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Ref: 10CFR50.90

CPSES-200202811
Log # TXX-02088
File # 00236

July 25, 2002

U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555

**SUBJECT: COMANCHE PEAK STEAM ELECTRIC STATION (CPSES)
DOCKET NOS. 50-445 AND 50-446
LICENSE AMENDMENT REQUEST (LAR) 02-08
REVISION OF OPERATING LICENSE SECTION 2.C.(4)(b),
DELETION OF OPERATING LICENSE SECTION 2.E
AND REVISION TO TECHNICAL SPECIFICATION (TS) 5.5.9**

Gentlemen:

Pursuant to 10CFR50.90, TXU Generation Company LP (TXU Energy) hereby requests an amendment to the CPSES Unit 1 Operating License (NPF-87) and CPSES Unit 2 Operating License (NPF-89) by incorporating the attached change into the CPSES Unit 1 and 2 Operating Licenses and Technical Specifications. This change request applies to both units.

This license amendment request proposes changes to the CPSES Operating Licenses as follows: revise Section 2.C.(4)(b) to be consistent with the license conditions stated in NRC Order and Safety Evaluation issued December 21, 2001 which approved the direct transfer of ownership interest and operating authority for CPSES to TXU Generation Company LP; delete Section 2.E which requires reporting any violations of the requirements contained in Section 2.C of the licenses.

Additionally, this request proposes to revise Technical Specification Table 5.5-2 "Steam Generator Tube Inspection," Table 5.5-3, "Steam Generator Repaired Tube Inspection for Unit 1 Only," and Section 5.6.10, "Steam Generator Tube Inspection Report," to delete the requirement to notify the NRC pursuant to 10 CFR 50.72(b)(2) if the steam generator tube inspection results in a C-3 classification.

A member of the **STARS** (Strategic Teaming and Resource Sharing) Alliance

Callaway • Comanche Peak • Diablo Canyon • Palo Verde • South Texas Project • Wolf Creek

0209

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Attachment 1 provides a detailed description of the proposed changes, a safety analysis of the proposed changes, TXU Energy's determination that the proposed changes do not involve a significant hazard consideration, a regulatory analysis of the proposed changes and an environmental evaluation. Attachment 2 provides the affected pages from the Operating Licenses and Technical Specifications marked-up to reflect the proposed changes. Attachment 3 provides retyped Operating License and Technical Specifications pages which incorporate the requested changes.

TXU Energy requests approval of the proposed License Amendment by 6/1/03 to be implemented within 60 days of the issuance of the license amendment. The approval date was administratively selected to allow for NRC review but the plant does not require this amendment to allow continued safe full power operations.

In accordance with 10CFR50.91(b), TXU Energy is providing the State of Texas with a copy of this proposed amendment.

This communication contains no new or revised commitments.

Should you have any questions, please contact Bob Dacko at (254) 897-0122

I state under penalty of perjury that the foregoing is true and correct.

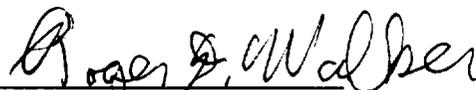
Executed on July 25, 2002

Sincerely,

TXU Generation Company LP

By: TXU Generation Management Company LLC
Its General Partner

C. L. Terry
Senior Vice President and Principal Nuclear Officer

By: 
Roger D. Walker
Regulatory Affairs Manager

BSD/dws

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- Attachments**
- 1. Description and Assessment**
 - 2. Markup of Operating Licenses and Technical Specifications pages**
 - 3. Retyped Operating Licenses and Technical Specifications pages**

**c - E. W. Merschoff, Region IV
W. D. Johnson, Region IV
D. H. Jaffe, NRR
Resident Inspectors, CPSES**

**Mr. Authur C. Tate
Bureau of Radiation Control
Texas Department of Public Health
1100 West 49th Street
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ATTACHMENT 1 to TXX-02088
DESCRIPTION AND ASSESSMENT

LICENSEE'S EVALUATION

- 1. DESCRIPTION**
- 2. PROPOSED CHANGE**
- 3. BACKGROUND**
- 4. TECHNICAL ANALYSIS**
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1.0 DESCRIPTION

- 1.1 By this letter, TXU Generation Company LP (TXU Energy) requests an amendment to the CPSES Unit 1 Operating License (NPF-87) and CPSES Unit 2 Operating License (NPF-89) by incorporating the attached changes into the CPSES Unit 1 and 2 Operating Licenses and Technical Specifications.

License Amendment Request (LAR)-02-08 proposes changes to the CPSES Operating Licenses as follows: revise Section 2.C.(4)(b) to be consistent with the license conditions stated in NRC Order and Safety Evaluation issued December 21, 2001 which approved the direct transfer of ownership interest and operating authority for CPSES to TXU Generation Company LP; delete Section 2.E which requires reporting any violations of the requirements contained in Section 2.C of the licenses.

Additionally, LAR-02-08 proposes to revise Technical Specification Table 5.5-2 "Steam Generator Tube Inspection," Table 5.5-3, "Steam Generator Repaired Tube Inspection for Unit 1 Only," and Section 5.6.10, "Steam Generator Tube Inspection Report," to delete the requirement to notify the NRC pursuant to 10 CFR 50.72(b)(2) if the steam generator tube inspection results in a C-3 classification.

- 1.2 No changes to the CPSES Final Safety Analysis Report are anticipated at this time as a result of this License Amendment Request.

2.0 PROPOSED CHANGE

The proposed change would revise Operating License Section 2.C.(4)(b), a license condition concerning the TXU Generation Company LP Decommissioning Master Trust Agreement, to be consistent with the same condition as stated in the NRC Order and Safety Evaluation issued December 21, 2001, which approved the direct transfer of ownership interest and operating authority for CPSES to TXU Generation Company LP.

The proposed change also would delete Section 2.E of the Operating License which requires reporting any violations of the requirements contained in Section 2.C of the license.

Additionally, Technical Specification Table 5.5-2 "Steam Generator Tube Inspection," Table 5.5-3, "Steam Generator Repaired Tube Inspection for Unit 1 Only," and Section 5.6.10, "Steam Generator Tube Inspection Report," would be revised to delete the requirement to notify the NRC pursuant to 10 CFR 50.72(b)(2) if the steam generator tube inspection results in a C-3 classification.

3.0 BACKGROUND

Operating License section 2.C.(4)(b), a license condition concerning the TXU Generation Company LP Decommissioning Master Trust Agreement, was incorporated into the CPSES Facility Operating Licenses in Amendment 90 (Reference 7.1) issued January 1, 2002.

Amendment 90 approved conforming amendments to the CPSES Operating Licenses with respect to the transfer of CPSES ownership interest and operating authority from TXU Electric Company (TXU Electric) to TXU Generation Company LP effective January 1, 2002. On December 21, 2001, the NRC issued an Order and related Safety Evaluation (Reference 7.2) approving the facility operating license transfers for CPSES. The December 21, 2001 Order (page 3, Section III Condition (2)(b)) and attached Safety Evaluation (Section 4.0) state the same license condition, albeit somewhat differently and correctly, as currently incorporated as CPSES Operating License condition 2.C(4)(b).

Operating License Section 2.E, provides for initial notification to be made within 24 hours with written follow-up within thirty days in accordance with the procedures described in 10 CFR 50.73 of any violations of requirements contained in Section 2.C of the Facility Operating Licenses. The Nuclear Regulatory Commission's requirements for immediate notification with written follow-up requirements (Licensee Event Reports) of events at operating nuclear power reactors are stated in 10 CFR 50.72 (Reference 7.3) and 10 CFR 50.73 (Reference 7.4). Thus, the requirements of Operating License Section 2.E are adequately governed by the requirements of 10 CFR 50.72 and 10 CFR 50.73.

Technical Specification Table 5.5-2 "Steam Generator Tube Inspection," Table 5.5-3, "Steam Generator Repaired Tube Inspection for Unit 1 Only," and Section 5.6.10, "Steam Generator Tube Inspection Report," require notification to the NRC pursuant to 10 CFR 50.72(b)(2) if the results of the steam generator tube inspections identify more than 10% of the total tubes inspected are degraded tubes or more than 1% of the inspected tubes are defective (Category C-3). On October 25, 2000, the NRC issued a final rule (Reference 7.5) that amended the event reporting requirements for nuclear power reactors to reduce or eliminate the unnecessary reporting burden associated with events of little or no safety significance. Prior to the final rule, 10 CFR 50.72(b)(2)(i) required a four hour report for any event found while the reactor is shutdown, that, had it been found while the reactor was in operation, would have resulted in the nuclear power plant, including its principle safety barriers, being seriously degraded or being in an unanalyzed condition that significantly compromises plant safety. The final rule revised section (b)(2) of the regulation to only apply to initiation of a plant shutdown required by the Technical Specifications. Under the final rule, 10 CFR 50.72(b)(3)(ii) specifies an eight hour reporting requirement for a principle safety barrier being significantly degraded or the plant being in an unanalyzed condition. NUREG-1022, Revision 2, "Event Reporting Guidelines 10 CFR 50.72 and 50.73," Section 3.2.4 identifies serious steam generator tube degradation as an example of a reportable event or condition under 10 CFR 50.72(b)(3)(ii).

4.0 TECHNICAL ANALYSIS

Revision of Operating License Section 2.C.(4)(b)

The revision of Operating License Section 2.C.(4)(b) is an administrative corrective action to be consistent with the wording of the same license condition as stated in the NRC Order (page 3, Section III Condition (2)(b)) and Safety Evaluation (Section 4.0) issued December 21, 2001 which approved the Facility Operating License transfers for CPSES from TXU Electric Company (TXU Electric) to TXU Generation Company LP effective January 1, 2002.

Deletion of Operating License Section 2.E

Operating License Section 2.C lists conditions regarding Maximum Power Level, Technical Specifications and Environmental Protection Plan, and requirements associated with License Transfers. Operating License Section 2.E requires that TXU Energy notify the NRC Operations Center via the Emergency Notification System of violations of the requirements in Section 2.C within 24 hours and with written followup within thirty days in accordance with the procedures described in 10 CFR 50.73. The requirements of Section 2.E of the license are adequately addressed by the reporting requirements identified in 10 CFR 50.72 and 10 CFR 50.73. As such, Operating License Section 2.E is not required.

Revision to Technical Specification Tables 5.5-2 and 5.5-3 and Section 5.6.10

Technical Specification Table 5.5-2 "Steam Generator Tube Inspection," Table 5.5-3, "Steam Generator Repaired Tube Inspection for Unit 1 Only," and Section 5.6.10, "Steam Generator Tube Inspection Report," require notification to the NRC pursuant to 10 CFR 50.72(b)(2) if the results of the steam generator tube inspection identify more than 10% of the total tubes inspected are degraded tubes or more than 1% of the inspected tubes are defective (Category C-3). On October 25, 2000, the NRC issued a final rule (Reference 7.5) that amended the event reporting requirements for nuclear power reactors to reduce or eliminate the unnecessary reporting burden associated with events of little or no safety significance. Prior to the final rule, 10 CFR 50.72(b)(2)(i) required a four hour report for any event found while the reactor is shutdown, that, had it been found while the reactor was in operation, would have resulted in the nuclear power plant, including its principle safety barriers, being seriously degraded or being in an unanalyzed condition that significantly compromises plant safety. The final rule revised section (b)(2) of the regulation to only apply to initiation of a plant shutdown required by the Technical Specifications. Under the final rule, 10 CFR 50.72(b)(3)(ii) specifies an eight hour reporting requirement for a principle safety barrier being significantly degraded or the plant being in an unanalyzed condition. NUREG-1022, Revision 2, "Event Reporting Guidelines 10 CFR 50.72 and 50.73," Section 3.2.4 identifies serious steam generator tube degradation as an example of a reportable event or condition under 10 CFR 50.72(b)(3)(ii). The current reporting requirement in Tables 5.5-2, Table 5.5-3 and Section 5.6.10 is incorrect based on the issuance of the final rule. Table 5.5-2, Table 5.5-3 and Section 5.6.10 are revised to delete the reporting requirement. Deletion of this requirement from the Technical Specifications does not change the requirement to report results

that satisfy the criteria of 10 CFR 50.72(b)(3). Additionally, Technical Specification 5.6.10c. still requires reporting the results of steam generator tube inspections, which fall into Category C-3, in a report within 30 days and prior to resumption of plant operation.

5.0 REGULATORY SAFETY ANALYSIS

5.1 No Significant Hazards Consideration

TXU Generation Company LP has evaluated whether or not a significant hazards consideration is involved with the proposed amendment(s) by focusing on the three standards set forth in 10CFR50.92, "Issuance of amendment," as discussed below:

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

Response: No

The requested change to revise Section 2.C.(4)(b) of the Operating Licenses is consistent with NRC Order and Safety Evaluation approved December 21, 2001 for Facility Operating Licenses NPF-87 and NPR-89. The requested change to delete Section 2.E of the Operating Licenses and the changes to revise Technical Specification Table 5.5-2, Table 5.5-3 and Section 5.6.10 are consistent with the changes recently implemented in 10 CFR 50.72 and 10 CFR 50.73.

This request involves administrative changes only. No actual plant equipment or accident analyses will be affected by the proposed changes. Therefore, the proposed changes do not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Do the proposed changes create the possibility of a new or different kind of accident from any accident previously evaluated?

Response: No

This request involves administrative changes only. No actual plant equipment or accident analyses will be affected by the proposed change and no failure modes not bounded by previously evaluated accidents will be created. Therefore, the proposed changes do not create a new or different kind of accident from any accident previously evaluated.

3. Do the proposed changes involve a significant reduction in a margin of safety?

Response: No

Margin of safety is associated with confidence in the ability of the fission product barriers (i.e., fuel and fuel cladding, Reactor Coolant System pressure boundary, and containment structure) to limit the level of radiation dose to the public. This request involves administrative changes only.

No actual plant equipment or accident analyses will be affected by the proposed change. Additionally, the proposed changes will not relax any criteria used to establish safety limits, will not relax any safety systems settings, or will not relax the bases for any limiting conditions of operation. Therefore, the proposed changes do not involve a significant reduction in the margin of safety.

Based on the above evaluations, TXU Generation Company LP concludes that the proposed amendment(s) present no significant hazards consideration under the standards set forth in 10CFR50.92(c) and, accordingly, a finding of “no significant hazards consideration” is justified.

5.2 Applicable Regulatory Requirements/Criteria

10 CFR 50.72: “Immediate notification requirements for operating nuclear power reactors.” This regulatory requirement contains general requirements (section (a)), requirements for reporting non-emergency events (section (b)), and requirements for providing followup notification (section c)).

10 CFR 50.73(a) Reportable events. (1) The holder of an operating license for a nuclear power plant (licensee) shall submit a Licensee Event Report (LER) for any event of the type described in this paragraph within 60 days after the discovery of the event. In the case of an invalid actuation reported under § 50.73(a)(2)(iv), other than actuation of the reactor protection system (RPS) when the reactor is critical, the licensee may, at its option, provide a telephone notification to the NRC Operations Center within 60 days after discovery of the event instead of submitting a written LER. Unless otherwise specified in this section, the licensee shall report an event if it occurred within three years of the date of discovery regardless of the plant mode or power level, and regardless of the significance of the structure, system, or component that initiated the event.

NRC Order and Safety Evaluation issued December 21, 2001 to Facility Operating Licenses NPF-87 and NPF-89 (CPSES Unit 1 and 2, respectively). This NRC Order approved TXU Electric Company’s (TXU Electric’s) application dated June 19, 2001, for Order and Conforming Administrative Amendments for transfer of the CPSES Operating Licenses to TXU Generation Company LP.

Analysis

Operating License Section 2.C.(4)(b), incorporated in Amendment 90 to the CPSES Operating Licenses, is a license condition concerning the TXU Generation Company LP Decommissioning Master Trust Agreement. This same license condition is more correctly stated in the NRC Order and Safety Evaluation issued December 21, 2001.

Operating License Section 2.C lists conditions regarding Maximum Power Level, Technical Specifications and Environmental Protection Plan, and conditions associated with License Transfers. Operating License Section 2.E requires that TXU Energy notify the NRC Operations Center via the Emergency Notification System of violations of the requirements in Section 2.C within 24 hours and with written followup within thirty days in accordance with the procedures described in 10 CFR 50.73. The requirements of Section 2.E of the license are adequately addressed by the reporting requirements identified in 10 CFR 50.72 and 10 CFR 50.73.

The proposed deletion of Operating License Section 2.E will reduce unnecessary regulatory burden and will allow TXU Energy to take advantage of the revision to 10 CFR 50.73 that allows for Licensee Event Reports to be submitted within 60 days instead of 30 days as required by the current Section 2.E.

The current reporting requirement in Technical Specification Table 5.5-2, Table 5.5-3 and Section 5.6.10 is incorrect based on the issuance of the final rule (Reference 7.5). Deletion of this requirement from the Technical Specifications does not change the requirement to report results that satisfy the criteria of 10 CFR 50.72(b)(3).

Conclusion

The revision of Section 2.C.(4)(b) of the Operating Licenses is consistent with the same license condition as stated in the NRC Order and Safety Evaluation approved and issued December 21, 2001, for Facility Operating Licenses NPF-87 and NPF-89.

The deletion of Section 2.E of the Operating Licenses and the changes to Technical Specification Table 5.5-2, Table 5.5-3 and Section 5.6.10 are consistent with the changes recently implemented in 10 CFR 50.72 and 10 CFR 50.73.

6.0 ENVIRONMENTAL CONSIDERATION

The proposed amendment is confined to administrative changes and changes in reporting requirements . Accordingly, the proposed amendment meets the eligibility criterion for categorical exclusion set forth in 10 CFR 51.22(c)(10). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the proposed amendment.

7.0 REFERENCES

- 7.1 Amendment 90 to Facility Operating Licenses NPF-87 and NPF-89, dated January 1, 2002.
- 7.2 NRC Order and Safety Evaluation Approving Transfer of Operating Licenses and Conforming Amendments for CPSES Units 1 and 2 (NPF-87 and NPF-89), dated December 21, 2001.
- 7.3 10 CFR 50.72, "Immediate notification requirements for operating nuclear power reactors."
- 7.4 10 CFR 50.73, "Licensee event report system."
- 7.5 Federal Register, Vol. 65, No. 207, pg. 63769, "Reporting Requirements for Nuclear Power Reactors and Independent Spent Fuel Storage Installations at Power Reactor Sites."

8.0 PRECEDENTS

There is precedent for allowing deletion of Section 2.E from the Facility Operating Licenses. The Duquesne Light Company operating licenses for Beaver Valley Power Station, Units 1 and 2 (Facility Operating License Numbers DPR-66 and NPF-73) have been amended to delete the Condition on reporting of violation of license conditions and other specified conditions via Amendments 220 and 97, respectively.

ATTACHMENT 2 to TXX-02088

**PROPOSED CHANGES to OPERATING LICENSES AND
TECHNICAL SPECIFICATIONS (MARK-UP)**

**License No. NPF-87
License No. NPF-89
TS**

**Pages 4,6
Pages 4,6
Pages 5.0-19, 5.0-19a and 5.0-36**

(3) Antitrust Conditions

DELETED

(4) License Transfer

The TXU Generation Company LP Decommissioning Master Trust Agreement for the facility at the time the license transfers are effected and thereafter, is subject to the following:

- (a) The decommissioning trust agreement must be in a form acceptable to the NRC.
- (b) ~~With respect to the decommissioning trust funds, investments in the securities or other obligations of TXU Generation Company LP, or its affiliates, successors, or assigns shall be prohibited; except for investments tied to market indices or other non-nuclear sector mutual funds, investments in any entity owning one or more nuclear power plants are prohibited; except for investments tied to market indices or other non-nuclear sector mutual funds, investments in the securities or other obligations of TXU Generation Company LP, or its affiliates, successors, or assigns, or investments in any entity owning one or more nuclear power plants are prohibited.~~
With respect to the decommissioning trust funds, investments in the securities or other obligations of TXU Generation Company LP, or its affiliates, successors, or assigns shall be prohibited; except for investments tied to market indices or other non-nuclear sector mutual funds, investments in any entity owning one or more nuclear power plants are prohibited.
- (c) The appropriate section of the decommissioning trust agreement must state that investments made in trust by the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to investment guidelines established by the PUCT (e.g., 16 Texas Administration Code 25.301);
- (d) The decommissioning trust agreement must provide that except for ordinary administrative costs, no disbursements or payments from the trusts shall be made by the trustee unless the trustee has first provided 30 days prior written notice of such disbursement or payment to the NRC and the trustee has not received prior written notice of objection from the Director, Office of Nuclear Reactor Regulation; and
- (e) The decommissioning trust agreement must provide that the agreement cannot be modified in any material respect without first providing 30 days prior written notice to the Director, Office of Nuclear Reactor Regulation.

Therefore, pursuant to 10 CFR 50.12(a)(1), and 10 CFR 50.12(a)(2)(ii) and (iii), the Comanche Peak Steam Electric Station, Unit 1 is hereby granted an exemption from the cited requirement and instead, is required to perform the overall air lock leak test at pressure P_a prior to establishing containment integrity if air lock maintenance has been performed that could affect the air lock sealing capability.

- (2) The facility was previously granted an exemption from the criticality monitoring requirements of 10 CFR 70.24 (see Materials License No. SNM-1912 dated December 1, 1988 and Section 9.1.1 of Supplement 22 to the Safety Evaluation Report dated January 1990). The staff's environmental assessment was published on November 14, 1989 (54 FR 47432). The Comanche Peak Steam Electric Station, Unit 1 is hereby exempted from the criticality monitoring provisions of 10 CFR 70.24 as applied to fuel assemblies held under this license.
- (3) The facility requires a temporary exemption from the schedular requirements of 10 CFR 50.33(k) and 10 CFR 50.75. The justification for this exemption is contained in Section 20.6 of Supplement 22 to the Safety Evaluation Report dated January 1990. The staff's environmental assessment was published on November 14, 1989 (54 FR 47431). Therefore, pursuant to 10 CFR 50.12(a)(1), 50.12(a)(2)(iii) and 50.12(a)(2)(v), the Comanche Peak Steam Electric Station, Unit 1 is hereby granted a temporary exemption from the schedular requirements of 10 CFR 50.33(k) and 10 CFR 50.75 and is required to submit a decommissioning funding report for Comanche Peak Steam Electric Station, Unit 1 on or before July 26, 1990.

E. ~~With the exception of 2.G(2) and 2.G(3), TXU Generation Company LP shall report any violations of the requirements contained in Section 2.G of this license within 24 hours. Initial notification shall be made in accordance with the provisions of 10 CFR 50.72 with written follow-up in accordance with the procedures described in 10 CFR 50.73(b), (c), and (e). DELETED~~

F. In order to ensure that TXU Generation Company LP will exercise the authority as the surface landowner in a timely manner and that the requirements of 10 CFR Part 100.3 (a) are satisfied, this license is subject to the additional conditions specified below: (Section 2.1.1, SER)

- (1) For that portion of the exclusion area which is within 2250 ft of any seismic Category I building or within 2800 ft of either reactor containment building, TXU Generation Company LP must prohibit the exploration and/or exercise of subsurface mineral rights, and if the subsurface mineral rights owners attempt to exercise their rights within this area, TXU Generation Company LP must immediately institute immediately effective condemnation proceedings to obtain the mineral rights in this area.

(4) License Transfer

The TXU Generation Company LP Decommissioning Master Trust Agreement for the facility at the time the license transfers are effected and thereafter, is subject to the following:

- (a) The decommissioning trust agreement must be in a form acceptable to the NRC.
- (b) ~~With respect to the decommissioning trust funds, investments in the securities or other obligations of TXU Generation Company LP, or its affiliates, successors, or assigns shall be prohibited; except for investments tied to market indices or other non-nuclear sector mutual funds, investments in any entity owning one or more nuclear power plants are prohibited; except for investments tied to market indices or other non-nuclear sector mutual funds,~~ investments in the securities or other obligations of TXU Generation Company LP, or its affiliates, successors, or assigns, or investments in any entity owning one or more nuclear power plants are prohibited.
- (c) The appropriate section of the decommissioning trust agreement must state that investments made in trust by the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to investment guidelines established by the PUCT (e.g., 16 Texas Administration Code 25.301);
- (d) The decommissioning trust agreement must provide that except for ordinary administrative costs, no disbursements or payments from the trusts shall be made by the trustee unless the trustee has first provided 30 days prior written notice of such disbursement or payment to the NRC and the trustee has not received prior written notice of objection from the Director, Office of Nuclear Reactor Regulation; and
- (e) The decommissioning trust agreement must provide that the agreement cannot be modified in any material respect without first providing 30 days prior written notice to the Director, Office of Nuclear Reactor Regulation.

(5) License Transfer

TXU Generation Company LP shall provide decommissioning funding assurance, to be held in a decommissioning trust for the facility upon the direct transfer of the facility license to TXU Generation Company LP, in an amount equal to or greater than the balance in the facility decommissioning trusts immediately prior to the transfer. In addition, TXU Generation Company LP shall ensure that all contractual arrangements referred to in the application for approval of the transfer of the facility license to TXU Generation Company LP, to obtain necessary

January 19, 1993 (58 FR 5035). The Comanche Peak Steam Electric Station, Unit 2 is hereby exempted from the criticality monitoring provisions of 10 CFR 70.24 as applied to fuel assemblies held under this license.

- E. ~~With the exception of 2.G(2) and 2.G(3), TXU Generation Company LP shall report any violations of the requirements contained in Section 2.G of this license within 24 hours. Initial notification shall be made in accordance with the provisions of 10 CFR 50.72 with written followup in accordance with the procedures described in 10 CFR 50.73(b), (c), and (e).~~ DELETED
- F. In order to ensure that TXU Generation Company LP will exercise the authority as the surface landowner in a timely manner and that the requirements of 10 CFR 100.3 (a) are satisfied, this license is subject to the additional conditions specified below:
(Section 2.1, SER)
- (1) For that portion of the exclusion area which is within 2250 ft of any seismic Category I building or within 2800 ft of either reactor containment building, TXU Generation Company LP must prohibit the exploration and/or exercise of subsurface mineral rights, and if the subsurface mineral rights owners attempt to exercise their rights within this area, TXU Generation Company LP must immediately institute immediately effective condemnation proceedings to obtain the mineral rights in this area.
 - (2) For the unowned subsurface mineral rights within the exclusion area not covered in item (1), TXU Generation Company LP will prohibit the exploration and/or exercise of mineral rights until and unless the licensee and the owners of the mineral rights enter into an agreement which gives TXU Generation Company LP absolute authority to determine all activities - including times of arrival and locations of personnel and the authority to remove personnel and equipment - in event of emergency. If the mineral rights owners attempt to exercise their rights within this area without first entering into such an agreement, TXU Generation Company LP must immediately institute immediately effective condemnation proceedings to obtain the mineral rights in this area.
 - (3) TXU Generation Company LP shall promptly notify the NRC of any attempts by subsurface mineral rights owners to exercise mineral rights, including any legal proceeding initiated by mineral rights owners against TXU Generation Company LP.
- G. TXU Generation Company LP shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report through Amendment 87 and as approved in the SER (NUREG-0797) and its supplements through SSER 27, subject to the following provision:

5.5 Programs and Manuals

5.5.9 Steam Generator (SG) Tube Surveillance Program (continued)

TABLE 5.5-2
STEAM GENERATOR TUBE INSPECTION

Sample size	1 ST SAMPLE INSPECTION		2 ND SAMPLE INSPECTION		3 RD SAMPLE INSPECTION	
	Result	Action Required	Result	Action Required	Result	Action Required
A minimum of S Tubes per S.G.	C-1	None	N.A.	N.A.	N.A.	N.A.
	C-2	Plug or repair* defective tubes and inspect additional 2S tubes in this S.G.	C-1	None	N.A.	N.A.
			C-2	Plug or repair* defective tubes and inspect additional 4S tubes in this S.G.	C-1	None
					C-2	Plug or repair* defective tubes
					C-3	Perform action for C-3 result of first sample
			C-3	Perform action for C-3 result of first sample	N.A.	N.A.
	C-3	Inspect all tubes in this S.G., plug or repair* defective tubes and inspect 2S tubes in each other S.G. Notification to NRG pursuant to 10CFR50.72(b)(2)	All other S.G.s are C-1	None	N.A.	N.A.
			Some S.G.s C-2 but no additional S.G. C-3	Perform action for C-2 result of second sample	N.A.	N.A.
			Additional S.G. is C-3	Inspect all tubes in each S.G. and plug or repair* defective tubes. Notification to NRG pursuant to 10CFR50.72(b)(2)	N.A.	N.A.

(continued)

S - 12/n% Where n is the number of steam generators inspected during an inspection
* for Unit 1 only

5.5 Programs and Manuals

**TABLE 5.5-3
STEAM GENERATOR REPAIRED TUBE INSPECTION FOR UNIT 1 ONLY**

1 ST SAMPLE INSPECTION			2 ND SAMPLE INSPECTION	
Sample Size	Result	Action Required	Result	Action Required
A minimum of 20% of repaired tubes (1)	C-1	None	N.A.	N.A.
	C-2	Plug defective repaired tubes and inspect 100% of the repaired tubes in this S.G.	C-1	None
			C-2	Plug defective repaired tubes
			C-3	Perform action for C-3 result of first sample
	C-3	Inspect all repaired tubes in this S.G., plug defective tubes and inspect 20% of the repaired tubes in each other S.G. Notification to NRG pursuant to §50.72(b)(2) of 10 CFR Part 50	All other S.G.s are C-1	None
Same S.G.s C-2 but no additional S.G. are C-2			Perform action for C-2 result of first sample	
			Additional S.G. is C-3	Inspect all repaired tubes in each S.G. and plug defective tubes. Notification to NRG pursuant to §50.72(b)(2) of 10 CFR Part 50

(continued)

- (1) Each repair method is considered a separate population for determination of initial inservice inspection and scope expansion.

5.6 Reporting Requirements (continued)

5.6.7 Not used

5.6.8 **PAM Report**

When a report is required by the required actions of LCO 3.3.3, "Post Accident Monitoring (PAM) Instrumentation," a report shall be submitted within the following 14 days. The report shall outline the preplanned alternate method of monitoring, the cause of the inoperability, and the plans and schedule for restoring the instrumentation channels to the Function to OPERABLE status.

5.6.9 Not used

5.6.10 **Steam Generator Tube Inspection Report**

- a. Within 15 days following the completion of each inservice inspection of steam generator tubes, the number of tubes plugged, repaired or designated as an F* tube in each steam generator shall be reported to the Commission;
- b. The complete results of the steam generator tube inservice inspection shall be submitted to the Commission in a report within 12 months following the completion of the inspection. This report shall include:
 - 4) Number and extent of tubes and (for Unit 1 only) sleeves inspected.
 - 5) Location and percent of wall-thickness penetration for each indication of an imperfection, and
 - 6) Identification of tubes plugged or repaired.
- c. Results of steam generator tube inspections which fall into Category C-3 shall be reported to the Commission ~~pursuant to 10 CFR 50.72(b)(2) within four hours of initial discovery, and~~ in a report within 30 days and prior to resumption of plant operation. This report shall provide a description of investigations conducted to determine cause of the tube degradation and corrective measures taken to prevent recurrence.

(continued)

ATTACHMENT 3 to TXX-02088

**RETYPE PAGES FOR OPERATING LICENSES AND
TECHNICAL SPECIFICATIONS**

**License No. NPF-87
License No. NPF-89
TS**

**Page 4 & 6
Page 4 & 6
Pages 5.0-19, 5.0-19a and 5.0-36**

(3) Antitrust Conditions

DELETED

(4) License Transfer

The TXU Generation Company LP Decommissioning Master Trust Agreement for the facility at the time the license transfers are effected and thereafter, is subject to the following:

- (a) The decommissioning trust agreement must be in a form acceptable to the NRC.
- (b) With respect to the decommissioning trust funds, except for investments tied to market indices or other non-nuclear sector mutual funds, investments in the securities or other obligations of TXU Generation Company LP, or its affiliates, successors, or assigns, or investments in any entity owning one or more nuclear power plants are prohibited.
- (c) The appropriate section of the decommissioning trust agreement must state that investments made in trust by the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to investment guidelines established by the PUCT (e.g., 16 Texas Administration Code 25.301);
- (d) The decommissioning trust agreement must provide that except for ordinary administrative costs, no disbursements or payments from the trusts shall be made by the trustee unless the trustee has first provided 30 days prior written notice of such disbursement or payment to the NRC and the trustee has not received prior written notice of objection from the Director, Office of Nuclear Reactor Regulation; and
- (e) The decommissioning trust agreement must provide that the agreement cannot be modified in any material respect without first providing 30 days prior written notice to the Director, Office of Nuclear Reactor Regulation.

Amendment No.

Therefore, pursuant to 10 CFR 50.12(a)(1), and 10 CFR 50.12(a)(2)(ii) and (iii), the Comanche Peak Steam Electric Station, Unit 1 is hereby granted an exemption from the cited requirement and instead, is required to perform the overall air lock leak test at pressure P_a prior to establishing containment integrity if air lock maintenance has been performed that could affect the air lock sealing capability.

- (2) The facility was previously granted an exemption from the criticality monitoring requirements of 10 CFR 70.24 (see Materials License No. SNM-1912 dated December 1, 1988 and Section 9.1.1 of Supplement 22 to the Safety Evaluation Report dated January 1990). The staff's environmental assessment was published on November 14, 1989 (54 FR 47432). The Comanche Peak Steam Electric Station, Unit 1 is hereby exempted from the criticality monitoring provisions of 10 CFR 70.24 as applied to fuel assemblies held under this license.
- (3) The facility requires a temporary exemption from the schedular requirements of 10 CFR 50.33(k) and 10 CFR 50.75. The justification for this exemption is contained in Section 20.6 of Supplement 22 to the Safety Evaluation Report dated January 1990. The staff's environmental assessment was published on November 14, 1989 (54 FR 47431). Therefore, pursuant to 10 CFR 50.12(a)(1), 50.12(a)(2)(iii) and 50.12(a)(2)(v), the Comanche Peak Steam Electric Station, Unit 1 is hereby granted a temporary exemption from the schedular requirements of 10 CFR 50.33(k) and 10 CFR 50.75 and is required to submit a decommissioning funding report for Comanche Peak Steam Electric Station, Unit 1 on or before July 26, 1990.

E. DELETED

F In order to ensure that TXU Generation Company LP will exercise the authority as the surface landowner in a timely manner and that the requirements of 10 CFR Part 100.3 (a) are satisfied, this license is subject to the additional conditions specified below: (Section 2.1.1, SER)

- (1) For that portion of the exclusion area which is within 2250 ft of any seismic Category I building or within 2800 ft of either reactor containment building, TXU Generation Company LP must prohibit the exploration and/or exercise of subsurface mineral rights, and if the subsurface mineral rights owners attempt to exercise their rights within this area, TXU Generation Company LP must immediately institute immediately effective condemnation proceedings to obtain the mineral rights in this area.

Amendment No.

(4) License Transfer

The TXU Generation Company LP Decommissioning Master Trust Agreement for the facility at the time the license transfers are effected and thereafter, is subject to the following:

- (a) The decommissioning trust agreement must be in a form acceptable to the NRC.
- (b) With respect to the decommissioning trust funds, except for investments tied to market indices or other non-nuclear sector mutual funds, investments in the securities or other obligations of TXU Generation Company LP, or its affiliates, successors, or assigns, or investments in any entity owning one or more nuclear power plants are prohibited.
- (c) The appropriate section of the decommissioning trust agreement must state that investments made in trust by the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to investment guidelines established by the PUCT (e.g., 16 Texas Administration Code 25.301);
- (d) The decommissioning trust agreement must provide that except for ordinary administrative costs, no disbursements or payments from the trusts shall be made by the trustee unless the trustee has first provided 30 days prior written notice of such disbursement or payment to the NRC and the trustee has not received prior written notice of objection from the Director, Office of Nuclear Reactor Regulation; and
- (e) The decommissioning trust agreement must provide that the agreement cannot be modified in any material respect without first providing 30 days prior written notice to the Director, Office of Nuclear Reactor Regulation.

(5) License Transfer

TXU Generation Company LP shall provide decommissioning funding assurance, to be held in a decommissioning trust for the facility upon the direct transfer of the facility license to TXU Generation Company LP, in an amount equal to or greater than the balance in the facility decommissioning trusts immediately prior to the transfer. In addition, TXU Generation Company LP shall ensure that all contractual arrangements referred to in the application for approval of the transfer of the facility license to TXU Generation Company LP, to obtain necessary

Amendment No.

January 19, 1993 (58 FR 5035). The Comanche Peak Steam Electric Station, Unit 2 is hereby exempted from the criticality monitoring provisions of 10 CFR 70.24 as applied to fuel assemblies held under this license.

E. DELETED

F. In order to ensure that TXU Generation Company LP will exercise the authority as the surface landowner in a timely manner and that the requirements of 10 CFR 100.3 (a) are satisfied, this license is subject to the additional conditions specified below:
(Section 2.1, SER)

(1) For that portion of the exclusion area which is within 2250 ft of any seismic Category I building or within 2800 ft of either reactor containment building, TXU Generation Company LP must prohibit the exploration and/or exercise of subsurface mineral rights, and if the subsurface mineral rights owners attempt to exercise their rights within this area, TXU Generation Company LP must immediately institute immediately effective condemnation proceedings to obtain the mineral rights in this area.

(2) For the unowned subsurface mineral rights within the exclusion area not covered in item (1), TXU Generation Company LP will prohibit the exploration and/or exercise of mineral rights until and unless the licensee and the owners of the mineral rights enter into an agreement which gives TXU Generation Company LP absolute authority to determine all activities - including times of arrival and locations of personnel and the authority to remove personnel and equipment - in event of emergency. If the mineral rights owners attempt to exercise their rights within this area without first entering into such an agreement, TXU Generation Company LP must immediately institute immediately effective condemnation proceedings to obtain the mineral rights in this area.

(3) TXU Generation Company LP shall promptly notify the NRC of any attempts by subsurface mineral rights owners to exercise mineral rights, including any legal proceeding initiated by mineral rights owners against TXU Generation Company LP.

G. TXU Generation Company LP shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report through Amendment 87 and as approved in the SER (NUREG-0797) and its supplements through SSER 27, subject to the following provision:

Amendment No.

5.5 Programs and Manuals

5.5.9 Steam Generator (SG) Tube Surveillance Program (continued)

TABLE 5.5-2
STEAM GENERATOR TUBE INSPECTION

Sample size	1 ST SAMPLE INSPECTION		2 ND SAMPLE INSPECTION		3 RD SAMPLE INSPECTION	
	Result	Action Required	Result	Action Required	Result	Action Required
A minimum of S Tubes per S.G.	C-1	None	N.A.	N.A.	N.A.	N.A.
	C-2	Plug or repair* defective tubes and inspect additional 2S tubes in this S.G.	C-1	None	N.A.	N.A.
			C-2	Plug or repair* defective tubes and inspect additional 4S tubes in this S.G.	C-1	None
					C-2	Plug or repair* defective tubes
					C-3	Perform action for C-3 result of first sample
			C-3	Perform action for C-3 result of first sample	N.A.	N.A.
	C-3	Inspect all tubes in this S.G., plug or repair* defective tubes and inspect 2S tubes in each other S.G.	All other S.G.s are C-1	None	N.A.	N.A.
			Some S.G.s C-2 but no additional S.G. C-3	Perform action for C-2 result of second sample	N.A.	N.A.
			Additional S.G. is C-3	Inspect all tubes in each S.G. and plug or repair* defective tubes.	N.A.	N.A.

(continued)

S - 12/n% Where n is the number of steam generators inspected during an inspection
* for Unit 1 only

5.5 Programs and Manuals

TABLE 5.5-3
STEAM GENERATOR REPAIRED TUBE INSPECTION FOR UNIT 1 ONLY

1 ST SAMPLE INSPECTION			2 ND SAMPLE INSPECTION	
Sample Size	Result	Action Required	Result	Action Required
A minimum of 20% of repaired tubes (1)	C-1	None	N.A.	N.A.
	C-2	Plug defective repaired tubes and inspect 100% of the repaired tubes in this S.G.	C-1	None
			C-2	Plug defective repaired tubes
			C-3	Perform action for C-3 result of first sample
	C-3	Inspect all repaired tubes in this S.G., plug defective tubes and inspect 20% of the repaired tubes in each other S.G.	All other S.G.s are C-1	None
Same S.G.s C-2 but no additional S.G. are C-2			Perform action for C-2 result of first sample	
			Additional S.G. is C-3	Inspect all repaired tubes in each S.G. and plug defective tubes.

(continued)

- (1) Each repair method is considered a separate population for determination of initial inservice inspection and scope expansion.

5.6 Reporting Requirements (continued)

5.6.7 Not used

5.6.8 PAM Report

When a report is required by the required actions of LCO 3.3.3, "Post Accident Monitoring (PAM) Instrumentation," a report shall be submitted within the following 14 days. The report shall outline the preplanned alternate method of monitoring, the cause of the inoperability, and the plans and schedule for restoring the instrumentation channels to the Function to OPERABLE status.

5.6.9 Not used

5.6.10 Steam Generator Tube Inspection Report

- d. Within 15 days following the completion of each inservice inspection of steam generator tubes, the number of tubes plugged, repaired or designated as an F* tube in each steam generator shall be reported to the Commission;
- e. The complete results of the steam generator tube inservice inspection shall be submitted to the Commission in a report within 12 months following the completion of the inspection. This report shall include:
 - 7) Number and extent of tubes and (for Unit 1 only) sleeves inspected.
 - 8) Location and percent of wall-thickness penetration for each indication of an imperfection, and
 - 9) Identification of tubes plugged or repaired.
- f. Results of steam generator tube inspections which fall into Category C-3 shall be reported to the Commission in a report within 30 days and prior to resumption of plant operation. This report shall provide a description of investigations conducted to determine cause of the tube degradation and corrective measures taken to prevent recurrence.

(continued)
