

July 14, 2005

Mr. Christopher M. Crane
President and Chief Executive Officer
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4300 Winfield Road
Warrenville, IL 60555

SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION - ISSUANCE OF
AMENDMENT RE: CAPABILITY UPGRADE OF AN OFFSITE POWER LINE
(TAC NO. MC6473)

Dear Mr. Crane:

The Commission has issued the enclosed Amendment No. 256 to Facility Operating License No. DPR-16 for the Oyster Creek Nuclear Generating Station, in response to your application dated March 25, 2005, as supplemented on June 10, 2005.

The amendment revised Section 3.7, "Auxiliary Electrical Power," of the Technical Specifications to reflect the capability upgrade of one of the offsite power supply lines from 69 kilovolts (KV) to 230 KV.

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/

Peter S. Tam, Senior Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-219

Enclosures: 1. Amendment No. 256 to DPR-16
2. Safety Evaluation

cc w/encls: See next page

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Accession Number: **ML051750248**

OFFICE	PD1-1/PM	PD1-1/LA	EEIB/SC	IROB/SC	OGC	PDI-1/SC
NAME	PTam	SLittle	RJenkins*	TTjader for TBoyce	KKannler	RLaufer
DATE	7/5/05	7/5/05	6/23/05	7/6/05	7/11/05	7/12/05

OFFICIAL RECORD COPY

*Safety evaluation transmitted by memo of 6/23/05.

AMERGEN ENERGY COMPANY, LLC

DOCKET NO. 50-219

OYSTER CREEK NUCLEAR GENERATING STATION

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 256
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 25, 2005, as supplemented on June 10, 2005, 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. 256, 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 as soon as the upgraded offsite supply line is placed in service.

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: July 14, 2005

ATTACHMENT TO LICENSE AMENDMENT NO. 256

FACILITY OPERATING LICENSE NO. DPR-16

DOCKET NO. 50-219

Replace the following pages of 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

3.7-1
3.7-4 (Bases)

Insert

3.7-1
3.7-4 (Bases)

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

RELATED TO AMENDMENT NO. 256

TO FACILITY OPERATING LICENSE NO. DPR-16

AMERGEN ENERGY COMPANY, LCC

OYSTER CREEK NUCLEAR GENERATING STATION

DOCKET NO. 50-219

1.0 INTRODUCTION

By application dated March 25, 2005 (Accession No. ML050870540), AmerGen Energy Company, LLC (the licensee) requested changes to the Technical Specification (TS) for the Oyster Creek Nuclear Generating Station (OCNGS). The proposed revision is to reflect the capability upgrade of one of the offsite power supply lines from 69 kilovolts (KV) to 230 KV. The licensee does not own the offsite power supply lines; the lines are owned by Conectiv Energy Company. The amendment to the TS would revise principally all references to the 69-KV line to the new 230-KV line. On April 26, 2005 (Accession No. ML051300100), the Nuclear Regulatory Commission (NRC) staff requested the licensee to provide the load flow/voltage analysis, reliability and availability of the new 230-KV line, and the protocol established between the licensee and the transmission system operator. By letter dated June 10, 2005 (Accession No. ML051660133), the licensee provided the requested information. The NRC staff's review of the licensee's application follows.

The licensee's June 10, 2005, letter 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 April 12, 2005 (70 FR 19113).

2.0 REGULATORY EVALUATION

NRC regulation at 10 CFR 50.36(c)(2)(ii)(C), Criterion 3, states that a TS limiting condition for operation of a nuclear reactor must be established for systems that are 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. The proposed amendment involves the Offsite Power System that is required by 10 CFR Part 50, Appendix A, General Design Criterion 17, to provide the independence and redundancy to ensure an available source of power to the systems identified in Criterion 3 above.

3.0 TECHNICAL EVALUATION

All the proposed changes to the TSs are located in Section 3.7, "Auxiliary Electrical Power."

3.1 Proposed TS Changes to Specification 3.7.A.2

The licensee proposed to improve clarity of Specification 3.7.A.2.a by adding a specific reference to the text. This revised specification would thus read (with the added words in **bold**):

One 230 KV line (**N-line or O-line**) is fully operational and switch gear and both startup transformers are energized to carry power to the station 4160 volt AC buses and carry power to or away from the plant.

The proposed clarification change to Specification 3.7.A.2 distinguishes the two current 230-KV lines (N-line and O-line) from the new 230-KV S-line. This change is necessary to reflect the as-built condition of the three lines. There is no physical or procedural changes to OCNCS associated with this clarification. The NRC staff finds the proposed clarification acceptable.

3.2 Proposed TS Change to Specification 3.7.A.3.a

The licensee proposed to revise Subsection 3.7.A.3.a, to specify that one of the additional sources of power in service connected to feed the appropriate 4160-volt bus or buses is the 230-KV S-line, instead of the previous 69-KV line.

The licensee's application describes the function and design of the offsite power system as follows:

A function of the Offsite Power System is to provide a backup source of alternating current (ac) power to the station when the main generator is incapable of supplying station loads through the auxiliary transformer. Offsite ac power normally supplies the station auxiliaries through the startup transformers during plant startup. After the station is operating and supplying electric power to the grid, the offsite power acts as a standby source of power. Any plant transient, including manual operator action, that causes either or both the main incoming line circuit breakers (1A or 1B) from the auxiliary transformer to trip will automatically close the corresponding incoming line circuit breakers (S1A or S1B, respectively) from the startup transformer thus transferring station auxiliaries to the offsite power sources. An exception to this is that, if a fault exists on Bus 1A or 1B, the respective breakers, S1A or S1B, will not close.

A 230[-]kV system loss would also result in temporary loss of the 34.5[-]kV serving the startup transformers. For this situation, there are two backup offsite power sources: a 34.5[-]KV transmission line, and the 69[-]KV transmission line. The planned modification and its associated Technical Specification change involve the 69[-]KV line.

The licensee stated that the power line to be upgraded has the designation of "S-line," and the proposed amendment involves equipment external to OCNGS and not controlled by the licensee. Further, the licensee stated that this modification involves no physical or procedural changes to OCNGS.

The licensee performed an evaluation to assess the effects of the upgrade on the stability of OCNGS for faults in the vicinity of OCNGS, the short circuit duty at OCNGS as a result of the upgrade, and the voltage supply to the plant under degraded grid and minimum TS conditions. The NRC staff reviewed the licensee's analysis results and accepted the licensee's conclusion in these areas:

- The upgrade does not significantly change the base reactive output of OCNGS. For a local area blackout, where the supply to the OCNGS load is restored through the Conectiv tie, the voltage is improved by the upgrade.
- The upgrade slightly increases the short circuit duty of the OCNGS 345-KV buses, but does not exceed the interrupting capability of the equipment.
- The system remains stable for any normally cleared three-phase or single-phase to ground fault associated with the outage of any single element of the 230-KV or of the 34.5-KV transmission grid.

On April 26, 2005, the NRC staff transmitted a request for additional information to the licensee. The NRC staff asked:

- (1) Is the line capable of supplying power at the required voltage to all the plant systems required for normal shutdown and emergency core cooling equipments? Explain the analysis conducted.
- (2) What is the expected reliability and availability of this line with respect to the reliability of the existing line?
- (3) What protocol has been established with the transmission system operator to communicate to the licensee the availability of the line to provide sufficient voltage following a plant trip or when voltages would not be adequate?

On June 1, 2005, the NRC discussed the questions by telephone with the licensee. By letter dated June 10, 2005, the licensee provided supplemental information in response to the NRC staff's concerns about reliability.

The NRC staff evaluated the licensee's proposed changes regarding the upgrade of the 69-KV offsite power transmission line to 230-KV, and the supplemental information in the licensee's June 10, 2005, letter. The NRC staff concludes that the upgrade does not degrade the reliability of the transmission interconnection, and therefore, does not negatively affect the power supply to safety-related equipment. Therefore, the proposed change is acceptable.

3.3 Proposed TS Bases Changes

The licensee also proposed to revise the associated TS Bases associated with the above TS changes. The NRC staff reviewed the proposed changes and found the proposed changes to the TS Bases consistent with the proposed TS changes.

4.0 STATE CONSULTATION

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

5.0 ENVIRONMENTAL CONSIDERATION

The amendment is needed as a result of a change to an offsite power supply line, which is not owned by the licensee, and which supplies power to components that are located within the restricted area as defined in 10 CFR Part 20. 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 (70 FR 19113). 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.

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 amendment will not be inimical to the common defense and security or to the health and safety of the public.

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Date: July 14, 2005

Oyster Creek Nuclear Generating Station

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