copies be transmitted either by means of facsimile transmission to 301-415-3725 or by e-mail to

OGCMailCenter@nrc.gov. A copy of the request for hearing and petition for leave to intervene should also be sent to Mr. Jay Silberg, Esquire, Shaw, Pittman, Potts, and Trowbridge, 2300 N Street, NW, Washington, DC 20037, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for a hearing will not be entertained absent a determination by the Commission, the presiding officer, or the 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).

If a request for a hearing is received, the Commission's staff may issue the amendment after it completes its technical review and prior to the completion of any required hearing if it publishes a further notice for public comment of its proposed finding of no significant hazards consideration in accordance with 10 CFR 50.91 and 50.92.

For further details with respect to this action, see the application for amendments dated December 11, 2000, as supplemented by letters dated March 6, June 5, July 3, August 13, August 29, October 15, November 12, and December 12, 2001, and January 25, January 31, February 14, February 15, February 16, March 6, April 11, May 10, May 30, and June 7, 2002, which is available for public inspection at the Commission's PDR, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management System's (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or

who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1-800-397-4209, 301-415-4737, or by e-mail to pdr@nrc.gov.

Dated at Rockville, Maryland, this 18th day of June, 2002.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Tae Kim, Senior Project Manager, Section I
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation