

July 26, 2006

Mr. William Levis
Senior Vice President & Chief Nuclear Officer
PSEG Nuclear LLC - N09
Post Office Box 236
Hancocks Bridge, NJ 08038

SUBJECT: SALEM NUCLEAR GENERATING STATION, UNIT NOS. 1 AND 2 - NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TO FACILITY OPERATING LICENSE, PROPOSED NO SIGNIFICANT HAZARDS CONSIDERATION DETERMINATION, AND OPPORTUNITY FOR A HEARING (TAC NOS. MC9337 AND MC9338)

Dear Mr. Levis:

The Nuclear Regulatory Commission has forwarded the enclosed "Notice of Consideration of Issuance of Amendment to Facility Operating License, Proposed No Significant Hazards Consideration Determination, and Opportunity For a Hearing," to the Office of the Federal Register for publication.

This Notice relates to your application for amendments dated December 7, 2005, as supplemented by letter dated June 20, 2006, for the Salem Nuclear Generating Station, Unit Nos. 1 and 2. The proposed amendments would revise the Technical Specifications (TSs) to delete Surveillance Requirement (SR) 4.9.2.b, which requires performance of a channel functional test (CFT) of each source range neutron flux monitor within 8 hours prior to the initial start of core alterations. The amendments would also eliminate the restriction in SRs 4.10.3.2 and 4.10.4.2 that the CFTs of the intermediate and power range monitors be performed within 12 hours prior to initiating physics tests. The July 20, 2006, supplement requested changes to TS Table 4.3-1 to make the SRs on the above instruments better aligned with NUREG-1431, "Standard Technical Specification, Westinghouse Plants," and with Technical Specification Task Force Traveler 108, "Eliminate the 12 hour [Channel Operational Test] on power range and intermediate range channels for Physics Test Exceptions."

Sincerely,

/RA/

Stewart N. Bailey, Senior Project Manager
Plant Licensing Branch I-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-272 and 50-311

cc w/encl: See next page

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UNITED STATES NUCLEAR REGULATORY COMMISSIONPSEG NUCLEAR LLCDOCKET NOS. 50-272 AND 50-311NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENTS TO
FACILITY OPERATING LICENSES, PROPOSED NO SIGNIFICANT HAZARDS
CONSIDERATION DETERMINATION, AND OPPORTUNITY FOR A HEARING

The U.S. Nuclear Regulatory Commission (NRC or the Commission) is considering issuance of amendments to Facility Operating License Nos. DPR-70 and DPR-75 issued to PSEG Nuclear LLC (the licensee) for operation of the Salem Nuclear Generating Station (Salem), Unit Nos. 1 and 2, located in Salem County, New Jersey.

The proposed amendments would revise the Technical Specifications (TSs) to delete Surveillance Requirement (SR) 4.9.2.b, which requires performance of a channel functional test (CFT) of each source range neutron flux monitor within 8 hours prior to the initial start of core alterations. An associated administrative change would renumber current SR 4.9.2.c as SR 4.9.2.b. The amendments would also eliminate the restriction in SRs 4.10.3.2 and 4.10.4.2 that the CFTs of the intermediate and power range monitors be performed within 12 hours prior to initiating physics tests. The amendments would also make changes to TS Table 4.3-1 to make the SRs on the above instruments better aligned with NUREG-1431, "Standard Technical Specifications, Westinghouse Plants," and with Technical Specification Task Force Traveler 108, "Eliminate the 12 hour [Channel Operational Test] on power range and intermediate range channels for Physics Test Exceptions." Specifically, the frequency of the CFTs for the intermediate range, source range, and power range monitors would be changed to be more consistent with NUREG-1431.

Before issuance of the proposed license amendments, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.92, this means that operation of the facility in accordance with the proposed amendments would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. Does the proposed change involve a significant increase in the probability or consequences of an accident previously evaluated?

Response: No

The proposed changes do not affect the design, operational characteristics, function, or reliability of the source range, intermediate range, or power range monitors. A CHANNEL FUNCTIONAL TEST for the source range, intermediate range, or power range monitors will continue to be performed at a frequency that has been determined to be sufficient for verification that the monitors are properly functioning. The proposed changes eliminate extraneous and unnecessary performance of a CHANNEL FUNCTIONAL TEST for the source range, intermediate range, or power range monitors. A CHANNEL FUNCTIONAL TEST for the source range, intermediate range, or power range monitors is not a precursor to, or assumed to be an initiator of any analyzed accident. Therefore, these proposed changes do not involve a significant increase in the probability of an accident.

The consequences of accidents previously evaluated in the Updated Final Safety Analysis Report are unaffected by the proposed changes because no change to any equipment response or accident mitigation scenario has resulted. The proposed changes will have no adverse effect on the availability, operability, or performance of the safety-related systems and components assumed to actuate in the event of a design basis accident or transient. Because the source range, intermediate range, and power range monitors will remain capable of performing

their design function, the proposed changes do not involve a significant increase in the consequences of an accident previously evaluated.

Therefore, the proposed changes do not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Does the proposed change create the possibility of a new or different kind of accident from any accident previously evaluated?

Response: No.

The proposed changes do not create the possibility of a new or different kind of accident from any accident previously evaluated in the Updated Final Safety Analysis Report. No new accident scenarios, failure mechanisms, or limiting single failures are introduced as a result of the proposed changes. Specifically, no new hardware is being added to the plant as part of the proposed change, no existing equipment design or function is being modified, and no significant changes in operations are being introduced. No new equipment performance burdens are imposed.

Therefore, the proposed changes do not create the possibility of a new or different kind of accident from any accident previously evaluated.

3. Does the proposed change involve a significant reduction in a margin of safety?

Response: No.

The proposed changes will not alter any assumptions, initial conditions, or results of any accident analyses. The ability of operators to monitor the reactor power level during all operating conditions and modes of operation with the source range, intermediate range, or power range monitors is unchanged by these proposed changes. Therefore, the proposed changes do not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of 60 days after the date of publication of this notice. The Commission may issue the license amendment before expiration of the 60-day period provided that its final determination is that the amendment involves no significant hazards consideration. In addition, the Commission may issue the amendment prior to the expiration of the 30-day comment period should circumstances change during the 30-day comment period such that failure to act in a timely way would result, for example, in derating or shutdown of the facility. Should the Commission take action prior to the expiration of either the comment period or the notice period, it will publish in the *Federal Register* a notice of issuance. Should the Commission make a final No Significant Hazards Consideration Determination, any hearing will take place after issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and should cite the publication date and page number of this *Federal Register* notice. Written comments may also be delivered to Room 6D59, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. Federal workdays. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland.

The filing of requests for hearing and petitions for leave to intervene is discussed below. Within 60 days after the date of publication of this notice, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for a hearing and a petition for leave to intervene. Requests for a hearing and a petition for leave to intervene shall be filed in

accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. Interested persons should consult a current copy of 10 CFR 2.309, which is available at the Commission's PDR, located at One White Flint North, Public File Area O1F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly-available records will be accessible from the Agencywide Documents Access and Management System's (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/doc-collections/cfr/>. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or a presiding officer designated by the Commission or by the Chief Administrative Judge of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition; and the Secretary or the Chief Administrative Judge of the Atomic Safety and Licensing Board will issue a notice of a hearing or an appropriate order.

As required by 10 CFR 2.309, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following general requirements: 1) the name, address and telephone number of the requestor or petitioner; 2) the nature of the requestor's/petitioner's right under the Act to be made a party to the proceeding; 3) the nature and extent of the requestor's/petitioner's property, financial, or other interest in the proceeding; and 4) the possible effect of any decision or order which may be entered in the proceeding on the requestors/petitioner's interest. The petition must also identify the specific contentions which the petitioner/requestor seeks to have litigated at the proceeding.

Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner/requestor shall provide a brief explanation of the bases for the contention and a concise statement of the alleged facts or expert opinion

which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner/requestor must also provide references to those specific sources and documents of which the petitioner is aware and on which the petitioner intends to rely to establish those facts or expert opinion. The petition must include sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner to relief. A petitioner/requestor who fails to satisfy these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held. If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment. If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

Nontimely requests and/or petitions and contentions will not be entertained absent a determination by the Commission or the presiding officer of the Atomic Safety and Licensing Board that the petition, request and/or the contentions should be granted based on a balancing of the factors specified in 10 CFR 2.309(c)(1)(i)-(viii).

A request for a hearing or a petition for leave to intervene must be filed by: 1) first class mail addressed to the Office of the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemaking and Adjudications Staff; 2) courier, express mail, and expedited delivery services: Office of the Secretary, Sixteenth Floor, One White Flint North, 11555 Rockville Pike, Rockville, Maryland, 20852, Attention: Rulemaking and Adjudications Staff; 3) E-mail addressed to the Office of the Secretary, U.S. Nuclear Regulatory Commission, HEARINGDOCKET@NRC.GOV; or 4) facsimile transmission addressed to the Office of the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC, Attention: Rulemakings and Adjudications Staff at (301) 415-1101, verification number is (301) 415-1966. A copy of the request for hearing and petition for leave to intervene should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and it is requested that copies be transmitted either by means of facsimile transmission to 301-415-3725 or by email to OGCMailCenter@nrc.gov. A copy of the request for hearing and petition for leave to intervene should also be sent to Jeffrie J. Keenan, Esquire, Nuclear Business Unit - N21, P.O. Box 236, Hancocks Bridge, NJ 08038, attorney for the licensee.

For further details with respect to this action, see the application for amendment dated December 7, 2005, and the supplement dated July 20, 2006, which are available for public inspection at the Commission's PDR, located at One White Flint North, File Public Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly-available records will be accessible from the ADAMS Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1-800-397-4209 or 301-415-4737, or by e-mail to pdr@nrc.gov.

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Dated at Rockville, Maryland, this 26th day of July 2006.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Stewart N. Bailey, Senior Project Manager
Plant Licensing Branch 1-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation