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INFORMATION**



South Texas Project Electric Generating Station P.O. Box 289 Wadsworth, Texas 77483

May 9, 2005
NOC-AE-05001884
STI: 31881185

U. S. Nuclear Regulatory Commission
Attention: Document Control Desk
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Rockville, MD 20852

South Texas Project
Units 1 and 2
Docket Nos. STN 50-498, STN 50-499
Proposed Change to the Wording of UFSAR Section 13.7

- References: 1. Letter, J. A. Zwolinski to W. T. Cottle, "South Texas Project Units 1 and 2 - Safety Evaluation on Exemption Requests from Special Treatment Requirements of 10 CFR Parts 21, 50, and 100 (TAC Nos. MA6057 and MA6058)," dated August 3, 2001
2. 10 CFR 50.69, "Risk-Informed Categorization and Treatment of Structures, Systems and Components for Nuclear Power Reactors: Final Rule," dated November 22, 2004

As the industry's prototype pilot for the 10 CFR 50.69 rule-making effort, STP Nuclear Operating Company (STPNOC) is proposing a change to Updated Final Safety Analysis Report (UFSAR) Section 13.7.4.2 concerning the periodicity of the feedback and corrective action activities. STPNOC considers that the proposed change could be viewed as a decrease in effectiveness of the evaluation and assessment process per UFSAR Section 13.7.5.2.c. Therefore, STPNOC is seeking prior NRC review and approval of the proposed change per UFSAR Section 13.7.5.2.e.

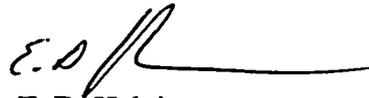
Based on differences in the feedback assessment periodicities as approved by the NRC between the STP approach (Reference 1) and the industry approach (Reference 2), STPNOC requests a change in the feedback periodicity in UFSAR Section 13.7.4.2 to "at least once every two refueling outages." The justifying basis supporting the proposed change and a markup of the proposed change are provided in the enclosed attachments.

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STPNOC considers the proposed change to be technically justified and consistent with a risk-informed, performance-based approach to implement the approved Exemption from certain special treatment requirements. However, since the proposed change could be viewed as a decrease in the effectiveness of the evaluation and assessment process per STP UFSAR Section 13.7.5.2.c, prior NRC review and approval is requested. STPNOC requests approval of the proposed UFSAR change by July 29, 2005.

There are no commitments in this letter.

If there are any questions regarding this request, please contact Scott. Head at (361) 972-7136 or me at (361) 972-7849.



E. D. Halpin
Vice President, Oversight

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Attachments:

1. Description of Change and Supporting Basis
2. Annotated UFSAR Page

cc:
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Attachment 1

Description of Change and Supporting Basis

Attachment 1

Description of Change and Supporting Basis

1.0 Background

The South Texas Project (STP) was granted an exemption from certain special treatment requirements of 10 CFR Parts 21, 50, and 100 as stated in Reference 1. The scope of the exemption and the associated commitments are contained in STP UFSAR Section 13.7. This section also provides allowances for making changes to UFSAR Section 13.7 with and without prior NRC review and approval. In addition, NRC recently approved 10 CFR 50.69 (Reference 2) which largely mirrors the STP exemption allowances; however, in certain instances, 10 CFR 50.69 permits broader allowances than the approved STP exemption.

In an effort to maintain consistency in the implementation approach with industry's 10 CFR 50.69 activities, STP Nuclear Operating Company (STPNOC) proposes a change to the wording of UFSAR Section 13.7.4.2 to be more consistent with the NRC approved wording of 10 CFR 50.69(e)(1) which states:

The licensee shall review changes to the plant, operational practices, applicable plant and industry operational experience, and as appropriate, update the PRA and SSC categorization and treatment processes. The licensee shall perform this review in a timely manner but no longer than once every two refueling outages.

2.0 References

1. Letter, J. A. Zwolinski to W. T. Cottle, "South Texas Project Units 1 and 2 - Safety Evaluation on Exemption Requests from Special Treatment Requirements of 10 CFR Parts 21, 50, and 100 (TAC Nos. MA6057 and MA6058)," dated August 3, 2001
2. 10 CFR 50.69, "Risk-Informed Categorization and Treatment of Structures, Systems, and Components for Nuclear Power Reactors: Final Rule," dated November 22, 2004

3.0 Description of Change

The current wording in STP UFSAR Section 13.7.4.2 which is comparable to the 10 CFR 50.69(e)(1) wording states the following:

STP has feedback and corrective action processes to ensure that equipment performance changes are evaluated for impact on the component risk categorization, the application of special treatment, and other corrective actions. At least once per cycle, performance data is compiled for review, which is performed for each system that has been categorized in accordance with Section 13.7.2. Performance and reliability data are generally obtained from sources such as the Maintenance Rule Program and Operating Experience Review.

STPNOC requests a change in the feedback periodicity in UFSAR Section 13.7.4.2 to 'at least once every two refueling outages' rather than the current 'at least once per cycle'. The justifying basis supporting this proposed change is provided below. A markup of the proposed change is provided in Attachment 2.

4.0 Basis Supporting the Requested Change

STPNOC considers the proposed change to be technically justified and consistent with a risk-informed, performance-based approach to implement the approved exemption from certain special treatment requirements for the following reasons:

1. The NRC has already approved a feedback assessment review period of 'no longer than once every two refueling outages', per 10 CFR 50.69(e)(1), for all industry users that voluntarily adopt 10 CFR 50.69. The proposed change would add consistency between the approved STP approach and 10 CFR 50.69.
2. STPNOC has a robust categorization and feedback process that has been extensively reviewed by the NRC. The proposed change would not alter the categorization or feedback methodology; rather, the change is procedural in nature, and would only alter the frequency of the formal reviews.
3. The STP periodic review process (feedback process) is proceduralized to ensure consistency in review methodology from one review period to another. This demonstrated process will be unaffected by the proposed change.
4. The STP PRA Model updates occur on a once-per-36 month basis. The proposed change to the periodic review frequency would better align the performance review periodicity with the scheduled PRA Model updates.

5. There is nothing stated in UFSAR Section 13.7 or in the NRC Safety Evaluation Report for the exemption that assigns any particular importance to the 'at least once per cycle' feedback assessment frequency or that would be inconsistent with extending this period to "at least once every two refueling outages."
6. STPNOC has completed three periodic review cycles to date per UFSAR Section 13.7.4.2. STPNOC has noted that performance changes due to reductions in special treatment requirements (if any are noted) are not readily discernable for several cycles. The proposed change would be more reflective of a risk-informed, performance-based approach.
7. STPNOC continues to emphasize a real-time assessment of potential changes in component performance, system design changes, PRA updates, and operating experience insights into possible categorization and treatment changes. The experience to date demonstrates that the PRA Group, Operations, Systems Engineering, Design Engineering, and the Operating Experience Group readily provide insights into changes in component performance, design, modeling, operating experience, etc to the Working Group (same as industry's Integrated Decision-making Panel (IDP)). The proposed change would not alter the emphasized real-time assessment of these types of changes as they are noted.
8. The STP Working Group meets frequently which provides numerous opportunities for performance feedback to occur. The Working Group is supported by personnel representing Operations, Systems Engineering, PRA, Licensing, Maintenance, Quality, Design Engineering, Operating Experience, and Maintenance Rule.

Considering the above justifications, STPNOC requests NRC approval of the proposed change to UFSAR Section 13.7.4.2.

5.0 Conclusions

STPNOC considers the proposed change to be technically justified and consistent with a risk-informed, performance-based approach to implement the approved exemption from certain special treatment requirements. However, since the proposed change could be viewed as a decrease in the effectiveness of the evaluation and assessment process per STP UFSAR Section 13.7.5.2.c, STPNOC seeks prior NRC review and approval.

STPNOC is currently scheduled to begin the next series of periodic reviews in third quarter 2005. Therefore, STPNOC requests approval of the proposed UFSAR change by July 29, 2005.

A markup of the proposed change is provided in Attachment 2.

Attachment 2
Annotated UFSAR Page

STPEGS UFSAR

Procedures provide for the qualification, training, and certification of personnel. STPNOC considers vendor recommendations in the training, qualification, and certification of personnel. STPNOC may use an alternative to these recommendations if there is a basis for continued effective training of personnel. The basis does not need to be documented.

For qualification, training, and certification of personnel, STPNOC uses standards required by the State of Texas and national consensus commercial standards used at STP consistent with STPNOC's normal commercial and industrial practices. STPNOC does not need to itemize the standards in use at STP or to perform an evaluation of all national consensus standards.

Documentation, reviews, and record retention requirements for completed work activities are governed by Station procedures.

Planned changes to, or elimination of, commitments described in the UFSAR or other licensing bases documentation that address issues identified in NRC generic communications (e.g., generic letters or bulletins), NRC orders, notices of violation, etc. related to safety-related LSS and NRS SSCs will be evaluated in accordance with an NRC-endorsed commitment change process.

13.7.3.3.8 Configuration Control Process. The Station's configuration control process is controlled through approved procedures and policies. The design control process ensures that the configuration of the Station is properly reflected in design documents and drawings.

13.7.4 Continuing Evaluations and Assessments

13.7.4.1 Performance Monitoring. STP has performance monitoring processes that include the following:

- Maintenance Rule Program - Specific performance criteria are identified at the plant, system, or train level. Regardless of their risk categorization, components that affect MSS or HSS functions will be monitored and assessed in accordance with plant, system and/or train performance criteria.
- Corrective Action Program - Condition reports document degraded equipment performance or conditions, including conditions identified as a result of operator rounds, system engineer walk-downs, and corrective maintenance activities.
- STP collects indicators from the performance of plant activities, such as corrective maintenance, installation of modifications, and conduct of testing.

13.7.4.2 Feedback and Corrective Action. STP has feedback and corrective action processes to ensure that equipment performance changes are evaluated for impact on the component risk categorization, the application of special treatment, and other corrective actions. At least once per cycle every two refueling outages, performance data is compiled for review, which is performed for each