

April 3, 2003

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

SUBJECT: THREE MILE ISLAND NUCLEAR STATION, UNIT 1 (TMI-1), RE:
RELOCATION OF EMERGENCY DIESEL GENERATOR (EDG)
MAINTENANCE REQUIREMENTS TO UPDATED FINAL SAFETY ANALYSIS
REPORT (UFSAR) (TAC NO. MB4850)

Dear Mr. Skolds:

The Commission has issued the enclosed Amendment No. 243 to Facility Operating License No. DPR-50 for TMI-1, in response to your application dated April 10, 2002, as supplemented by letter dated February 12, 2003.

The amendment deletes Technical Specification 4.6.1.c, related to 24-month emergency diesel generator surveillance, and relocates these requirements to the UFSAR.

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/

Timothy G. Colburn, Senior Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-289

Enclosures: 1. Amendment No. 243 to DPR-50
2. Safety Evaluation

cc w/encls: See next page

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AMERGEN ENERGY COMPANY, LLC

DOCKET NO. 50-289

THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 243
License No. DPR-50

1. The Nuclear Regulatory Commission (the Commission or NRC) has found that:
 - A. The application for amendment by AmerGen Energy Company, LLC (the licensee), dated April 10, 2002, as supplemented by letter dated February 12, 2003, 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-50 is hereby amended to read as follows:

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 243, are hereby incorporated in the license. The AmerGen Energy Company, LLC, shall operate the facility in accordance with the Technical Specifications.

3. This license amendment is effective as of its date of issuance and shall be implemented within 30 days of issuance, including the relocation of the emergency diesel generator maintenance requirements of Technical Specification 4.6.1.c to the Updated Final Safety Analysis Report (UFSAR), as was described in the licensee's application dated April 10, 2002, and evaluated in the NRC staff's safety evaluation dated April 3, 2003, and which relocation shall be included in the next scheduled update of the UFSAR pursuant to 10 CFR 50.71(e).

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: April 3, 2003

ATTACHMENT TO LICENSE AMENDMENT NO. 243

FACILITY OPERATING LICENSE NO. DPR-50

DOCKET NO. 50-289

Replace the following page of the Appendix A Technical Specifications with the attached revised page. The revised page is identified by amendment number and contains marginal lines indicating the areas of change.

Remove
4-46

Insert
4-46

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

RELATED TO AMENDMENT NO. 243

TO FACILITY OPERATING LICENSE NO. DPR-50

AMERGEN ENERGY COMPANY, LCC

THREE MILE ISLAND NUCLEAR STATION, UNIT 1

DOCKET NO. 50-289

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 Nuclear Station, Unit 1 (TMI-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." By letter dated February 12, 2003, the licensee for TMI-1 supplemented its application with a camera-ready TS page 4-46. The supplement did not expand the scope of the application as originally noticed, nor change the staff's original proposed no significant hazards consideration determination as published in the *Federal Register* on May 28, 2002 (67 FR 36926).

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 10 CFR 50.36(c)(2)(ii). Subsequently, the relocation of the maintenance inspection requirements for EDGs to licensee-controlled documents was generically approved by the NRC for incorporation into standard technical specifications (reference: NUREG-1430, "Standard Technical Specifications, Babcock and

Wilcox Plants,” and NUREG-1433, “Standard Technical Specifications, General Electric Plants (BWR/4”).

3.0 TECHNICAL EVALUATION

The licensee proposed to revise the TMI-1 EDG surveillance requirements (SRs). Specifically, the licensee proposed to delete the following wording (in *italics*) from the plant TSs:

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 licensee 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 licensee’s 10 CFR 50.65 Maintenance Rule Program. 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.”

The NRC staff reviewed the licensee’s proposed relocation of the subject EDG inspection requirements from the TMI-1 TSs to a licensee-controlled document. The EDG inspection specified in SR 4.6.1.c is not associated with a TS LCO required under 10 CFR 50.36(c)(2)(ii), nor is it needed to assure that the necessary quality of the EDGs is maintained. The SR is also not needed to assure that facility operation will be within safety limits. Accordingly, 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 licensee’s 10 CFR 50.65 Maintenance Rule Program. 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 Pennsylvania 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.

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Date: April 3, 2003

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