

January 31, 2005

Mark A. Peifer  
Site Vice President  
Duane Arnold Energy Center  
Nuclear Management Company, LLC  
3277 DAEC Road  
Palo, IA 52324-0351

SUBJECT: DUANE ARNOLD ENERGY CENTER - ISSUANCE OF AMENDMENT  
RE: DELETION OF REQUIREMENTS FOR SUBMITTAL OF OCCUPATIONAL  
RADIATION AND MONTHLY OPERATING REPORTS (TAC NO. MC4620)

Dear Mr. Peifer:

The U.S. Nuclear Regulatory Commission has issued the enclosed Amendment No.256 to Facility Operating License No. DPR-49 for the Duane Arnold Energy Center. This amendment consists of changes to the Technical Specifications (TS) in response to your application dated October 5, 2004.

The amendment deletes TS 5.6.1, "Occupational Radiation Exposure Report," and TS 5.6.4 "Monthly Operating Reports," as described in the Notice of Availability published in the *Federal Register* on June 23, 2004 (69 FR 35067).

A copy of the Safety Evaluation is also enclosed. A Notice of Issuance will be included in the Commission's next biweekly *Federal Register* notice.

Sincerely,  
**/RA/**

David P. Beaulieu, Project Manager, Section 1  
Project Directorate III  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. 50-331

Enclosures: 1. Amendment No. 256 to  
License No. DPR-49  
2. Safety Evaluation

cc w/encls: See next page

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DISTRIBUTION:

PUBLIC	GHill (2)	WReckley
PDIII-1 R/F	TBoyce	THarris
WRuland	GGrant	DBeaulieu
LRaghavan	OGC	DLPMDPR
MKotzalas	ACRS	

Package Accession No.: ML050350122  
Amendment Accession No.: ML050280043 Nrr-058  
TS Accession No.: ML050340152 Nrr-100

OFFICE	CLIIP LPM	PM:PD3-1	LA:PD3-1	IROB/TSS	OGC	SC:PD3-1
NAME	WReckley	DBeaulieu	THarris	TBoyce	MHiggins	LRaghavan
DATE	12/3/04	12/17/05	1/13/05	1/24/05	1/25/05	1/31/05

OFFICIAL RECORD COPY

Duane Arnold Energy Center

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November 2004

NUCLEAR MANAGEMENT COMPANY, LLC

DOCKET NO. 50-331

DUANE ARNOLD ENERGY CENTER

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 256

License No. DPR-49

1. The U.S. Nuclear Regulatory Commission (the Commission) has found that:
  - A. The application for amendment by Nuclear Management Company, LLC (the licensee) dated October 5, 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-49 is hereby amended to read as follows:

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 256, are hereby incorporated in the license. NMC 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 90 days of the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION  
**/RA/**

L. Raghavan, 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 31, 2005

ATTACHMENT TO LICENSE AMENDMENT NO. 256

FACILITY OPERATING LICENSE NO. DPR-49

DOCKET NO. 50-331

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

5.0-19  
5.0-20

Insert

5.0-19  
5.0-20

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION  
RELATED TO AMENDMENT NO. 256 TO FACILITY OPERATING LICENSE NO. DPR-49  
NUCLEAR MANAGEMENT COMPANY, LLC  
DUANE ARNOLD ENERGY CENTER  
DOCKET NO. 50-331

## 1.0 INTRODUCTION

By application dated October 5, 2004 (ADAMS Accession No. ML042790581), the Nuclear Management Company, LLC (the licensee), requested changes to the Technical Specifications (TSs) for the Duane Arnold Energy Center. The proposed changes would delete TS 5.6.1, "Occupational Radiation Exposure Report," and TS 5.6.4 "Monthly Operating Reports," as described in the Notice of Availability published in the *Federal Register* on June 23, 2004 (69 FR 35067).

## 2.0 REGULATORY EVALUATION

Section 182(a) of the Atomic Energy Act of 1954, as amended, (the "Act") requires applicants for nuclear power plant operating licenses to state TS to be included as part of the license. The U. S. Nuclear Regulatory Commission's (NRC's) regulatory requirements related to the content of TSs are set forth in Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50.36, "Technical specifications." The regulation requires that TSs include items in five specific categories, including (1) safety limits, limiting safety system settings, and limiting control settings; (2) limiting conditions for operation (LCOs); (3) surveillance requirements; (4) design features; and (5) administrative controls. However, the regulation does not specify the particular requirements to be included in a plant's TSs.

The NRC has provided guidance for the content of TSs in its "Final Policy Statement on Technical Specification Improvements for Nuclear Power Reactors" (58 FR 39132, published July 22, 1993), in which the NRC indicated that compliance with the Final Policy Statement satisfies Section 182(a) of the Act. The Final Policy Statement identified four criteria to be used in determining whether a particular item should be addressed in the TSs as an LCO. The criteria were subsequently incorporated into 10 CFR 50.36 (60 FR 36593, published July 19, 1995). While the criteria specifically apply to LCOs, the NRC indicated that the intent of these criteria may be used to identify the optimum set of administrative controls in TSs. Addressing administrative controls, 10 CFR 50.36 states that they are "the provisions relating to organization and management, procedures, record keeping, review and audit, and reporting necessary to assure operation of the facility in a safe manner." The specific content of the administrative controls section of the TS is, therefore, related to those programs and reports that the NRC deems essential for the safe operation of the facility, which are not adequately covered by regulations or other regulatory

requirements. Accordingly, the staff may determine that specific requirements, such as those associated with this change, may be removed from the administrative controls in the TS if they are not explicitly required by 10 CFR 50.36(c)(5) and are not otherwise necessary to obviate the possibility of an abnormal situation or event giving rise to an immediate threat to the public health and safety.

The impetus for the monthly operating report (MOR) came from the 1973-1974 oil embargo. Regulatory Guide 1.16, Revision 4, "Reporting of Operating Information - Appendix A Technical Specifications," published for comment in August 1975, identifies operating statistics and shutdown experience information that was desired in the operating report at that time. In the mid-1990s, the NRC staff assessed the information that is submitted in the MOR and determined that while some of the information was no longer used by the staff, the MOR was the only source of some data used in the NRC Performance Indicator (PI) Program of that time period (see NRC Generic Letter (GL) 97-02, "Revised Contents of the Monthly Operating Report"). Beginning in the late 1990s, the NRC developed and implemented a major revision to its assessment, inspection, and enforcement processes through its Reactor Oversight Process (ROP). The ROP uses both plant-level PIs and inspections performed by NRC personnel. In conjunction with the development of the ROP, the NRC developed the Industry Trends Program (ITP). The ITP provides the NRC a means to assess overall industry performance using industry level indicators and to report on industry trends to various stakeholders (e.g., Congress). Information from the ITP is used to assess the NRC's performance related to its goal of having "no statistically significant adverse industry trends in safety performance." The ITP uses some of the same PIs as the PI Program from the mid-1990s and, therefore, the NRC has a continuing use for the data provided in MORs. The NRC also uses some data from the MORs to support the evaluation of operating experience, licensee event reports, and other assessments performed by the staff and its contractors.

Licensees are required by TSs to submit annual occupational radiation exposure reports (ORERs) to the NRC. The reports, developed in the mid-1970s, supplement the reporting requirements currently defined in 10 CFR 20.2206, "Reports of individual monitoring," by providing a tabulation of data by work areas and job functions. The NRC included data from the ORERs in its annual publication of NUREG-0713, "Occupational Radiation Exposure at Commercial Nuclear Power Reactors and Other Facilities," through the year 1997, but no longer includes the data in that or other reports.

### 3.0 TECHNICAL EVALUATION

#### 3.1 Monthly Operating Reports

As previously mentioned, the administrative requirements in TSs are reserved for "the provisions relating to organization and management, procedures, recordkeeping, review and audit, and reporting necessary to assure operation of the facility in a safe manner." The current use of the information from the MORs is not related to reporting on or confirming the safe operation of specific nuclear power plants. Instead, the data is used by the NRC to assess and communicate with stakeholders regarding the overall performance of the nuclear industry. Data related to PIs for specific plants are reported to the NRC as part of the ROP. The NRC staff has determined that the MORs do not meet the criteria defined for requirements to be included in the administrative section of TSs and the reporting requirement may, therefore, be removed. Although the MORs do not satisfy the criteria for inclusion in TSs, the NRC staff nevertheless has a continuing need to receive the data in order to compile its reports on industry trends and to

support other evaluations of operating experience. In addition, information such as plant capacity factors that are reported in the MORs are useful to the staff and are frequently asked for by agency stakeholders.

The NRC staff interacted with licensees, industry organizations, and other stakeholders during the development of the Consolidated Data Entry (CDE) program (currently being developed and maintained by the Institute of Nuclear Power Operation), regarding the use of an industry database like CDE to provide data currently obtained from MORs. These discussions also involved the related Revision 1 to Technical Specification Task Force (TSTF)-369, "Removal of Monthly Operating Report and Occupational Radiation Exposure Report." As described in Section 4 of this safety evaluation, the licensee is making a regulatory commitment to continue to provide the data identified in GL 97-02, following the removal of the TS requirement to submit MORs, and will, therefore, continue to meet the needs of the NRC staff for the ITP and other evaluations. The use of an industry database such as CDE is more efficient and cost-effective for both the NRC and licensees than would be having the NRC staff obtain the needed information from other means currently available. Should a licensee fail to satisfy the regulatory commitment to voluntarily provide the information, the NRC could obtain the information through its inspection program (similar to the process described in NRC Inspection Procedure 71150, "Discrepant or Unreported Performance Indicator Data") with the licensee being charged for the time spent by the NRC staff.

The only significant changes resulting from the adoption of TSTF-369 are that the information will be provided quarterly instead of monthly (although the operating data will still be divided by month) and the form of the reporting will be from a consolidated database such as CDE instead of in correspondence from individual licensees. The change of reporting frequency to quarterly has some advantages for both the NRC staff and licensee, since it will coincide with the collection and submission of the ROP PI data. In terms of the specific method used to transmit the data to the NRC, the licensee has committed (see Section 4.0) to provide data identified in GL 97-02 on a quarterly basis. The NRC staff believes that the most efficient process for licensees and the NRC will be for all licensees to use a system such as CDE. Such systems have advantages in terms of improved data entry, data checking, and data verification and validation. The NRC will recognize efficiency gains by having the data from all plants reported using the same computer software and format. Although the data may be transmitted to the NRC from an industry organization maintaining a database such as CDE, the licensee provides the data for the system and remains responsible for the accuracy of the data submitted to the NRC for its plant(s). The public will continue to have access to the data through official agency records accessible on the Agencywide Documents Access and Management System (ADAMS). Therefore, the staff finds it acceptable that TS 5.6.4 is being deleted and the MOR will no longer be submitted by the licensee.

### 3.2 Occupational Radiation Exposure Reports

The information that the NRC staff needs regarding occupational doses is provided by licensees in the reports required under 10 CFR Part 20. The data from the Part 20 reports are sufficient to support the NRC trending programs, radiation related studies, and preparation of reports such as NUREG-0713. Accordingly, the NRC's limited use of the ORER submitted pursuant to the existing TS requirements no longer warrants the regulatory burden imposed on licensees. Therefore, the staff finds it acceptable that TS 5.6.1 is being deleted and the ORER will no longer be submitted by the licensee.

#### 4.0 VERIFICATIONS AND COMMITMENTS

In order to efficiently process incoming license amendment applications, the NRC staff requested each licensee requesting the changes addressed by TSTF-369 using the Consolidated Line Item Improvement Process (CLIIP) to address the following plant-specific regulatory commitment.

Each licensee should make a regulatory commitment to provide to the NRC using an industry database the operating data (for each calendar month) that is described in Generic Letter 97-02 "Revised Contents of the Monthly Operating Report," by the last day of the month following the end of each calendar quarter. The regulatory commitment will be based on use of an industry database (e.g., the industry's CDE program, currently being developed and maintained by the Institute of Nuclear Power Operations).

The licensee, in their October 5, 2004, application, made a regulatory commitment to provide to the NRC using an industry database the operating data (for each calendar month) that is described in Generic Letter 97-02 "Revised Contents of the Monthly Operating Report," by the last day of the month following the end of each calendar quarter. The regulatory commitment will be based on use of an industry database (e.g., the industry's CDE program, currently being developed and maintained by the Institute of Nuclear Power Operations). This regulatory commitment will be implemented to prevent any gaps in the monthly operating statistics and shutdown experience provided to the NRC (i.e., data for all months will be provided using one or both systems (monthly operating reports and CDE)).

The NRC staff finds that reasonable controls for the implementation and for subsequent evaluation of proposed changes pertaining to the above regulatory commitment(s) can be provided by the licensee's administrative processes, including its commitment management program. The NRC staff has agreed that Nuclear Energy Institute 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 NRC staff notes that this amendment establishes a voluntary reporting system for the operating data that is similar to the system established for the ROP PI program. Should the licensee choose to incorporate a regulatory commitment into the final safety analysis report or other document with established regulatory controls, the associated regulations would define the appropriate change-control and reporting requirements.

#### 5.0 STATE CONSULTATION

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

#### 6.0 ENVIRONMENTAL CONSIDERATIONS

The amendments relate to changes in recordkeeping, reporting, or administrative requirements. Accordingly, the amendments meet 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 amendments.

## 7.0 CONCLUSION

The staff 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: CLIP Safety Evaluation as published in the *Federal Register* on June 23, 2004 (69 FR 35067)

Date: January 31, 2005