

September 19, 2006

Mr. Richard M. Rosenblum
Chief Nuclear Officer
Southern California Edison Company
San Onofre Nuclear Generating Station
P.O. Box 128
San Clemente, CA 92674-0128

SUBJECT: SAN ONOFRE NUCLEAR GENERATING STATION, UNITS 2 AND 3 -
ISSUANCE OF AMENDMENTS RE: TECHNICAL SPECIFICATION
IMPROVEMENT REGARDING STEAM GENERATOR TUBE INTEGRITY
BASED ON TECHNICAL SPECIFICATION TASK FORCE (TSTF) STANDARD
TECHNICAL SPECIFICATION CHANGE TRAVELER, TSTF-449, "STEAM
GENERATOR TUBE INTEGRITY" (TAC NOS. MC9236 AND MC9237)

Dear Mr. Rosenbaum:

The Commission has issued the enclosed Amendment No. 204 to Facility Operating License No. NPF-10 and Amendment No. 196 to Facility Operating License No. NPF-15 for San Onofre Nuclear Generating Station, Units 2 and 3, respectively. The amendments consist of changes to the Technical Specifications (TSs) in response to your application dated November 30, 2005, as supplemented by letter dated May 30, 2006.

The amendments revise the TS requirements related to steam generator tube integrity. The changes are based on the Nuclear Regulatory Commission-approved Revision 4 to TSTF Standard Technical Specification Change Traveler, TSTF-449, "Steam Generator Tube Integrity."

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

Sincerely,

/RA/

N. Kalyanam, Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-361 and 50-362

Enclosures: 1. Amendment No. 204 to NPF-10
2. Amendment No. 196 to NPF-15
3. Safety Evaluation

cc w/encls: See next page

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cc w/encls: See next page

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SOUTHERN CALIFORNIA EDISON COMPANY

SAN DIEGO GAS AND ELECTRIC COMPANY

THE CITY OF RIVERSIDE, CALIFORNIA

THE CITY OF ANAHEIM, CALIFORNIA

DOCKET NO. 50-361

SAN ONOFRE NUCLEAR GENERATING STATION, UNIT 2

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 204
License No. NPF-10

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Southern California Edison Company, et al. (SCE or the licensee), dated November 30, 2005, as supplemented by letter dated May 30, 2006, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's 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. NPF-10 is hereby amended to read as follows:

(2) Technical Specifications

The Technical Specifications contained in Appendix A and the Environmental Protection Plan contained in Appendix B, as revised through Amendment No. 204 , are hereby incorporated in the license. Southern California Edison Company shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

3. This license amendment is effective as of the date of its issuance and shall be implemented within 60 days of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

David Terao, Chief
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Facility Operating
License and Technical Specifications

Date of Issuance: September 19, 2006

ATTACHMENT TO LICENSE AMENDMENT NO. 204

FACILITY OPERATING LICENSE NO. NPF-10

DOCKET NO. 50-361

Replace the following page of the Facility Operating License with the attached revised page. The revised page is identified by amendment number and contains marginal lines indicating the areas of change.

REMOVE

3

INSERT

3

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

iii

vii

1.1-4

3.4-37

3.4-38

5.0-13

5.0-14

5.0-15

5.0-16

5.0-17

5.0-18

5.0-19

5.0-19a

5.0-19b

5.0-19c

5.0-20

5.0-28

5.0-29

INSERT

iii

vii

1.1-4

3.4-37

3.4-38

3.4-51

3.4-52

5.0-13

5.0-14

5.0-15

5.0-16

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5.0-20

5.0-28

5.0-29

SOUTHERN CALIFORNIA EDISON COMPANY

SAN DIEGO GAS AND ELECTRIC COMPANY

THE CITY OF RIVERSIDE, CALIFORNIA

THE CITY OF ANAHEIM, CALIFORNIA

DOCKET NO. 50-362

SAN ONOFRE NUCLEAR GENERATING STATION, UNIT 3

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 196
License No. NPF-15

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Southern California Edison Company, et al. (SCE or the licensee) dated November 30, 2005, as supplemented by letter dated May 30, 2006, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's 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. NPF-15 is hereby amended to read as follows:

(2) Technical Specifications

The Technical Specifications contained in Appendix A and the Environmental Protection Plan contained in Appendix B, as revised through Amendment No. 196, are hereby incorporated in the license. Southern California Edison Company shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

3. This license amendment is effective as of the date of its issuance and shall be implemented within 60 days of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

David Terao, Chief
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Facility Operating
License and Technical Specifications

Date of Issuance: September 19, 2006

ATTACHMENT TO LICENSE AMENDMENT NO. 196

FACILITY OPERATING LICENSE NO. NPF-15

DOCKET NO. 50-362

Replace the following page of the Facility Operating License with the attached revised page. The revised page is identified by amendment number and contains marginal lines indicating the areas of change.

REMOVE

3

INSERT

3

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

iii

vii

1.1-4

3.4-37

3.4-38

5.0-13

5.0-14

5.0-15

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5.0-17

5.0-18

5.0-19

5.0-19a

5.0-19b

5.0-19c

5.0-20

5.0-28

5.0-29

INSERT

iii

vii

1.1-4

3.4-37

3.4-38

3.4-51

3.4-52

5.0-13

5.0-14

5.0-15

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5.0-28

5.0-29

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION
RELATED TO AMENDMENT NO. 204 TO FACILITY OPERATING LICENSE NO. NPF-10
AND AMENDMENT NO. 196 TO FACILITY OPERATING LICENSE NO. NPF-15
SOUTHERN CALIFORNIA EDISON COMPANY
SAN DIEGO GAS AND ELECTRIC COMPANY
THE CITY OF RIVERSIDE, CALIFORNIA
THE CITY OF ANAHEIM, CALIFORNIA
SAN ONOFRE NUCLEAR GENERATING STATION, UNITS 2 AND 3
DOCKET NOS. 50-361 AND 50-362

1.0 INTRODUCTION

By letter dated November 30, 2005, as supplemented by letter dated May 30, 2006, (Agencywide Documents Access and Management System Accession Nos. ML053390294 and ML061530259, respectively), Southern California Edison (the licensee) submitted a request for changes to San Onofre Nuclear Generating Station Units 2 and 3 Technical Specifications (TSs). The requested changes would revise the existing steam generator (SG) tube surveillance program to be consistent with TS Task Force (TSTF) Change TSTF-449, Revision 4, "Steam Generator Tube Integrity," and the model safety evaluation (SE) prepared by the Nuclear Regulatory Commission (NRC or the Commission) and published in the *Federal Register* on March 2, 2005 (70 FR 10298), under the consolidated line item improvement process. In this regard, the scope of the application includes changes to the definition of leakage, changes to the primary-to-secondary leakage requirements, changes to the SG tube surveillance program (SG tube integrity), changes to the SG reporting requirements, and associated changes to the TS Bases.

2.0 REGULATORY EVALUATION

The background, description, and applicability of the proposed changes associated with the SG tube integrity issue and the applicable regulatory requirements were included in the NRC staff's model SE published in the *Federal Register* on March 2, 2005 (70 FR 10298). The "Notice of Availability of Model Application Concerning Technical Specification; Improvement To Modify Requirements Regarding Steam Generator Tube Integrity; Using the Consolidated Line Item Improvement Process" was published in the *Federal Register* on May 6, 2005 (70 FR 24126), which made the model SE available to licensees for use.

Enclosure

3.0 TECHNICAL EVALUATION

3.1 Overview

In its November 30, 2005, application and May 30, 2006, supplement, the licensee proposed changes to the TSs that are modeled after TSTF-449. The proposed changes included several variations from the TSs provided in TSTF-449. Examples of these variations are as follows:

1. TS 5.5.2.11.c proposes to retain the current tube repair criteria of 44% of the nominal wall thickness based on the NRC staff's previously-approved SE for this criterion.
2. TS 5.5.2.11.f permits the use of tungsten inert gas welded sleeves based on the NRC staff's previously-approved SE for this repair method.

Other minor variations between TSTF-449 and the licensee's application included differences associated with the facility having a different licensing basis (than that discussed in TSTF-449), and differences in TS numbering since the licensee has a different TS numbering sequence (than that assumed in TSTF-449).

The NRC staff reviewed the variations and additional clarifications associated with the site-specific analyses and concluded that the proposed TS changes are consistent with, or more conservative than, TSTF-449. As a result, the staff determined that the generic SE is applicable to this review and finds the proposed changes acceptable.

Consistent with TSTF-449, the proposed TS changes include: (1) a revised definition of LEAKAGE in TS 1.1, (2) a revised TS 3.4.13, "RCS (Reactor Coolant System) Operational LEAKAGE," (3) a new TS 3.4.17, "Steam Generator (SG) Tube Integrity," (4) a revised TS 5.5.2.11, "Steam Generator (SG) Program," (5) a revised TS 5.7.2, "Special Reports," and (6) revised Table of Content pages to reflect the proposed changes.

3.2 Conclusion

The proposed TS changes establish a programmatic, largely performance-based regulatory framework for ensuring SG tube integrity is maintained. The NRC staff finds that it addresses key shortcomings of the current framework by ensuring that SG programs are focused on accomplishing the overall objective of maintaining tube integrity. It incorporates performance criteria for evaluating tube integrity that the NRC staff finds consistent with the structural margins and the degree of leak tightness assumed in the current plant licensing basis. The NRC staff finds that maintaining these performance criteria provides reasonable assurance that the SGs can be operated safely without increase in risk.

The revised TSs will contain limited specific details concerning how the SG program is to achieve the required objective of maintaining tube integrity, the intent being that the licensee will have the flexibility to determine the specific strategy for meeting this objective. However, the NRC staff finds that the revised TSs include sufficient regulatory constraints on the establishment and implementation of the SG program such as to provide reasonable assurance that tube integrity will be maintained.

Failure to meet the performance criteria will be reportable pursuant to the requirements in *Title 10 of the Code of Federal Regulations* (10 CFR) Parts 50.72 and 50.73. The NRC reactor oversight process provides a process by which the NRC staff can verify that the licensee has identified any SG program deficiencies that may have contributed to such an occurrence, and that appropriate corrective actions have been implemented.

In conclusion, the NRC staff finds that the TS changes proposed by the licensee in its November 30, 2005, application conform to the requirements of 10 CFR 50.36, and establish a TS framework that will provide reasonable assurance that SG tube integrity is maintained without undue risk to public health and safety.

4.0 STATE CONSULTATION

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

5.0 ENVIRONMENTAL CONSIDERATION

The amendments change a requirement 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 published February 14, 2006 (71 FR 7812). 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.

7.0 REFERENCES

A complete list of references used to complete this review can be found in the NRC's model SE published in the *Federal Register* on March 2, 2005 (70 FR 10298).

Principal Contributor: Eric M. Thomas

Date: September 19, 2006

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Units 2 and 3

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