

September 30, 2004

Mr. James J. Sheppard  
President and Chief Executive Officer  
STP Nuclear Operating Company  
South Texas Project Electric  
Generating Station  
P. O. Box 289  
Wadsworth, TX 77483

SUBJECT: SOUTH TEXAS PROJECT, UNIT NO. 2 - RE: NOTICE OF CONSIDERATION  
OF ISSUANCE OF AMENDMENT TO FACILITY OPERATING LICENSE,  
PROPOSED NO SIGNIFICANT HAZARDS CONSIDERATION AND  
OPPORTUNITY FOR A HEARING (TAC NO. MC4468)

Dear Mr. Sheppard:

Enclosed is a copy of the subject notice that relates to STP Nuclear Operating Company's application for amendment dated September 30, 2004. This request is being treated as an exigent amendment in accordance with 50.91(a)(6)(i)(A) of Title 10 of the *Code of Federal Regulations*.

The proposed amendment would change Technical Specification 4.4.4.2 to not require block valve testing should the block valve be required to be closed in accordance with the required actions of the associated limiting condition for operation.

The notice has been forwarded to the Office of the Federal Register for publication.

Sincerely,

**/RA by M. Thadani Acting for Mr. D.Jaffe/**  
David H. Jaffe, Senior Project Manager, Section 1  
Project Directorate IV  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

cc: See next page

September 30, 2004

Mr. James J. Sheppard  
President and Chief Executive Officer  
STP Nuclear Operating Company  
South Texas Project Electric  
Generating Station  
P. O. Box 289  
Wadsworth, TX 77483

SUBJECT: SOUTH TEXAS PROJECT, UNIT NO. 2 - RE: NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TO FACILITY OPERATING LICENSE, PROPOSED NO SIGNIFICANT HAZARDS CONSIDERATION AND OPPORTUNITY FOR A HEARING (TAC NO. MC4468)

Dear Mr. Sheppard:

Enclosed is a copy of the subject notice that relates to STP Nuclear Operating Company's application for amendment dated September 30, 2004. This request is being treated as an exigent amendment in accordance with 50.91(a)(6)(i)(A) of Title 10 of the *Code of Federal Regulations*.

The proposed amendment would change Technical Specification 4.4.4.2 to not require block valve testing should the block valve be required to be closed in accordance with the required actions of the associated limiting condition for operation.

The notice has been forwarded to the Office of the Federal Register for publication.

Sincerely,

**/RA by M. Thadani Acting for Mr. D.Jaffe/**  
David H. Jaffe, Senior Project Manager, Section 1  
Project Directorate IV  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

cc: See next page

**DISTRIBUTION:**

PUBLIC RidsNrrDlpmLpdiv (HBerkow)  
PDIV-1 r/f RidsNrrDlpmLpdiv1 (RGramm)  
RidsNrrPMDJaffe RidsNrrLADBaxley  
RidsNrrDipmlrob (TBoyce) RidsAcrsAcnwMailCenter  
RidsOgcRp RidsRgn4MailCenter (BJohnson)  
RidsNrrDlpmDpr (SWall)

**ACCESSION NO: ML**

OFFICE	PDIV-1/PM	PDIV-1/LA	PDIV-1/SC	OGC(NLO)	PDIV/D
NAME	DJaffe	DBaxley	MWebb for RGramm	AHodgdon	RGramm for HBerkow
DATE	9/30/04	9/30/04	9/30/04	9/30/04	9/30/04

OFFICIAL RECORD COPY

DOCUMENT NAME: C:\ORPCheckout\FileNET\ML042750469.wpd

UNITED STATES NUCLEAR REGULATORY COMMISSION

STP NUCLEAR OPERATING COMPANY

DOCKET NO. 50-499

NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TO  
FACILITY OPERATING LICENSE, PROPOSED NO SIGNIFICANT HAZARDS  
CONSIDERATION DETERMINATION, AND OPPORTUNITY FOR A HEARING

The U.S. Nuclear Regulatory Commission (NRC, the Commission) is considering issuance of an amendment to Facility Operating License No. NPF-80, issued to STP Nuclear Operating Company (the licensee), for operation of South Texas Project (STP), Unit 2 located in Matagorda County, Texas.

The proposed amendment would change Technical Specification 4.4.4.2 to not require block valve testing should the block valve be required to be closed in accordance with the required actions of the associated limiting condition for operation.

Elevated temperatures were observed on the pressurizer discharge header due to minor power operated relief valve (PORV) 655A leakage during startup from 2RE10. Following valve reseating attempts, temperatures were elevated (compared to historical values), but remained below the alarm setpoint. When the alarm setpoint was reached on September 7, 2004, the PORV block valves were closed in accordance with plant procedures and troubleshooting efforts were initiated to determine the cause. Subsequent testing and investigation confirmed that PORV 655A was leaking-by, and as a result of the leak-by PORV 655A momentarily lifted when its associated block valve was re-opened. It should be noted that due to the PORV design (pilot-assisted) and the fact that the PORV leak-by had allowed the piping between the block valve and the PORV to depressurize during the troubleshooting time period, the momentary lift

of the PORV was not an unexpected occurrence. Further engineering evaluation was initiated to determine whether PORV 655A continued to remain Operable. This engineering analysis concluded that PORV 655A was operable, however if the PORV block valve were to remain open and the PORV to continue to leak-by, the resulting elevated temperatures would degrade the Equipment Qualification of the PORVs solenoid and switch cover gaskets before the projected end of the current Unit 2 operating cycle. Therefore, the decision was made on September 9, 2004, to declare PORV 655A inoperable due to excessive seat leakage, and to close the associated block valve in accordance with TS 3.4.4 Action a.

The quarterly surveillance test for the PORV 655A block valve, performed in accordance with SR 4.4.4.2, requires operating the block valve through one complete cycle of full travel. Because PORV 655A is a pilot-assisted valve, it is expected that the PORV will lift momentarily during the block valve stroke. Although the PORV is expected to reseal, performance of this surveillance represents an unnecessary challenge to the RCS pressure boundary. The SR 4.4.4.2 surveillance test for the PORV 655A block valve is due to be performed on September 28, 2004, and the associated grace period expires on October 21, 2004.

Entry into the required action of TS 3.4.4 could not have been reasonably foreseen or anticipated. Therefore, STPNOC requests approval of this license amendment application on an exigent basis by October 21, 2004 (the block valve surveillance due date, including grace period) in order to avoid unnecessary operation of the PORV.

Before issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

Pursuant to 50.91(a)(6) of Title 10 of the *Code of Federal Regulations* (10 CFR) for amendments to be granted under exigent circumstances, the NRC staff must determine that the amendment request involves no significant hazards consideration. Under the Commission's

regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

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

Response: No.

The block valve for the pressurizer power operated relief valve is not a potential accident initiator. Therefore, not requiring a surveillance of the block valve while it is being used to isolate its associated power operated relief valve will not increase the probability of an accident previously evaluated. Not requiring the surveillance of the block valve may slightly reduce the probability of a loss of coolant accident from a stuck open power operated relief valve since it will eliminate the challenge to the power operated relief valve from the pressure transient that results from cycling the block valve.

If pressurizer spray is not available or is not effective, either one of the two pressurizer power operated relief valves may be manually actuated to depressurize the reactor coolant system to mitigate the consequences of a steam generator tube rupture. Not performing the surveillance on the block valve is not relevant to the primary system for depressurizing the reactor coolant system (pressurizer spray). The block valves have been demonstrated by operating experience to be reliable and are also subject to the motor-operated valve testing program. Consequently, the proposed change does not significantly reduce the confidence that the block valve can be opened to permit manual actuation of the power operated relief valve to depressurize the reactor coolant system to mitigate an accident. Therefore, the proposed change does not involve a significant increase in the consequences of an accident previously evaluated.

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

Response: No.

The proposed change only affects the performance of the surveillance test for the block valve and does not introduce any operating configurations not previously evaluated.

Therefore, the STPNOC concludes 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 change involve a significant reduction in a margin of safety?

Response: No.

The proposed change to the surveillance requirement for the block valve for the pressurizer power operated relief valve does not affect the assumptions in any accident analyses. There are no changes in plant performance parameters associated with the proposed change to the surveillance requirement for the block valve.

Therefore, the STPNOC concludes the proposed change does not involve a significant reduction in the margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 14 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of the 14-day notice period. However, should circumstances change during the notice period, such that failure to act in a timely way would result, for example, in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 14-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received. Should the Commission take this action, it will publish in the Federal Register a notice of issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and should cite the publication date and page number of this Federal Register notice. Written comments may also be delivered to Room 6D59, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. Federal workdays. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland.

The filing of requests for hearing and petitions for leave to intervene is discussed below.

Within 60 days after the date of publication of this notice, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for a hearing and a petition for leave to intervene. Requests for a hearing and a petition for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. Interested persons should consult a current copy of 10 CFR 2.309, which is available at the Commission's PDR, located at One White Flint North, Public File Area 01F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible from the Agencywide Documents Access and Management System's (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/doc-collections/cfr/>. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or a presiding officer designated by the Commission or by the Chief Administrative Judge of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition; and the Secretary or the Chief

Administrative Judge of the Atomic Safety and Licensing Board will issue a notice of a hearing or an appropriate order.

As required by 10 CFR 2.309, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following general requirements: 1) the name, address and telephone number of the requestor or petitioner; 2) the nature of the requestor's/petitioner's right under the Act to be made a party to the proceeding; 3) the nature and extent of the requestor's/petitioner's property, financial, or other interest in the proceeding; and 4) the possible effect of any decision or order which may be entered in the proceeding on the requestor's/petitioner's interest. The petition must also identify the specific contentions which the petitioner/requestor seeks to have litigated at the proceeding.

Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner/requestor shall provide a brief explanation of the bases for the contention and a concise statement of the alleged facts or expert opinion which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner/requestor must also provide references to those specific sources and documents of which the petitioner/requestor is aware and on which the petitioner/requestor intends to rely to establish those facts or expert opinion. The petitioner/requestor must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner/requestor to relief. A petitioner/requestor who fails to satisfy

these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held. If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment. If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

Nontimely requests and/or petitions and contentions will not be entertained absent a determination by the Commission or the presiding officer of the Atomic Safety and Licensing Board that the petition, request and/or the contentions should be granted based on a balancing of the factors specified in 10 CFR 2.309(a)(1)(i)-(viii).

A request for a hearing or a petition for leave to intervene must be filed by: 1) first class mail addressed to the Office of the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemaking and Adjudications Staff; 2) courier, express mail, and expedited delivery services: Office of the Secretary, Sixteenth Floor, One White Flint North, 11555 Rockville Pike, Rockville, Maryland, 20852, Attention: Rulemaking and Adjudications Staff; 3) E-mail addressed to the Office of the Secretary, U.S. Nuclear Regulatory Commission, [HEARINGDOCKET@NRC.GOV](mailto:HEARINGDOCKET@NRC.GOV); or 4) facsimile transmission addressed to the Office of the Secretary, U.S. Nuclear Regulatory Commission, Washington,

DC, Attention: Rulemakings and Adjudications Staff at (301) 415-1101, verification number is (301) 415-1966. A copy of the request for hearing and petition for leave to intervene should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and it is requested that copies be transmitted either by means of facsimile transmission to 301-415-3725 or by e-mail to [OGCMailCenter@nrc.gov](mailto:OGCMailCenter@nrc.gov). A copy of the request for hearing and petition for leave to intervene should also be sent to Mr. John E. Matthews, Morgan, Lewis & Bokius, LLP, 1111 Pennsylvania Avenue, NW, Washington, DC 20004, attorney for the licensee.

For further details with respect to this action, see the application for amendment dated September 30, 2004, which is available for public inspection at the Commission's PDR, located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the ADAMS Public Electronic Reading Room on the Internet at the NRC web site <http://www.nrc.gov/reading-rm.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1-800-397-4209, 301-415-4737, or by e-mail to [pdr@nrc.gov](mailto:pdr@nrc.gov).

Dated at Rockville, Maryland, this 30<sup>th</sup> day of September 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

*/RA/*

Mohan C. Thadani, Senior Project Manager, Section 1  
Project Directorate IV  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

South Texas Project, Units 1 & 2

cc:

Senior Resident Inspector  
U.S. Nuclear Regulatory Commission  
P. O. Box 910  
Bay City, TX 77414

A. Ramirez/C. M. Canady  
City of Austin  
Electric Utility Department  
721 Barton Springs Road  
Austin, TX 78704

Mr. L. K. Blaylock  
Mr. W. C. Gunst  
City Public Service Board  
P. O. Box 1771  
San Antonio, TX 78296

Mr. C. A. Johnson/A. C. Bakken  
AEP Texas Central Company  
P. O. Box 289  
Mail Code: N5022  
Wadsworth, TX 77483

INPO  
Records Center  
700 Galleria Parkway  
Atlanta, GA 30339-3064

Regional Administrator, Region IV  
U.S. Nuclear Regulatory Commission  
611 Ryan Plaza Drive, Suite 400  
Arlington, TX 76011

D. G. Tees/R. L. Balcom  
Texas Genco, LP  
P. O. Box 1700  
Houston, TX 77251

Judge, Matagorda County  
Matagorda County Courthouse  
1700 Seventh Street  
Bay City, TX 77414

A. H. Gutterman, Esq.  
Morgan, Lewis & Bockius  
1111 Pennsylvania Avenue, NW  
Washington, DC 20004

Mr. T. J. Jordan, Vice President  
Engineering & Technical Services  
STP Nuclear Operating Company  
P. O. Box 289  
Wadsworth, TX 77483

S. M. Head, Manager, Licensing  
Nuclear Quality & Licensing Department  
STP Nuclear Operating Company  
P. O. Box 289, Mail Code: N5014  
Wadsworth, TX 77483

Environmental and Natural Resources  
Policy Director  
P. O. Box 12428  
Austin, TX 78711-3189

Jon C. Wood  
Matthews & Branscomb  
112 East Pecan, Suite 1100  
San Antonio, TX 78205

Arthur C. Tate, Director  
Division of Compliance & Inspection  
Bureau of Radiation Control  
Texas Department of Health  
1100 West 49th Street  
Austin, TX 78756

Brian Almon  
Public Utility Commission  
William B. Travis Building  
P. O. Box 13326  
1701 North Congress Avenue  
Austin, TX 78701-3326

South Texas Project, Units 1 & 2

-2-

Susan M. Jablonski  
Office of Permitting, Remediation  
and Registration  
Texas Commission on  
Environmental Quality  
MC-122  
P.O. Box 13087  
Austin, TX 78711-3087

Mr. Terry Parks, Chief Inspector  
Texas Department of Licensing  
and Regulation  
Boiler Division  
P. O. Box 12157  
Austin, TX 78711

Mr. Ted Enos  
4200 South Hulen  
Suite 630  
Ft. Worth, Texas 76109