

November 8, 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 (OCNGS), AND THREE MILE ISLAND NUCLEAR STATION, UNIT 1 (TMI-1) RE: AMENDMENTS TO RELOCATE THE INDEPENDENT ONSITE SAFETY REVIEW GROUP FUNCTION TO THE QUALITY ASSURANCE TOPICAL REPORT (TAC NOS. MC2406 AND MC2407)

Dear Mr. Crane:

The Commission has issued the enclosed Amendment Nos. 251 and 252 to Facility Operating License Nos. DPR-16 and DPR-50 for OCNGS and TMI-1, respectively, in response to your application dated March 23, 2004, as supplemented June 16, 2004.

The amendments relocate the Independent Onsite Safety Review Group requirements from the Administrative Controls in Section 6 of the Technical Specifications to the Exelon Generation Company, LLC (EGC)/AmerGen Energy Company, LLC (AmerGen) Quality Assurance Topical Report (QATR) at TMI-1 and OCNGS. In addition, administrative corrections are included, which update references to the EGC/AmerGen QATR, which has replaced the OCNGS and TMI-1 Operational Quality Assurance Plans.

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 Nos. 50-219 and 50-289

Enclosures: 1. Amendment No. 251 to DPR-16
2. Amendment No. 252 to DPR-50
3. Safety Evaluation

cc w/encls: See next page

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cc w/encls: See next page

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SLittle RDennig OGC ACRS GMatakas, RGN-1

ACCESSION NO.: **ML042710014**

*SE input received. No substantive changes made

OFFICE	PDI-1\PM	PDI-1\LA	PDI-1\PM	IPSB\SC	IROB\SC	OGC	PDI-1\SC
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DATE	10/4/04	10/6/04	11/4/04	9/13/04	10/22/04	11/3/04	7/6/04

OFFICIAL RECORD COPY

AMERGEN ENERGY COMPANY, LLC

DOCKET NO. 50-219

OYSTER CREEK NUCLEAR GENERATING STATION

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 251
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 March 23, 2004, as supplemented June 16, 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. 251, 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

/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: November 8, 2004

ATTACHMENT TO LICENSE AMENDMENT NO. 251

FACILITY OPERATING LICENSE NO. DPR-16

DOCKET NO. 50-219

Replace the following pages of the 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

6-7
6-8
6-9
6-10
6-17
6-18

Insert

6-7
6-8
6-9
6-10
6-17
6-18

AMERGEN ENERGY COMPANY, LLC

DOCKET NO. 50-289

THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 252
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 March 23, 2004, as supplemented June 16, 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-50 is hereby amended to read as follows:

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 252, 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 60 days of issuance.

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: November 8, 2004

ATTACHMENT TO LICENSE AMENDMENT NO. 252

FACILITY OPERATING LICENSE NO. DPR-50

DOCKET NO. 50-289

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

Remove

v
6-7
6-8
6-9
6-21

Insert

v
6-7
6-8
6-9
6-21

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

RELATED TO AMERGEN ENERGY COMPANY, LLC

AMENDMENT NO. 251 TO FACILITY OPERATING LICENSE NO. DPR-16

OYSTER CREEK NUCLEAR GENERATING STATION, DOCKET NO. 50-219

AMENDMENT NO. 252 TO FACILITY OPERATING LICENSE NO. DPR-50

THREE MILE ISLAND NUCLEAR STATION, UNIT 1, DOCKET NO. 50-289

1.0 INTRODUCTION

By application dated March 23, 2004 (Reference 1), as supplemented by letter dated June 16, 2004, (Reference 2) AmerGen Energy Company, LLC (the licensee), applied to the Nuclear Regulatory Commission (NRC) for amendments to the operating licenses of Oyster Creek Nuclear Generating Station (OCNGS), and Three Mile Island Nuclear Station, Unit No. 1 (TMI-1). These proposed changes relocate the Independent Onsite Safety Review Group (IOSRG) from the Administrative Controls in Section 6 of the Technical Specifications (TSs) to the Quality Assurance Topical Report (QATR), the highest tiered document controlling the licensee's quality assurance program. In addition, editorial corrections are included, which update references to the Exelon/AmerGen QATR, which has replaced the OCNGS and TMI-1 Operational Quality Assurance Plans (OQAPs). The supplement dated June 16, 2004, provided additional information that clarified the application, did not expand the scope of the application as originally noticed, and did not change the NRC staff's original proposed no significant hazards consideration determination as published in the *Federal Register* on May 11, 2004 (69 FR 26187).

2.0 REGULATORY EVALUATION

Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.36, "Technical specifications," provides criteria for inclusion of requirements into Appendix A TSs of each plant's Facility Operating License.

NUREG-0737, "Clarification of TMI Action Plan Requirements," among other items established requirements for licensees to establish an independent safety engineering group (ISEG) function at their facilities. In response to NUREG-0737, OCNGS and TMI-1 applied for and received approval of license amendments to incorporate these requirements into their TSs. TSs 6.5.4 and their associated subsections describe the requirements and responsibilities of the IOSRG for oversight of each plant's activities.

In accordance with NRC Administrative Letter (AL) 95-06, "Relocation of Technical Specification Administrative Controls Related to Quality Assurance," dated December 12, 1995, the existing TS requirements related to an ISEG function may be relocated to the quality

assurance plan. The administrative relocation of these TS requirements to the QATR, which as stated above has replaced the OQAPs at OCNGS and TMI-1, will not affect compliance with these requirements.

3.0 TECHNICAL EVALUATION

As indicated in AL 95-06, the NRC staff reviewed and approved many amendment requests that involved incorporating parts of the Improved Standard TSs and relocating requirements that do not satisfy the criteria of 10 CFR 50.36. These proposed TS changes constitute such an amendment request.

This proposed change relocates IOSRG review and audit requirements from the Administrative Controls in Section 6 of the TSs to the QATR. At OCNGS and TMI-1, the IOSRG performs the ISEG function. The NRC staff reviewed the revised QATR and evaluated the changes to TMI-1 and OCNGS TSs using 10 CFR 50.36 and AL 95-06. In accordance with AL 95-06, the existing TS requirements related to an ISEG function may be relocated to the quality assurance plan.

The NRC staff has determined that since the IOSRG performs the ISEG function, this ISEG function may be relocated to the quality assurance plan at OCNGS and TMI-1, as specified in NRC AL 95-06. Based on a review of the proposed changes to the TSs and the QATR, the NRC staff has determined that the proposed changes to the TSs and QATR are acceptable

4.0 STATE CONSULTATION

In accordance with the Commission's regulations, the New Jersey and Pennsylvania State officials were notified of the proposed issuance of the amendments. The State officials had no comments.

5.0 ENVIRONMENTAL CONSIDERATION

The amendment changes recordkeeping, reporting, or administrative procedures or requirements. 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 26187). Accordingly, the amendment meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(10). 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 amendments will not be inimical to the common defense and security or to the health and safety of the public.

7.0 REFERENCES

1. Letter, M. Gallagher, AmerGen, to the U.S. NRC, "Technical Specification Change Request No. 304/320 (TSCR) - Relocation of Independent Onsite Safety Review Group function to the Quality Assurance Topical Report for Oyster Creek Generating Station (OCGS) and Three Mile Island (TMI) Unit 1," dated March 23, 2004 (Agencywide Documents Access and Management System (ADAMS) accession number ML040900343).
2. Letter, M. Gallagher, AmerGen, to the U.S. NRC, "Technical Specification Amendment Implementation Period," dated June 16, 2004 (ADAMS accession number ML041740355).
3. Administrative Letter 95-06, "Relocation of Technical Specification Administrative Controls Related to Quality Assurance," dated December 12, 1995 (ADAMS accession Number ML031110271).

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Date: November 8, 2004

cc:

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