October 4, 2004

Mr. Christopher M. Crane
President and Chief Nuclear Officer
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION - ISSUANCE OF AMENDMENT RE: RELOCATION OF STABILITY PROTECTION SETTINGS TO THE CORE OPERATING LIMIT REPORT (TAC NO. MC2217)

Dear Mr. Crane:

The Commission has issued the enclosed Amendment No. 248 to Facility Operating License No. DPR-16 for the Oyster Creek Nuclear Generating Station, in response to your application dated February 27, 2004, as supplemented by letter dated August 11, 2004.

The amendment revised the Technical Specifications, relocating the average power range monitor flux scram setting and rod block setting to the Core Operating Limits 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. 248 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. 248
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 February 27, 2004, as supplemented by letter on August 11, 2004, 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. 248, 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 60 days of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

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: October 4, 2004

ATTACHMENT TO LICENSE AMENDMENT NO. 248

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 | Insert |
|---|---|
| 2.3-1 | 2.3-1 |
| 2.3-2 | 2.3-2 |
| 2.3-4 | 2.3-4 |
| 6-14 | 6-14 |
| -- | 6-14a |
| 6-15 | 6-15 |

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

RELATED TO AMENDMENT NO. 248

TO FACILITY OPERATING LICENSE NO. DPR-16

AMERGEN ENERGY COMPANY, LCC

OYSTER CREEK NUCLEAR GENERATING STATIO (OCNGS)

DOCKET NO. 50-219

## 1.0 INTRODUCTION

By letter dated February 27, 2004 (Accession No. ML040650311), as supplemented by letter dated August 11, 2004 (ML042300425), AmerGen Energy Company, LLC (the licensee), submitted a request for changes to the OCNGS Technical Specifications (TSs). The licensee proposed to relocate the average power range monitor flux scram setting and rod block setting from the TSs to the Core Operating Limits Report (COLR).

The supplement dated August 11, 2004, provided additional information that clarified the application, did not expand the scope of the application as originally noticed, and did not change the Nuclear Regulatory Commission (NRC) staff's original proposed no significant hazards consideration determination as published in the Federal Register on April 13, 2004 (69 FR 19563).

## 2.0 REGULATORY EVALUATION

The licensee identified the applicable regulatory requirements in Section 4.0 of its February 27, 2004, application. The regulatory requirements that the NRC staff considered in its review of application are 10 CFR 50.36, "Technical specifications," which provides the regulatory requirements for the content required in a licensee's TSs. Specifically, 10 CFR 50.36 requires that the TSs will include surveillance requirements to assure that the limiting conditions for operation will be met.

The licensee cited 10 CFR Part 50, Appendix A, General Design Criterion (GDC) 10, which requires that the reactor core and associated coolant, control, and protection systems be designed with appropriate margin to assure that specified acceptable fuel design limits are not exceeded during any condition of normal operation, including the effects of anticipated occurrences. The licensee also cited GDC 12, which requires that the reactor core and associated coolant, control, and protection systems be designed to assure that power oscillations which can result in conditions exceeding specified acceptable fuel design limits are not possible or can be reliably and readily detected and suppressed.

The NRC staff had previously approved a licensee request to implement the Boiling Water Reactor Owners Group (BWROG) Option II solution for long-term reactor stability problems (see Amendment No. 235, dated October 18, 2002, Accession No. ML022910365). The licensee cited NRC Generic Letter (GL) 88-16, which provides guidance regarding relocating cycle-specific parameters to certain formal reports. Accordingly, the licensee proposed to relocate the Option II stability protection settings from the TSs to the COLR.

## 3.0 TECHNICAL EVALUATION

The NRC staff reviewed the licensee's analysis supporting the proposed amendment. The NRC staff's evaluation is set forth below.

### 3.1 TS 2.3.A, "Neutron Flux, Scram"

The licensee proposed to relocate the average power range monitor (APRM) flux scram setting, for recirculation flow less than or equal to $27.5 \times 10^6$ lb/hr (equivalent to 45% of maximum core flow), to the COLR.

The licensee's analysis in the August 11, 2004, letter indicates that the APRM flux scram setting for protection against reactor instability is cycle-specific, and the current value for Fuel Cycle 20 was calculated using an NRC-approved methodology. The licensee's justification meets the guidance stated in GL 88-16, and the NRC staff found the proposed change acceptable.

### 3.2 TS 2.3.B, "Neutron Flux, Control Rod Block"

The licensee proposed to relocate neutron flux, control rod block setting, for recirculation flow less than or equal to $27.5 \times 10^6$ lb/hr, to the COLR.

The licensee's analysis in the August 11, 2004, letter indicates that the control rod block setting for protection against reactor instability is cycle-specific, and the current value for Fuel Cycle 20 was calculated using an NRC-approved methodology. The licensee's justification meets the guidance stated in GL 88-16, and the NRC staff found the proposed change acceptable.

### 3.3 TS 6.9.1.f, "Core Operating Limits Report"

The licensee proposed to add to the contents of the COLR stability protection setting requirements, referencing TS 2.3.A.1 and TS 2.3.B. This change is acceptable because it reflects the relocation of the subject limits to the COLR.

The licensee also proposed to add one plant-specific Topical Report, NEDC-33065P, Rev. 0, "Application of Stability Long-Term Solution Option II for Oyster Creek," April 2002. NEDC-33065P, Rev. 0, was previously reviewed and approved by the NRC staff (see Amendment No. 235, dated October 18, 2002).

3.4 TS 2.3, “Limiting Safety System Setting” - Bases

The licensee proposed to correct a spelling error on page 2.3-4, changing the word “neuron” to “neutron” in the second paragraph. This correction is purely administrative and 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 requirement with respect to use of a facility component located within the restricted area as defined in 10 CFR Part 20. 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 (69 FR 19563). 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: T. Huang

Date: October 4, 2004

Oyster Creek Nuclear Generating Station

cc:

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