

January 11, 2005

Mr. Daniel J. Malone
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Palisades Nuclear Plant
Nuclear Management Company, LLC
27780 Blue Star Memorial Highway
Covert, MI 49043-9530

SUBJECT: PALISADES NUCLEAR POWER PLANT - ISSUANCE OF AMENDMENT RE:
ELIMINATION OF REQUIREMENTS FOR HYDROGEN RECOMBINERS AND
HYDROGEN MONITORS (TAC NO. MC1903)

Dear Mr. Malone:

The U. S. Nuclear Regulatory Commission (the Commission) has issued the enclosed Amendment No. 221 to Facility Operating License No. DPR-20 for the Palisades Nuclear Power Plant. The amendment consists of changes to the Technical Specifications (TSs) in response to your application dated January 30, 2004.

The amendment eliminates requirements for hydrogen recombiners and relocates the requirements for hydrogen monitors to your Commitment Management Program. A notice of availability for this TS improvement using the consolidated line item improvement process was published in the *Federal Register* on September 25, 2003 (68 FR 55416).

A copy of our related safety evaluation is also enclosed. The Notice of Issuance will be included in the Commission's biweekly *Federal Register* notice.

Sincerely,

/RA/

David H. Jaffe, Acting Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosures: 1. Amendment No. 221 to DPR-20
2. Safety Evaluation

cc w/encls: See next page

Palisades Plant

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October 2003

January 11, 2005

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Nuclear Management Company, LLC
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Docket No. 50-255

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ML050140372 (TSs)

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NUCLEAR MANAGEMENT COMPANY, LLC

DOCKET NO. 50-255

PALISADES NUCLEAR POWER PLANT

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 221

License No. DPR-20

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Nuclear Management Company, LLC (NMC), dated January 30, 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;
 - 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 (TSs) as indicated in the attachment to the license amendment and Paragraph 2.C.(2) of Facility Operating License No. DPR-20 is hereby amended to read as follows:

The TSs contained in Appendix A, as revised through Amendment No. 221, and the Environmental Protection Plan (EPP) contained in Appendix B are hereby incorporated in the license. NMC shall operate the facility in accordance with the Technical Specifications and the EPP.

3. This license amendment is effective as of the date of issuance and shall be implemented within 120 days.

FOR THE NUCLEAR REGULATORY COMMISSION
/RA/

Margie Kotzalas, Acting Chief, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to the Technical Specifications

Date of Issuance: January 11, 2005

ATTACHMENT TO LICENSE AMENDMENT NO. 221

FACILITY OPERATING LICENSE NO. DPR-20

DOCKET NO. 50-255

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

3.3.7-1
3.3.7-2
3.3.7-4
3.6.7-1
3.6.7-2

INSERT

3.3.7-1
3.3.7-2
3.3.7-4

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION
RELATED TO AMENDMENT NO. 221 TO FACILITY OPERATING LICENSE NO. DPR-20
NUCLEAR MANAGEMENT COMPANY, LLC
PALISADES NUCLEAR POWER PLANT
DOCKET NO. 50-255

1.0 INTRODUCTION

By application dated January 30, 2004, the Nuclear Management Company, LLC (the licensee), requested changes to the Technical Specifications (TSs) for the Palisades Nuclear Power Plant (ADAMS Accession No. ML040420424). The proposed changes would delete the TS requirements associated with hydrogen recombiners and hydrogen monitors.

The U. S. Nuclear Regulatory Commission (NRC) has revised Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.44, "Standards for Combustible Gas Control System in Light-Water-Cooled Power Reactors." The amended standards eliminated the requirements for hydrogen recombiners and relaxed the requirements for hydrogen and oxygen monitoring. In letters dated December 17, 2002, and May 12, 2003, the Nuclear Energy Institute Technical Specification Task Force (TSTF) proposed to remove requirements for hydrogen recombiners and hydrogen and oxygen monitors from the standard technical specifications (STS) (NUREGs 1430 - 1434) on behalf of the industry to incorporate the amended standards. This proposed change is designated TSTF-447.

The NRC staff prepared this model safety evaluation for the elimination of requirements regarding containment hydrogen recombiners and the removal of requirements from TS for containment hydrogen and oxygen monitors and solicited public comment (67 FR 50374, published August 2, 2002) in accordance with the Consolidated Line Item Improvement Process (CLIIP). The use of the CLIIP in this matter is intended to help the NRC to efficiently process amendments that propose to remove the hydrogen recombiner and hydrogen and oxygen monitor requirements from TS. Licensees of nuclear power reactors to which this model applies, were informed (68 FR 55416; September 25, 2003) that they could request amendments conforming to the model, and, in such requests, should confirm the applicability of the safety evaluation to their reactors and provide the requested plant-specific verifications and commitments.

2.0 BACKGROUND

Regulatory Issue Summary 2000-06, "Consolidated Line Item Improvement Process for Adopting Standard Technical Specification Changes for Power Reactors," was issued on March 20, 2000. The CLIIIP is intended to improve the efficiency of NRC licensing processes. This is accomplished by processing proposed changes to the STS in a manner that supports subsequent license amendment applications. The CLIIIP includes an opportunity for the public to comment on proposed changes to the STS following a preliminary assessment by the NRC staff and finding that the change will likely be offered for adoption by licensees. The NRC staff evaluates any comments received for a proposed change to the STS and either reconsiders the change or proceeds with announcing the availability of the change for proposed adoption by licensees. Those licensees opting to apply for the subject change to TS are responsible for reviewing the staff's evaluation, referencing the applicable technical justifications, and providing any necessary plant-specific information. Each amendment application made in response to the notice of availability would be processed and noticed in accordance with applicable rules and NRC procedures.

The NRC's regulatory requirements related to the content of TS are set forth in 10 CFR 50.36. This regulation requires that the TSs include items in five (5) specific categories. These categories include 1) safety limits, limiting safety system settings and limiting control settings, 2) limiting conditions for operation (LCO), 3) surveillance requirements (SRs), 4) design features, and 5) administrative controls. However, the regulation does not specify the particular TSs to be included in a plant's license.

Additionally, 10 CFR 50.36(c)(2)(ii) sets forth four (4) criteria to be used in determining whether an LCO is required to be included in the TS. These criteria are as follows:

1. Installed instrumentation that is used to detect, and indicate in the control room, a significant abnormal degradation of the reactor coolant pressure boundary.
2. A process variable, design feature, or operating restriction that is an initial condition of a design basis accident or transient analysis that either assumes the failure of or presents a challenge to the integrity of a fission product barrier.
3. A structure, system, or component that is part of the primary success path and which functions or actuates to mitigate a design basis accident or transient that either assumes the failure of or presents a challenge to the integrity of a fission product barrier.
4. A structure, system, or component which operating experience or probabilistic risk assessment has shown to be significant to public health and safety.

Existing LCOs and related surveillances included as TS requirements which satisfy any of the criteria stated above must be retained in the TSs. Those TS requirements which do not satisfy these criteria may be relocated to other licensee-controlled documents.

As part of the rulemaking that revised 10 CFR 50.44, the NRC retained requirements for ensuring a mixed atmosphere, inerting Mark I and II containments, and providing hydrogen control systems capable of accommodating an amount of hydrogen generated from a metal-water reaction involving 75 percent of the fuel cladding surrounding the active fuel region in Mark III and ice condenser containments. The NRC eliminated the design-basis loss-of-coolant accident (LOCA) hydrogen release from 10 CFR 50.44 and consolidated the requirements for hydrogen and oxygen monitoring to 10 CFR 50.44 while relaxing safety classifications and licensee commitments to certain design and qualification criteria. The NRC also relocated without change the hydrogen control requirements in 10 CFR 50.34(f) to 10 CFR 50.44 and the high point vent requirements from 10 CFR 50.44 to 10 CFR 50.46a.

3.0 EVALUATION

The ways in which the requirements and recommendations for combustible gas control were incorporated into the licensing bases of commercial nuclear power plants varied as a function of when plants were licensed. Plants that were operating at the time of the Three Mile Island (TMI), Unit 2 accident are likely to have been the subject of confirmatory orders that imposed the combustible gas control functions described in NUREG-0737, "Clarification of TMI Action Plan Requirements," as obligations. The issuance of plant-specific amendments to adopt these changes, which would remove hydrogen recombiner and hydrogen and oxygen monitoring controls from TS, supersede the combustible gas control specific requirements imposed by post-TMI confirmatory orders.

3.1 Hydrogen Recombiners

The revised 10 CFR 50.44 no longer defines a design-basis LOCA hydrogen release, and also eliminates requirements for hydrogen control systems to mitigate such a release. The installation of hydrogen recombiners and/or vent and purge systems required by 10 CFR 50.44(b)(3) was intended to address the limited quantity and rate of hydrogen generation that was postulated from a design-basis LOCA. The NRC has found that this hydrogen release is not risk-significant because the design-basis LOCA hydrogen release does not contribute to the conditional probability of a large release up to approximately 24 hours after the onset of core damage. In addition, these systems were ineffective at mitigating hydrogen releases from risk-significant beyond design-basis accidents. Therefore, the NRC eliminated the hydrogen release associated with a design-basis LOCA from 10 CFR 50.44 and the associated requirements that necessitated the need for the hydrogen recombiners and the backup hydrogen vent and purge systems. As a result, the staff finds that requirements related to hydrogen recombiners no longer meet any of the four criteria in 10 CFR 50.36(c)(2)(ii) for retention in TS and the existing TS requirements may, therefore, be eliminated for all plants.

3.2 Hydrogen Monitoring Equipment

Section 50.44(b)(1), the STS, and plant-specific TS currently contain requirements for monitoring hydrogen. Licensees have also made commitments to design and qualification criteria for hydrogen monitors in Item II.F.1, Attachment 6 of NUREG-0737 and Regulatory Guide (RG) 1.97, "Instrumentation for Light-Water-Cooled Nuclear Power Plants to Assess Plant and Environs Conditions During and Following an Accident." The hydrogen monitors are required to assess the degree of core damage during a beyond design-basis accident and confirm that random or deliberate ignition has taken place. If an explosive mixture that could

threaten containment integrity exists during a beyond design-basis accident, then other severe accident management strategies, such as purging and/or venting, would need to be considered. The hydrogen monitors are needed to implement these severe accident management strategies.

With the elimination of the design-basis LOCA hydrogen release, hydrogen monitors are no longer required to mitigate design-basis accidents and, therefore, the hydrogen monitors do not meet the definition of a safety-related component as defined in 10 CFR 50.2. RG 1.97 recommends classifying the hydrogen monitors as Category 1. RG 1.97 Category 1, is intended for key variables that most directly indicate the accomplishment of a safety function for design-basis accident events and, therefore, are items usually addressed within TSs. As part of the rulemaking to revise 10 CFR 50.44, the NRC found that the hydrogen monitors no longer meet the definition of Category 1 in RG 1.97. The NRC concluded that Category 3, as defined in RG 1.97, is an appropriate categorization for the hydrogen monitors because the monitors are required to diagnose the course of beyond design-basis accidents. Hydrogen monitoring is not the primary means of indicating a significant abnormal degradation of the reactor coolant pressure boundary. Section 4 of Attachment 2 to SECY-00-0198, "Status Report on Study of Risk-Informed Changes to the Technical Requirements of 10 CFR Part 50 (Option 3) and Recommendations on Risk-Informed Changes to 10 CFR 50.44 (Combustible Gas Control)," found that the hydrogen monitors were not risk-significant. Therefore, the staff finds that hydrogen monitoring equipment requirements no longer meet any of the four criteria in 10 CFR 50.36(c)(2)(ii) for retention in TS and, as a result, may be relocated to other licensee-controlled documents.

However, because the monitors are required to diagnose the course of beyond design-basis accidents, each licensee should verify that it has, and makes a regulatory commitment to maintain, a hydrogen monitoring system capable of diagnosing beyond design-basis accidents.

The elimination of Post-Accident Sampling System requirements from some plant-specific TSs (and associated CLIIP notices) indicated that during the early phases of an accident, safety-grade hydrogen monitors provide an adequate capability for monitoring containment hydrogen concentration. The staff has subsequently concluded that Category 3 hydrogen monitors also provide an adequate capability for monitoring containment hydrogen concentration during the early phases of an accident.

4.0 VERIFICATIONS AND COMMITMENTS

As requested by the staff in the notice of availability for this TS improvement, the licensee has addressed the following plant-specific verifications and commitments.

- 4.1 Each licensee should verify that it has, and makes a regulatory commitment to maintain, a hydrogen monitoring system capable of diagnosing beyond design-basis accidents.

The licensee has verified that it has a hydrogen monitoring system capable of diagnosing beyond design-basis accidents. The licensee has committed to maintain the hydrogen monitors within its Commitment Management Program. The licensee will implement this commitment as part of the implementation of the amendment.

The NRC staff finds that reasonable controls for the implementation and for subsequent evaluation of proposed changes pertaining to the above regulatory commitments are provided by the licensee's administrative processes, including its commitment management program. Should the licensee choose to incorporate a regulatory commitment into the emergency plan, final safety analysis report, or other document with established regulatory controls, the associated regulations would define the appropriate change-control and reporting requirements. The staff has determined that the commitments do not warrant the creation of regulatory requirements which would require prior NRC approval of subsequent changes. The NRC staff has agreed that NEI 99-04, Revision 0, "Guidelines for Managing NRC Commitment Changes," provides reasonable guidance for the control of regulatory commitments made to the NRC staff. (See Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," dated September 21, 2000.) The commitments should be controlled in accordance with the industry guidance or comparable criteria employed by a specific licensee. The staff may choose to verify the implementation and maintenance of these commitments in a future inspection or audit.

5.0 STATE CONSULTATION

In accordance with the Commission's regulations, the Michigan State official was notified of the proposed issuance of the amendment. The Michigan State official had no comments.

6.0 ENVIRONMENTAL CONSIDERATION

This amendment changes requirements with respect to installation or use of a facility component located within the restricted area as defined in 10 CFR Part 20 and changes SRs. The staff has determined that the amendment involves no significant increase in the amounts, and no significant change in the types, of any effluent that may be released offsite, and that there is no significant increase in individual or cumulative occupational radiation exposure. The NRC 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 9862, March 2, 2004). 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.

7.0 CONCLUSION

The NRC 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 NRC'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: W. Reckley

Date: January 11, 2005