

July 11, 2006

Mr. Bruce H. Hamilton
Vice President, Oconee Site
Duke Power Company LLC
7800 Rochester Highway
Seneca, SC 29672

SUBJECT: OCONEE NUCLEAR STATION, UNITS 1, 2, AND 3, ISSUANCE OF
AMENDMENTS REGARDING KEOWEE REFURBISHMENT MODIFICATIONS
(TAC NOS. MC7318, MC7319, AND MC7320)

Dear Mr. Hamilton:

The Nuclear Regulatory Commission has issued the enclosed Amendment Nos. 353, 355, and 354 to Renewed Facility Operating Licenses DPR-38, DPR-47, and DPR-55, for the Oconee Nuclear Station, Units 1, 2, and 3, respectively. The amendments consist of changes to the Technical Specifications in response to your application dated June 15, 2005.

These amendments propose to eliminate the out-of-date requirements associated with the completion of the Keowee refurbishment modifications on both Keowee Hydro Units.

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

Sincerely,

/RA/

Leonard N. Olshan, Sr. Project Manager
Plant Licensing Branch II-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-269, 50-270, and 50-287

Enclosures:

1. Amendment No. 353 to DPR-38
2. Amendment No. 355 to DPR-47
3. Amendment No. 354 to DPR-55
4. Safety Evaluation

cc w/encls: See next page

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Tech Spec No. ML061920588
*No Legal Objection

NRR-058

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DUKE POWER COMPANY LLC

DOCKET NO. 50-269

OCONEE NUCLEAR STATION, UNIT 1

AMENDMENT TO RENEWED FACILITY OPERATING LICENSE

Amendment No. 353
Renewed License No. DPR-38

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment to the Oconee Nuclear Station, Unit 1 (the facility) Renewed Facility Operating License No. DPR-38 filed by the Duke Power Company LLC (the licensee) dated June 15, 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 as 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 set forth in 10 CFR Chapter I;
 - 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 hereby amended by page changes to the Technical Specifications as indicated in the attachment to this license amendment, and Paragraph 3.B of Renewed Facility Operating License No. DPR-38 is hereby amended to read as follows:

B. Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 353, are hereby incorporated in the license. The licensee 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 30 days of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Evangelos C. Marinos, Chief
Plant Licensing Branch II-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment:
Changes to Renewed Facility Operating License No. DPR-38
and the Technical Specifications

Date of Issuance: July 11, 2006

DUKE POWER COMPANY LLC

DOCKET NO. 50-270

OCONEE NUCLEAR STATION, UNIT 2

AMENDMENT TO RENEWED FACILITY OPERATING LICENSE

Amendment No. 355
Renewed License No. DPR-47

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment to the Oconee Nuclear Station, Unit 2 (the facility) Renewed Facility Operating License No. DPR-47 filed by the Duke Power Company LLC (the licensee) dated June 15, 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 as 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 set forth in 10 CFR Chapter I;
 - 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 hereby amended by page changes to the Technical Specifications as indicated in the attachment to this license amendment, and Paragraph 3.B of Renewed Facility Operating License No. DPR-47 is hereby amended to read as follows:

B. Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 355, are hereby incorporated in the license. The licensee 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 30 days of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Evangelos C. Marinos, Chief
Plant Licensing Branch II-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment:
Changes to Renewed Facility Operating License No. DPR-47
and the Technical Specifications

Date of Issuance: July 11, 2006

DUKE POWER COMPANY LLC

DOCKET NO. 50-287

OCONEE NUCLEAR STATION, UNIT 3

AMENDMENT TO RENEWED FACILITY OPERATING LICENSE

Amendment No. 354
Renewed License No. DPR-55

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment to the Oconee Nuclear Station, Unit 3 (the facility) Renewed Facility Operating License No. DPR-55 filed by the Duke Power Company LLC (the licensee) dated June 15, 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 as 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 set forth in 10 CFR Chapter I;
 - 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 hereby amended by page changes to the Technical Specifications as indicated in the attachment to this license amendment, and Paragraph 3.B of Renewed Facility Operating License No. DPR-55 is hereby amended to read as follows:

B. Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 354, are hereby incorporated in the license. The licensee 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 30 days of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Evangelos C. Marinos, Chief
Plant Licensing Branch II-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment:
Changes to Renewed Facility Operating License No. DPR-55
and the Technical Specifications

Date of Issuance: July 11, 2006

ATTACHMENT TO LICENSE AMENDMENT NO. 353
RENEWED FACILITY OPERATING LICENSE NO. DPR-38
DOCKET NO. 50-269
AND
TO LICENSE AMENDMENT NO. 355
RENEWED FACILITY OPERATING LICENSE NO. DPR-47
DOCKET NO. 50-270
AND
TO LICENSE AMENDMENT NO. 354
RENEWED FACILITY OPERATING LICENSE NO. DPR-55
DOCKET NO. 50-287

Replace the following pages of the Licenses and the Appendix A Technical Specifications (TSs) with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove Pages

Licenses

License No. DPR-38
pages 3 and 8
License No. DPR-47
pages 3 and 8
License No. DPR-55
pages 3 and 8

TSs

3.8.1-4
3.8.1-5
3.8.1-6
3.8.1-7
3.8.1-8

Insert Pages

Licenses

License No. DPR-38
pages 3 and 8
License No. DPR-47
pages 3 and 8
License No. DPR-55
pages 3 and 8

TSs

3.8.1-4
3.8.1-5
3.8.1-6
3.8.1-7
3.8.1-8

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION
RELATED TO
AMENDMENT NO. 353 TO RENEWED FACILITY OPERATING LICENSE DPR-38
AMENDMENT NO. 355 TO RENEWED FACILITY OPERATING LICENSE DPR-47 AND
AMENDMENT NO. 354 TO RENEWED FACILITY OPERATING LICENSE DPR-55
DUKE POWER COMPANY LLC
OCONEE NUCLEAR STATION, UNITS 1, 2, AND 3
DOCKET NOS. 50-269, 50-270, AND 50-287

1.0 INTRODUCTION

By letter to the Nuclear Regulatory Commission (NRC) dated June 15, 2005 (Agencywide Documents Access Management System (ADAMS) Accession No. ML051730442). Duke Power Company LLC (Duke) submitted a request for changes to the Oconee Nuclear Station, Units 1, 2, and 3 (Oconee), Licenses and Technical Specifications (TSs). The requested changes would eliminate the out-of-date requirements associated with the completion of the Keowee refurbishment modifications on both Keowee Hydro Units (KHUs). The Notes that allow extension to the Completions Times (CTs) for Required Actions (RAs) C.2.2.5, D.3, and H.2 are out of date. The Notes that allow exception to RAs C.2.2.3 and C.2.2.4 are no longer applicable. In addition, License Condition 3.H of Facility Operating Licenses (FOLs) DPR-38, DPR-47, and DPR-55 for Oconee Nuclear Station, Units 1, 2, and 3, is no longer needed since the associated Technical Specification (TS) is no longer applicable.

The NRC issued Amendment Nos. 339, 341, and 340, respectively, on August 5, 2004. The amendments revised TS 3.8.1, "AC Sources - Operating," to temporarily extend the completion times (CTs) for restoring inoperable KHUs to allow additional time for significant maintenance and upgrades. This work included the replacement of the governor, exciters, batteries, and weld repair on the turbine blades and discharge ring along with draft tube concrete repair. An out of tolerance logic modification was also implemented. This work was performed on each KHU in separate Keowee Refurbishment Outages. Also, as a part of that amendment, License Condition 3.H was added to require Duke to comply with commitments associated with that change.

With the completion of the KHU-2 Refurbishment Outage on February 11, 2005, both Keowee Refurbishment Outages have been completed. As such, the TS change allowed by Amendment Nos. 339, 341, and 340 is no longer applicable. In addition, the license condition associated with that change is no longer needed and can be removed.

2.0 REGULATORY EVALUATION

In Title 10 of the *Code of Federal Regulations* (10 CFR), Part 50, Section 50.36, the NRC established its regulatory requirements related to the content of the TSs. Pursuant to 10 CFR 50.36, TSs are required to include items in the following five specific categories: (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. The regulation does not specify the particular requirements to be included in a plant's TSs.

On July 22, 1993 (58 FR 39132), the Commission published a "Final Policy Statement on Technical Specifications Improvements for Nuclear Power Reactors" (Final Policy Statement) which discussed the criteria to determine which items are required to be included in the TSs as LCOs. The criteria were subsequently incorporated into the regulations (60 FR 36953). Specifically, 10 CFR 50.36(c)(2)(ii) requires that a TS LCO be established for each item meeting one or more of the following criteria:

- (A) Criterion. Installed instrumentation that is used to detect, and indicate in the control room, a significant abnormal degradation of the reactor coolant pressure boundary.
- (B) Criterion. 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.
- (C) Criterion. 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.
- (D) Criterion. A structure, system, or component which operating experience or probabilistic risk assessment has shown to be significant to public health and safety.

In general, there are two classes of changes to the TSs: (1) changes needed to reflect modifications to the design basis (TSs are derived from the design basis), and (2) changes to take advantage of the evolution in policy and guidance as to the required content and preferred format of TSs over time. In determining the acceptability of such changes, the NRC staff interprets the requirements of 10 CFR 50.36, using as a model the accumulation of generically approved guidance in the Improved Standard Technical Specifications (ISTS). For this review, the staff used NUREG-1433, Revision 3, "Standard Technical Specifications, General Electric Plants BWR [boiling-water reactor]/4."

Within this general framework, licensees may remove material from their TSs if the material is not required to be in the TSs based on the NRC staff's interpretation of 10 CFR 50.36, including judgements about the level of detail required in the TSs. As discussed in the Final Policy Statement, the NRC staff reviews, on a case-by-case basis, whether enforceable regulatory

controls are needed for the relocated material (e.g., 10 CFR 50.59). Licensees may revise the remaining TSs to adopt current ISTS format and content provided that plant-specific review supports a finding of continued adequate safety because: (1) the change is editorial, administrative, or provides clarification (i.e., no requirements are materially altered); (2) the change is more restrictive than the licensee's current requirement; or (3) the change is less restrictive than the licensee's current requirement, but nonetheless still affords adequate assurance of safety when judged against current regulatory standards.

3.0 TECHNICAL EVALUATION

The Licensee stated in its technical evaluation the following:

With the completion of the Keowee Refurbishment modifications on both KHUs, the Notes that allow extension to the CTs for RAs C.2.2.5, D.3, and H.2 are out of date. The Notes that allow exception to RAs C.2.2.3 and C.2.2.4 are no longer applicable. In addition, License Condition 3.H of FOLs DPR-38, DPR-47, and DPR-55 for Oconee Nuclear Station, Units 1, 2, and 3, is no longer needed since the associated TS is no longer applicable. Therefore, Duke proposes to eliminate these out of date requirements.

The Note to RA C.2.2.3 indicates that the requirements of RA C.2.2.3 are not applicable to the remaining KHU and its required underground emergency power path or LCO 3.3.21 when in Condition H to perform Keowee Refurbishment Upgrades. Similarly, the Note to RA C.2.2.4 indicates that the requirements of RA C.2.2.4 are not applicable when in Condition H to perform Keowee Refurbishment Upgrades. The Note to the second CT (45 day) of RA C.2.2.5 allows an additional 17 days (62 days total) to restore the KHU associated with the overhead emergency power path for Keowee refurbishment upgrades performed prior to April 30, 2005. With the completion of the Keowee Refurbishment modifications on February 11, 2005, these notes are no longer applicable and can be removed.

The Note to the CTs of RA D.3 makes the extended CT of RA H.2 applicable in lieu of the 72 hour CTs of RA D.3 when in Condition H to isolate, test and un-isolate the KHUs during each of the two KHU Refurbishment Outages. With the completion of the second Keowee Refurbishment Outage on February 11, 2005, this note is no longer applicable and can be removed.

The Note to the CT of RA H.2 allows an additional cumulative 120 hours to be applied to the 60 hour CT twice when entered to isolate, test and un-isolate the KHUs during each Keowee Refurbishment Outage prior to April 30, 2005, provided that a number of compensatory measures are taken prior to entry into the Condition for this reason. With the completion of the second Keowee Refurbishment Outage on February 11, 2005, this note is no longer applicable and can be removed.

TS Bases 3.8.1 are revised to reflect the changes described above.

License Condition 3.H of each FOL states: "Duke shall comply with the commitments of Attachment 2 to letter date July 29, 2004, associated with TS 2002-05." This license condition is no longer needed since the associated TS change is no longer applicable. Therefore, License Condition 3.H should be removed.

Since the TSs and FOLs changes described above involve only the removal of TSs or License Conditions that are no longer applicable, the proposed changes are administrative. Therefore, the NRC staff finds the proposed changes to the Oconee TSs acceptable.

4.0 STATE CONSULTATION

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

5.0 ENVIRONMENTAL CONSIDERATION

The amendments change requirements with respect to installation or use of a facility component located within the restricted area as defined in 10 CFR Part 20. The NRC staff has determined that the amendments involve 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 amendments involve no significant hazards consideration, and there has been no public comment on such finding (71 FR 26998). Accordingly, the amendments meet 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 amendments.

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

Principal Contributor: K. Cotton

Date: July 11, 2006

Oconee Nuclear Station, Units 1, 2, and 3

cc:

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