

March 7, 2003

Mr. John L. Skolds
Chairman and CEO
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION - ISSUANCE OF
AMENDMENT RE: RELOCATION OF EMERGENCY DIESEL GENERATOR
MAINTENANCE INSPECTION REQUIREMENTS (TAC NO. MB4811)

Dear Mr. Skolds:

The Commission has issued the enclosed Amendment No. 236 to Facility Operating License No. DPR-16 for the Oyster Creek Nuclear Generating Station, in response to your application dated April 10, 2002.

The amendment revised the Technical Specifications to relocate emergency diesel generator maintenance inspection requirements from Section 4.7 to the Updated Final Safety Analysis Report.

A copy of the related Safety Evaluation is also enclosed. Notice of Issuance will be included in the Commission's biweekly Federal Register notice.

Sincerely,

/RA/

Peter S. Tam, Senior Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-219

Enclosures: 1. Amendment No. 236 to DPR-16
2. Safety Evaluation

cc w/encls: See next page

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AMERGEN ENERGY COMPANY, LLC

DOCKET NO. 50-219

OYSTER CREEK NUCLEAR GENERATING STATION

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 236
License No. DPR-16

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by AmerGen Energy Company, LLC, et al., (the licensee), dated April 10, 2002, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance: (i) that the activities authorized by this amendment 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;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the license is amended by changes to the Technical Specifications as indicated in the attachment to this license amendment, and paragraph 2.C.(2) of Facility Operating License No. DPR-16 is hereby amended to read as follows:

(2) Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 236, are hereby incorporated in the license. AmerGen Energy Company, LLC, shall operate the facility in accordance with the Technical Specifications.

3. This license amendment is effective as of the date of issuance and shall be implemented within 30 days of issuance, except the relocation of the emergency diesel generator maintenance requirements of Technical Specification 4.7, which shall be incorporated into the Updated Final Safety Analysis Report in accordance with the schedule specified by 10 CFR 50.71.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Richard J. Laufer, Chief, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to the Technical
Specifications

Date of Issuance: March 7, 2003

ATTACHMENT TO LICENSE AMENDMENT NO. 236

FACILITY OPERATING LICENSE NO. DPR-16

DOCKET NO. 50-219

Replace the following pages of Appendix A, Technical Specifications, with the attached revised pages as indicated. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove

4.7-1

4.7-4

Insert

4.7-1

4.7-4

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

RELATED TO AMENDMENT NO. 236

TO FACILITY OPERATING LICENSE NO. DPR-16

AMERGEN ENERGY COMPANY, LCC

OYSTER CREEK NUCLEAR GENERATING STATION

DOCKET NO. 50-219

1.0 INTRODUCTION

By letter dated April 10, 2002, Exelon Generating Company and AmerGen Energy Company (the licensees) submitted an application for Limerick Generating Station, Units 1 and 2, Oyster Creek Nuclear Generating Station (OCNGS), and Three Mile Island, Unit 1. The application would relocate emergency diesel generator (EDG) maintenance inspection requirements from the plants' Technical Specifications (TSs) to licensee-controlled documents, either the Updated Final Safety Analysis Report, or the Technical Requirements Manual, as appropriate. These documents are controlled in accordance with the requirements of Title 10 of the *Code of Federal Regulations*, Part 50, Section 59 (10 CFR 50.59), "Changes, Tests, and Experiments."

2.0 REGULATORY EVALUATION

Section 182a of the Atomic Energy Act requires that TSs be included in nuclear power plant operating licenses. In 10 CFR 50.36, the Nuclear Regulatory Commission (NRC, or Commission) established its regulatory requirements related to the content of TSs. Pursuant to 10 CFR 50.36, TSs are required to include items in the following five specific categories related to station operation: (1) safety limits, limiting safety system settings, and limiting control settings; (2) limiting conditions for operation (LCOs); (3) surveillance requirements (SRs); (4) design features; and (5) administrative controls.

On July 22, 1993, the NRC issued the "NRC Final Policy Statement on Technical Specifications Improvement for Nuclear Power Reactors" (58 FR 39132), which provided guidance for evaluating the required scope of the TSs, and defined four specific criteria to be used in determining which of the LCOs should remain in the TSs. On July 19, 1995, the NRC revised 10 CFR 50.36 to incorporate the four criteria into Section 36(c)(2)(ii) of 10 CFR Part 50. Subsequently, the relocation of the maintenance inspection requirements for EDGs to licensee-controlled documents was generically approved as consistent with the requirements of 10 CFR 50.36 by the NRC (reference: NUREG-1430, "Standard Technical Specifications, Babcock and Wilcox Plants", and NUREG-1433, "Standard Technical Specifications, General Electric Plants (BWR/4)"). Similar TS changes relocating EDG inspection requirements from the TS to licensee-controlled documents were previously approved by the NRC for a number of individual plants, including: San Onofre Generating Station, Units 2 and 3; Clinton Power Station, Unit 1; Saint Lucie Power Station; LaSalle County Station, Units 1 and 2; Byron Station, Units 1 and 2; Braidwood Station Units 1 and 2, and others.

3.0 TECHNICAL EVALUATION

The licensees proposed to revise the EDG SRs of the three generating facilities. Specifically, the licensees proposed to delete the following wording (in *italics*) from the plants TSs:

Limerick Units 1 and 2, Section 3/4.8, "Electrical Power Systems," Specification 4.8.1.1.2.e.1, "*Every 24 months subjecting the diesel to an inspection in accordance with procedures prepared in conjunction with the Fairbanks Morse Owners Group recommendations and its manufacturer's recommendations for this class of standby service.*"

Oyster Creek Generating Station, Section 4.7, "Auxiliary Electrical Power", Specification 4.7.A.3, "*Each diesel generator shall be given a thorough inspection at least once per 24 months.*"

Three Mile Island Unit 1, Section 4.6, "Emergency Power System Periodic Tests," Specification 4.6.1.c, "*Each diesel generator shall be given an inspection every 24 months (with a 25% allowable grace period) in accordance with procedures prepared in conjunction with the applicable recommendations of the Fairbanks Morse Owners Group and those of the manufacturer for this class of stand-by service.*"

The licensees proposed to relocate the subject EDG inspection requirements to licensee-controlled documents. The licensee states that EDG inspection is a preventive maintenance requirement that is implemented through the licensees' 10 CFR 50.65 Maintenance Rule Programs. This requirement is oriented toward long-term EDG reliability and "does not have an immediate impact on EDG operability. EDG operability is verified by the surveillance requirements that continue to be maintained in the TS."

As stated in Section 2.0 above, the relocation of the maintenance inspection requirements for EDGs to licensee-controlled documents was generically approved as consistent with the requirements of 10 CFR 50.36 by the NRC in NUREG-1430, and the NRC staff had previously approved similar changes for a number of individual plants. Accordingly, the NRC staff reviewed the licensees' proposed relocation of the subject EDG inspection requirements from the Limerick, Oyster Creek, and TMI1 TSs to licensee-controlled documents. The NRC staff finds that:

1. The proposed relocation of the subject requirements from the TSs would provide the licensee with scheduling flexibility, thus reducing the complexity of activities performed during refueling outages.
2. Relocated EDG inspection requirements will be controlled under the requirements of 10 CFR 50.59, "Changes, Tests, and Experiments."
3. EDG inspection is a preventive maintenance requirement that is implemented through the licensees' 10 CFR 50.65 Maintenance Rule Programs. This requirement is oriented toward long-term EDG reliability and does not have an immediate impact on EDG operability. EDG operability is verified by the SRs that continue to be maintained in the TSs.

4. The proposed changes are consistent with 10 CFR 50.36 and the Standard Technical Specifications.

Based on the above evaluation, the NRC staff finds the proposed license amendment request acceptable.

4.0 STATE CONSULTATION

In accordance with the Commission's regulations, the New Jersey State official was notified of the proposed issuance of the amendment. The State official had no comments.

5.0 ENVIRONMENTAL CONSIDERATION

The amendment changes a surveillance requirement. The NRC staff has determined that the amendment involves no significant increase in the amounts, and no significant change in the types, of any effluents that may be released offsite, and that there is no significant increase in individual or cumulative occupational radiation exposure. The Commission has previously issued a proposed finding that the amendment involves no significant hazards consideration, and there has been no public comment on such finding (67 FR 36926). Accordingly, the amendment meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Pursuant to 10 CFR 51.22(b) no environmental impact statement or environmental assessment need be prepared in connection with the issuance of the amendment.

6.0 CONCLUSION

The Commission has concluded, based on the considerations discussed above, that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of the amendment will not be inimical to the common defense and security or to the health and safety of the public.

Principal Contributor: E. Fields

Date: March 7, 2003

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