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An Exelon Company

10 CFR 50.90

2130-04-20018
5928-04-20047
March 8, 2004

U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555-0001

Oyster Creek Generating Station
Facility Operating License No. DPR-16
NRC Docket No. 50-219

Three Mile Island Nuclear Station, Unit 1
Facility Operating License No. DPR-50
NRC Docket No. 50-289

Subject: Oyster Creek Technical Specification Change Request No. 325
TMI Unit 1 Technical Specification Change Request No. 323
Deletion of the "Plan for the Long Range Planning Program"

In accordance with 10 CFR 50.90, "Application for amendment of license or construction permit," AmerGen Energy Company, LLC (AmerGen) is requesting amendments to Facility Operating License Nos. DPR-16, and DPR-50 for Oyster Creek Generating Station (Oyster Creek) and Three Mile Island Nuclear Station, Unit 1 (TMI Unit 1), respectively. The proposed amendments would delete Operating License Conditions 2.C.(6) and 2.c.(9) "Long Range Planning Program," for Oyster Creek and TMI Unit 1, respectively.

The "Plan for the Long Range Planning Program" was added as a condition of the licenses in Amendment No. 122, dated May 27, 1988 for Oyster Creek, and Amendment No. 140, dated May 27, 1988 for TMI Unit 1. The original objective of the Plan was to enable the utility to better control and manage resources regarding major activities at Oyster Creek and TMI Unit 1. Since that time, numerous changes have occurred which better enable the plant staff to manage these activities, as discussed in Enclosure 1. As a result, AmerGen requests deletion of this condition from the respective facility operating licenses. The normal internal processes will continue to be used in managing these activities.

The proposed amendments have been reviewed by the Oyster Creek and TMI Unit 1 Plant Operations Review Committees and approved by the Nuclear Safety Review Board in accordance with the requirements of the AmerGen Quality Assurance Program.

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Using the standards in 10 CFR 50.92, AmerGen has concluded that these proposed changes do not constitute a significant hazards consideration, as described in the enclosed analysis performed in accordance with 10 CFR 50.91(a)(1). Pursuant to 10 CFR 50.91(b)(1), a copy of this Technical Specification Change Request is being provided to the designated officials of the State of New Jersey and the Commonwealth of Pennsylvania, as well as the chief executives of the township and county in which the facilities are located.

We request approval of the proposed amendments by March 8, 2005.

No new regulatory commitments are established by this submittal. If any additional information is needed, please contact David J. Distel at (610) 765-5517.

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

Sincerely,

Executed on 03-08-2004

Michael P. Gallagher
Director – Licensing and Regulatory Affairs
AmerGen Energy Company, LLC

Enclosures: 1) Oyster Creek Technical Specification Change Request No. 325 & TMI Unit 1 Technical Specification Change Request No. 323 - Evaluation of Proposed Changes
2) Markup of Proposed Facility Operating License Changes for Oyster Creek
3) Markup of Proposed Facility Operating License Changes for TMI Unit 1

cc: H. J. Miller, Administrator, USNRC Region I
D. M. Kern, USNRC Senior Resident Inspector, TMI Unit 1
R. J. Summers, USNRC Senior Resident Inspector, Oyster Creek
D. M. Skay, USNRC Senior Project Manager, TMI Unit 1
P. S. Tam, USNRC Senior Project Manager, Oyster Creek
D. Allard, Director, Bureau of Radiation Protection-PA Department of Environmental Resources
Chairman, Board of County Commissioners of Dauphin County
Chairman, Board of Supervisors of Londonderry Township
Mayor of Lacey Township
State of NJ Department of Environmental Protection – Bureau of Nuclear Engineering
Oyster Creek File No. 04029 (TSCR # 325)
TMI Unit 1 File No. 04021 (TSCR # 323)

ENCLOSURE 1

Oyster Creek Technical Specification Change Request No. 325

TMI Unit 1 Technical Specification Change Request No. 323

Evaluation of Proposed Changes

1.0 DESCRIPTION

In accordance with 10 CFR 50.90, "Application for amendment of license or construction permit," AmerGen Energy Company, LLC (AmerGen) is requesting amendments to Facility Operating License Nos. DPR-16, and DPR-50 for Oyster Creek Generating Station (Oyster Creek) and Three Mile Island Nuclear Station, Unit 1 (TMI Unit 1), respectively. The proposed amendments would delete the "Plan for the Long Range Planning Program" for Oyster Creek and TMI Unit 1 as a condition of the respective licenses.

AmerGen requests that the following changed replacement pages be inserted into the existing Facility Operating Licenses:

Revised Oyster Creek Facility Operating License Pages: 4 and 5.
Revised TMI Unit 1 Facility Operating License Page: 7
Revised TMI Unit 1 Technical Specification Page: 3-45

The marked up pages showing the requested changes are provided in Enclosures 2 and 3 for Oyster Creek and TMI Unit 1, respectively.

2.0 PROPOSED CHANGES

2.1 Oyster Creek Generating Station, Facility Operating License No. DPR-16

2.1.1 License Condition 2.C.(6) "Long Range Planning Program" is being deleted in its entirety and insert the reference "Deleted."

2.2 Three Mile Island Nuclear Station, Unit 1 Facility Operating License No. DPR-50

2.2.1 License Condition 2.c.(9) "Long Range Planning Program" is being deleted in its entirety and insert the reference "Deleted."

2.2.2 Technical Specification 3.8.11 is revised to incorporate the existing TMI Unit 1 Plan, Category "A" commitment to verify the minimum water level of 23 feet above the top of the reactor vessel flange when handling irradiated fuel in the reactor building.

3.0 BACKGROUND

The "Plan for the Long Range Planning Program for the Oyster Creek Nuclear Generating Station" and the "Plan for the Long Range Planning Program for the Three Mile Island Nuclear Station – Unit 1" were added as a condition of the license via Facility Operating License Amendment Nos. 122 and 140 for Oyster Creek and TMI Unit 1, respectively. The Plans were developed to enable the licensee to effectively manage implementation of significant changes to the plant, which were required or proposed by the NRC, as well as other measures to enhance plant safety and reliability, which had been identified by the licensee or other agencies. The original Plan contained a list of

over 50 major projects for Oyster Creek and 300 major projects for TMI Unit 1. These major projects have been completed or resolved. The original objectives of the Plans were to (1) optimize the allocation of licensee and NRC resources to those projects necessary to assure safe, reliable, and economic plant operation, and (2) achieve the appropriate balance and prioritization among all proposed projects based on their relative value and effect regardless of source. The Plans list individual projects as Category "A", "B", or "C" items. Category "A" projects reflect regulatory requirements with implementation dates mandated by rule, order, or license condition. They may not be changed without prior approval of the NRC. Category "B" projects address other regulatory requirements and require notification of the NRC with time for NRC review prior to the scheduled implementation date. Category "C" projects are non-regulatory and do not require prior NRC approval or notification.

The Plans describe how the program functions, mechanisms for changing the program and updating it, the interactions and responsibilities of the NRC and licensee staffs under the program, and its resultant assessments and schedules. Reports of updates to the Plans are required to be submitted to the NRC on an annual basis. The proposed deletion of the Plans will also eliminate this reporting requirement.

Since the inception of the Plan, the number of major projects has decreased significantly. Additionally, the methods of managing these projects have changed. There is redundancy in the tracking of these items between the AmerGen commitment management process and the Plan. Organizational changes have resulted in site work management groups that are responsible for work planning and prioritization during plant operation, as well as during refueling outages. These internal processes continue to be effectively utilized to control and manage work activities at Oyster Creek and TMI Unit 1. As a result, the Plan is no longer needed to assure these objectives.

The existing Plan for TMI Unit 1, Category "A" commitment to verify the minimum water level of 23 feet above the top of the reactor vessel flange when handling irradiated fuel in the reactor building, was added to the Plan in TMI Unit 1 Technical Specification Amendment No. 236, dated October 2, 2001. The NRC Safety Evaluation Report (SER) for Technical Specification Amendment No. 236 recognizes that the licensee may choose to relocate that requirement to the Technical Specification. The proposed change accomplishes that relocation. This is the only remaining Category "A" item listed in the TMI Unit 1 Plan.

4.0 TECHNICAL ANALYSIS

The proposed amendments would delete the "Plan for the Long Range Planning Program" as a condition of the licenses for Oyster Creek and TMI Unit 1. The original objectives of the Plans were to (1) optimize the allocation of licensee and NRC resources to those projects necessary to assure safe, reliable, and economic plant operation, and (2) achieve the appropriate balance and prioritization among all proposed projects based on their relative value and effect regardless of source. The original Plan contained a list of over 50 major projects for Oyster Creek and 300 major projects for TMI Unit 1. These major projects have been completed or resolved.

Since the inception of the Plan, the number of major projects has decreased significantly. Additionally, the methods of managing these projects have changed. Many of the items in the Plan are already addressed by separate correspondence to the NRC, such as Orders, Bulletins, etc. There is redundancy in the tracking of these items between the AmerGen commitment control system and the Plan. AmerGen has implemented a formal commitment management process (Procedure LS-AA-110 and associated Training & Reference Material) based on the guidance contained in NEI 99-04, Revision 0, "Guidelines for Managing NRC Commitment Changes," dated July 1999. The NEI 99-04 guidelines have been endorsed by NRC in Regulatory Issue Summary (RIS) 2000-17, "Managing Regulatory Commitments Made By Power Reactor Licensee to the NRC Staff," dated September 21, 2000. The AmerGen commitment management process provides the administrative controls to ensure that regulatory commitments are implemented and that changes to the regulatory commitments are evaluated and, when appropriate, reported to the NRC. The Plan for Oyster Creek contains no Category "A" items. The only remaining Category "A" item in the TMI Unit 1 Plan is discussed below. The Category "B" and "C" items for Oyster Creek and TMI Unit 1 are appropriately identified and tracked in existing commitment or work management tracking mechanisms.

Oyster Creek and TMI Unit 1 organizational changes have resulted in site work management groups that are responsible for work planning and prioritization during plant operation, as well as during refueling outages. These internal processes continue to be effectively utilized to control and manage work activities at Oyster Creek and TMI Unit 1.

As a result, the Plan is no longer needed to assure these objectives. No changes to the physical design or operation of the facility will occur as a result of this amendment. The additional tracking and reporting of work items via the Plan represents an unnecessary administrative burden that is no longer required and is redundant to existing procedures and practices.

The Plan for TMI Unit 1, Category "A" Listing, contains an AmerGen commitment, which supported issuance of NRC Technical Specification Amendment No. 236, dated October 2, 2001. This amendment revised the requirements for containment integrity associated with the personnel and emergency air locks during fuel movement and refueling operations. NRC required that this commitment be incorporated in the Category "A" listing such that it could not be changed without prior NRC approval. The commitment is to perform a shiftly check and daily verification that the fuel transfer canal water level is 23 feet above the reactor vessel flange when irradiated fuel is handled in the reactor building. This verification is being relocated to existing TMI Unit 1 Technical Specification 3.8.11, which requires that at least 23 feet of water shall be maintained above the level of the reactor vessel flange during the handling of irradiated fuel in the reactor building. Relocation of this requirement to the Technical Specification ensures that this verification cannot be changed without prior NRC approval. Therefore, relocation to Technical Specification 3.8.11 accomplishes the original intent of the NRC SER and the Category "A" listing, and deletion of the Plan will have no affect on continued implementation of this requirement.

Based on the above, the proposed change to delete the "Plan for the Long Range Planning Program" for Oyster Creek and TMI Unit 1 as a condition of the respective licenses will not adversely affect nuclear safety or safe plant operations.

5.0 REGULATORY ANALYSIS

5.1 No Significant Hazards Consideration

AmerGen has evaluated whether or not a significant hazards consideration is involved with the proposed amendments by focusing on the three standards set forth in 10 CFR 50.92, "Issuance of amendment," as discussed below:

1. **Does the proposed amendment involve a significant increase in the probability or consequences of an accident previously evaluated?**

   Response: No.

   No physical changes to the facility will occur as a result of this amendment. Commitments and work activities will continue to receive the appropriate level of review in accordance with AmerGen procedures and practices. The organizational structure that controls and manages these activities will assure that activities are prioritized and performed in a manner consistent with plant safety. The proposed amendment removes an administrative burden that is no longer required. Therefore, the proposed change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. **Does the proposed amendment create the possibility of a new or different kind of accident from any accident previously evaluated?**

   Response: No.

   No changes to the physical design or operation of the plant will occur as a result of this amendment. The processes by which activities are planned, prioritized, and controlled are not affected. The appropriate level of technical review and management oversight continue to be performed in accordance with existing procedures and practices to assure that activities are performed in a manner consistent with plant safety. Therefore, the proposed change does not create the possibility of a new or different kind of accident from any accident previously evaluated.

3. **Does the proposed amendment involve a significant reduction in a margin of safety?**

   Response: No.

   No changes to the physical design or operation of any plant systems will occur as a result of this amendment. Work activities will continue to receive the appropriate technical review and management oversight to assure that activities are prioritized and performed in a manner consistent with plant safety.

Commitment management processes and procedures provide the administrative controls to ensure that regulatory commitments are implemented and that changes to the regulatory commitments are evaluated and, when appropriate, reported to the NRC. The proposed amendment removes an administrative burden that is no longer required. Therefore, the proposed changes do not involve a significant reduction in any margin of safety.

Based on the above, AmerGen concludes that the proposed amendment presents no significant hazards consideration under the standards set forth in 10 CFR 50.92(c), and, accordingly, a finding of "no significant hazards consideration" is justified.

5.2 APPLICABLE REGULATORY REQUIREMENTS/CRITERIA

AmerGen has determined that the proposed changes do not require any exemptions or relief from regulatory requirements and do not affect conformance with any General Design Criteria.

In conclusion, based on the considerations discussed above, (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.

6.0 ENVIRONMENTAL CONSIDERATION

A review has determined that the proposed amendment would change a requirement with respect to installation or use of a facility component located within the restricted area, as defined in 10 CFR 20, or would change an inspection or surveillance requirement. However, the proposed amendment does not involve (i) a significant hazards consideration, (ii) a significant change in the types or significant increase in the amounts of any effluent that may be released offsite, or (iii) a significant increase in individual or cumulative occupational radiation exposure. Accordingly, the proposed amendment meets the eligibility criterion for categorical exclusion set forth in 10 CFR 51.22(c)(9). Additionally, the proposed amendment is confined to (i) changes to surety, insurance, and/or indemnity requirements, or (ii) changes to recordkeeping, reporting, or administrative procedures or 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

Precedence exists for the proposed change in NRC Amendment No. 208, dated April 3, 1995, for the Duane Arnold Energy Center (TAC No. M90911), which deleted an essentially identical license condition involving the "Plan for the Integrated Scheduling of Plant Modifications for the Duane Arnold Energy Center."

1. Oyster Creek License Amendment No. 122, dated May 27, 1988
2. TMI Unit 1 License Amendment No. 140, dated May 27, 1988
3. TMI Unit 1 Technical Specification Amendment No. 236, dated October 2, 2001

ENCLOSURE 2

Markup of Proposed Facility Operating License Page Changes

Oyster Creek Generating Station

Revised Facility Operating License Pages

- 4 -
- 5 -

The licensee may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

(4) The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans, including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Oyster Creek Nuclear Generating Station Physical Security Plan," with revisions submitted through July 6, 1988; "Oyster Creek Nuclear Generating Station Training and Qualification Plan," with revisions submitted through June 24, 1986; and "Oyster Creek Nuclear Generating Station Safeguards Contingency Plan," with revisions submitted through June 24, 1986. Changes made in accordance with 10 CFR 73.55 shall be implemented in accordance with the schedule set forth therein.

(5) Inspections of core spray spargers, piping and associated components will be performed in accordance with BWRVIP-18, "BWR Core Spray Internals Inspection and Flaw Evaluation Guidelines," as approved by the NRC staff's Final Safety Evaluation Report dated December 2, 1999.

(6) Long Range Planning Program — DELETED

~~The revised "Plan for the Long-Range Planning Program for the Oyster Creek Nuclear Generating Station" (the Plan) submitted by GPUN letter C321-94-2140 dated September 26, 1994, is approved.~~

~~a. The Plan shall be followed by the licensee from and after November 28, 1994.~~

b. ~~The Category A schedule shall not be changed without prior approval from the NRC. The schedules for Categories B and C may be changed without prior approval by the NRC.~~

D. The facility has been granted certain exemptions from the requirements of Section III.G of Appendix R to 10 CFR Part 50, "Fire Protection Program for Nuclear Power Facilities Operating Prior to January 1, 1979."

This section relates to fire protection features for ensuring the systems and associated circuits used to achieve and maintain safe shutdown are free of fire damage. These exemptions were granted and sent to the licensee in letters dated March 24, 1986 and June 25, 1990.

The facility has also been granted certain exemptions from the requirements of Section III.J of Appendix R to 10 CFR Part 50, "Fire Protection Program for Nuclear Power Facilities Operating Prior to January 1, 1979." This section relates to emergency lighting that shall be provided in all areas needed for operation of safe shutdown equipment and in access and egress routes thereto. This exemption was granted and sent to the licensee in a letter dated February 12, 1990.

In addition, the facility has been granted certain exemptions from Section 55.45(b)(2)(iii) and (iv) of 10 CFR Part 55, "Operators' Licenses." These sections contain requirements related to site-specific simulator certification and require that operating tests will not be administered on other than a certified or an approved simulation facility after May 26, 1991. These exemptions were granted and sent to the licensee in a letter dated March 25, 1991.

These exemptions granted pursuant to 10 CFR 50.12 are authorized by law, will not present an undue risk to the public health and safety, and are consistent with the common defense and security. With these exemptions, the facility will operate, to the extent authorized herein, in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission.

E. Except as otherwise provided in the Technical Specifications, the licensee shall report any violations of the requirements contained in Section 2.C of this license in the following manner: initial notification shall be made within 24 hours to the NRC Operations Center via the Emergency Notification System with written follow-up within 30 days in accordance with the procedures described in 10 CFR 50.73(b), (c), and (e).

ENCLOSURE 3

Markup of Proposed Facility Operating License Page Changes

TMI Unit 1

REVISED FACILITY OPERATING LICENSE PAGE

- 7 -

REVISED TECHNICAL SPECIFICATION PAGE

3-45

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5. The licensee shall provide routine reporting of the long-term corrosion "lead tests" test results on a quarterly basis as well as more timely notification if adverse corrosion test results are discovered.

(9) Long Range Planning Program — DELETED

~~The revised "Plan for the Long Range Planning Program for the Three Mile Island Nuclear Station - Unit 1" (the Plan) submitted by GPUN letter C311-94-2124 dated September 26, 1994 is approved.~~

~~a. The Plan shall be followed by the Licensee from and after November 28, 1994.~~

~~b. The Category A schedule shall not be changed without prior approval from the NRC. Categories B and C schedules may be changed without prior approval by NRC.~~

Sale and License Transfer Conditions

(10) The Limited Liability Company Agreement dated August 18, 1997, may not be modified in any material respect concerning decision-making authority over "safety issues" as defined therein without the prior written consent of the Director, Office of Nuclear Reactor Regulation.

(11) At least half of the members of AmerGen's Management Committee shall be appointed by a non-foreign member group, all of which appointees shall be U.S. citizens.

(12) The Chief Executive Officer (CEO), Chief Nuclear Officer (CNO) (if someone other than the CEO), and Chairman of the Management Committee of AmerGen shall be U.S. citizens. These individuals shall have the responsibility and exclusive authority to ensure, and shall ensure, that the business and activities of AmerGen with respect to the TMI-1 license are at all times conducted in a manner consistent with the protection of the public health and safety and common defense and security of the United States.

(13) AmerGen shall cause to be transmitted to the Director, Office of Nuclear Reactor Regulation within 30 days of filing with the Securities and Exchange Commission, any Schedules 13D or 13G filed pursuant to the Securities and Exchange Act of 1934 that disclose beneficial ownership of a registered class of stock of PECO or any affiliate, successor, or assignee of PECO to which PECO's ownership interest in AmerGen may be subsequently assigned or transferred with the prior written consent of the NRC, or the parent or owner of such affiliate, successor, or assignee, whichever entity is the issuer of such stock.

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3.8.8 If any of the above specified limiting conditions for fuel loading and refueling are not met, movement of fuel into the reactor core shall cease; action shall be initiated to correct the conditions so that the specified limits are met, and no operations which may increase the reactivity of the core shall be made.

3.8.9 The reactor building purge isolation valves, and associated radiation monitors which initiate purge isolation, shall be tested and verified to be operable no more than 7 days prior to initial fuel movement in the reactor building.

3.8.10 Irradiated fuel shall not be removed from the reactor until the unit has been subcritical for at least 72 hours.

3.8.11 During the handling of irradiated fuel in the Reactor Building at least 23 feet of water shall be maintained above the level of the reactor pressure vessel flange, If the water level is less than 23 feet above the reactor pressure vessel flange, place the fuel assembly(s) being handled into a safe position, then cease fuel handling until the water level has been restored to 23 feet or greater above the reactor pressure vessel flange.

as determined by a shiftly check and a daily verification.

Bases

Detailed written procedures will be available for use by refueling personnel. These procedures, the above specifications, and the design of the fuel handling equipment as described in Section 9.7 of the UFSAR incorporating built-in interlocks and safety features, provide assurance that no incident could occur during the refueling operations that would result in a hazard to public health and safety. If no change is being made in core geometry, one flux monitor is sufficient. This permits maintenance on the instrumentation. Continuous monitoring of radiation levels and neutron flux provides immediate indication of an unsafe condition. The decay heat removal pump is used to maintain a uniform boron concentration. The shutdown margin indicated in Specification 3.8.4 will keep the core subcritical, even with all control rods withdrawn from the core (Reference 1). The boron concentration will be sufficient to maintain the core $k_{eff} \leq 0.99$ if all the control rods were removed from the core, however only a few control rods will be removed at any one time during fuel shuffling and replacement. The k_{eff} with all rods in the core and with refueling boron concentration is approximately 0.9. Specification 3.8.5 allows the control room operator to inform the reactor building personnel of any impending unsafe condition detected from the main control board indicators during fuel movement.

Per Specification 3.8.6 and 3.8.7, the personnel and emergency air lock doors, and penetrations may be open during movement of irradiated fuel in the containment provided a minimum of one door in each of the air locks, and penetrations are capable of being closed in the event of a fuel handling accident, and the plant is in REFUELING SHUTDOWN or REFUELING OPERATION with at least 23 feet of water above the fuel seated within the reactor pressure vessel. The minimum water level specified is the basis for the accident analysis assumption of a decontamination factor of 200 for the release to the containment atmosphere from the postulated damaged fuel rods located on top of the fuel core seated in the reactor vessel. Should a fuel handling accident occur inside containment, a minimum of one door in each personnel and emergency air lock, and the open penetrations will be closed following an evacuation of containment. Administrative controls will be in place to assure closure of at least one door in each air lock, as well as other open containment penetrations, following a containment evacuation.

Provisions for equivalent isolation methods in Technical Specification 3.8.7 include use of a material (e.g. temporary sealant) that can provide a temporary, atmospheric pressure ventilation barrier for other containment penetrations during fuel movements.