

September 28, 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 - PUBLIC NOTICE OF
APPLICATION FOR AMENDMENTS REGARDING EXTENDING COMPLETION
TIMES (TAC NOS. MD3070, MD3071, AND MD3072)

Dear Mr. Hamilton:

The enclosed announcement was forwarded to the *Greenville News* and the *Anderson Independent* for publication. This announcement relates to your application dated September 27, 2006 , for amendment to Renewed Facility Operating License Nos. DPR-38, DPR-47, and DPR-55. The proposed amendments would extend the Completion Time of Technical Specification 3.8.1, "AC Sources - Operating," Required Action C.2.2.5 for one time only to 75 days.

Sincerely,

/RA/

Leonard N. Olshan, 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

Enclosure:
Public Notice

cc w/encl: See next page

Oconee Nuclear Station, Units 1, 2, and 3

cc:

Ms. Lisa F. Vaughn
Duke Energy Corporation
526 South Church Street
P. O. Box 1006
Mail Code = EC07H
Charlotte, North Carolina 28201-1006

Manager, LIS
NUS Corporation
2650 McCormick Dr., 3rd Floor
Clearwater, FL 34619-1035

Senior Resident Inspector
U.S. Nuclear Regulatory Commission
7812B Rochester Highway
Seneca, SC 29672

Mr. Henry Porter, Director
Division of Radioactive Waste Management
Bureau of Land and Waste Management
Dept. of Health and Env. Control
2600 Bull St.
Columbia, SC 29201-1708

Mr. Michael A. Schoppman
Framatome ANP
1911 North Ft. Myer Dr.
Suite 705
Rosslyn, VA 22209

Mr. B. G. Davenport
Regulatory Compliance Manager
Oconee Nuclear Site
Duke Energy Corporation
ON03RC
7800 Rochester Highway
Seneca, SC 29672

Ms. Karen E. Long
Assistant Attorney General
NC Department of Justice
P.O. Box 629
Raleigh, NC 27602

Mr. R. L. Gill, Jr.
Manager - Nuclear Regulatory
Issues and Industry Affairs
Duke Energy Corporation
526 S. Church St.
Mail Stop EC05P
Charlotte, NC 28202

Division of Radiation Protection
NC Dept of Environment, Health, & Natural
Resources
3825 Barrett Dr.
Raleigh, NC 27609-7721

Mr. Peter R. Harden, IV
VP-Customer Relations and Sales
Westinghouse Electric Company
6000 Fairview Road
12th Floor
Charlotte, NC 28210

Mr. Henry Barron
Group Vice President, Nuclear Generation
and Chief Nuclear Officer
P.O. Box 1006-EC07H
Charlotte, NC 28201-1006

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PUBLIC NOTICE

NRC STAFF PROPOSES TO AMEND OPERATING LICENSES AT THE OCONEE NUCLEAR STATION, UNITS 1, 2, AND 3

The U.S. Nuclear Regulatory Commission (NRC) staff has received an application dated September 27, 2006, from Duke Power Company LLC, pursuant to 10 CFR 50.91, for exigent amendments to the renewed facility operating licenses for the Oconee Nuclear Station, Units 1, 2, and 3 (Oconee), located in Oconee County, South Carolina.

The proposed amendments would extend the Completion Time of Technical Specification (TS) 3.8.1, "AC Sources - Operating," Required Action (RA) C.2.2.5 for one time only to 75 days.

[TS] 3.8.1, [RA] C.2.1 was entered for all three Oconee Units beginning on Saturday, September 23, 2006 at 1050 hours. The condition was initially entered for Keowee Hydro Unit 2 (KHU #2) to perform routine surveillance testing. Shortly thereafter, KHU #2 experienced an emergency lockout condition. While logged into TS 3.8.1, RA C.2.1, the operability of the remaining Keowee Hydro Unit 1 (KHU #1) and associated underground power path was verified in accordance with RA C.1.

During troubleshooting on KHU #2, it was determined that one field coil pole connector had melted. The generator field coil poles are connected in series by flexible straps consisting of laminated copper. The straps are connected to each coil winding by a brazement. Oconee is still evaluating what caused the damage to the field coil pole connector.

Major repair steps include the following: pulling the Generator rotor; installing a turbine bracing bar; removing the damaged field coils; stator inspection and testing; repairing and testing the damaged field coils; removing the turbine bracing bar; installing the rotor and balancing; and testing to return KHU #2 to service. The time to complete repair could take up to approximately 40 days.

The other field coils on KHU #2 have been visually inspected with no signs of degradation. Additional testing will be performed once the rotor is removed.

During the routine surveillance testing associated with the event, both KHUs were being tested sequentially on the same day. KHU #1 voltages and currents were normal. No exciter alarm or abnormal indications were noted during operation. The exciter data indicated that there was no change in the field impedance on KHU #1.

RA C.2.2.5 provides an extended CT of 45 days in a three year period to allow for major

maintenance of KHUs. Since troubleshooting revealed that extensive repair was required and KHU #2 would not be returned to service within the 72 hours required by RA C.2.1, the extended CT of RA C.2.2.5 was used and both standby buses were energized from a Lee Combustion Turbine (LCT), KHU #1 commercial generation to the grid was suspended, KHU # 1 and its underground path and both required offsite sources were verified OPERABLE, various electrical power system related Limiting Conditions for Operation (LCOs) were verified are met, an alternate power source was verified, and RA C.2.2.5 was entered to restore KHU #2 and its required overhead emergency power path to OPERABLE status. During the current three year period, the provisions of RA C.2.2.5 have only been utilized during an extended outage of KHU #2 from January 8, 2005 to February 11, 2005 for a total of 34 days, 0 hours and 21 minutes. The 45 day CT for RA C.2.2.5 is cumulative, so an additional 10 days, 23 hours, 39 minutes remain to be utilized. Historically this provision has rarely been used. In fact, C.2.2.5 has only been entered two times for KHU #2 in the last 20 years.

Since the repair is extensive and will require more than the remaining CT, this License Amendment requests review and approval for use of an additional 30 days to the CT of TS 3.8.1 RA C.2.2.5 in order to avoid an unplanned forced shutdown of all three Oconee Units and the potential safety consequences and operational risks associated with that action. Conservative risk analysis fully supports the requested additional time. Due to the urgent nature of this License Amendment Request (LAR), an exigent one-time TS extension is being requested.

The licensee and the NRC staff have evaluated this proposed change with regard to the determination of whether or not a significant hazards consideration is involved. Operation of Oconee in accordance with the proposed amendments would not:

- 1) Involve a significant increase in the probability or consequences of an accident previously evaluated.

The request involves a one-time extension of the Completion Time for Required Action C.2.2.5 associated with restoring compliance with TS 3.8.1.

The likelihood of an event occurring during the additional Completion Time of 30 days is essentially the same as that which would occur during the existing 45 day Completion Time; therefore, the probability of an accident previously evaluated is not significantly increased.

The consequences associated with extending the Completion Time by 30 days have been evaluated and results in no change for a previously evaluated accident. In addition, the additional time to effect repairs to the Keowee Hydro Unit will permit Duke to avoid an unplanned forced shutdown of all three Oconee Units and the potential safety consequences and operational risks associated with that action.

There are no adverse impacts on containment integrity, radiological release pathways, fuel design, filtration systems, main steam relief valve set points, or

radwaste systems. No new radiological release pathways are created. A Lee Combustion Turbine will be energizing both standby buses via an isolated power path. As an additional conservative measure, a second Lee Combustion Turbine will be operating in standby. The third remaining Lee Combustion Turbine is also available and can be started and used to supply both standby buses should the running Lee Combustion Turbine fail. These actions will be implemented to further reduce the risk impact during the extension period.

- 2) Create the possibility of a new or different kind of accident from any accident previously evaluated.

The request for this one-time Technical Specification change involves an extension of the Completion Time for Technical Specification 3.8.1, Required Action C.2.2.5, associated with restoring compliance with the Technical Specification. The proposed change will not physically alter the present plant configuration nor adversely affect how the plant is currently operated. Consequently, this request does not create the possibility of a new or different kind of accident from any kind of accident previously evaluated. Measures previously specified in this submittal are in place as additional risk minimizing actions.

- 3) Involve a significant reduction in a margin of safety.

Since the proposed change will not physically alter the present plant configuration nor adversely affect how the plant is currently operated, the proposed change does not adversely affect any plant safety limits, setpoints, or design parameters. The change also does not adversely affect the fuel, fuel cladding, Reactor Coolant System, or containment integrity. Therefore, the proposed change does not involve a reduction in a margin of safety. Measures previously specified in this submittal are in place as additional risk minimizing actions.

Following an initial review of this application, the requested amendments have been evaluated against the standards in 10 CFR 50.92 and the NRC staff has made a proposed (preliminary) determination that the requested amendments involve no significant hazards considerations. The changes do not significantly increase the probability or consequences of any accident previously considered, nor create the possibility of an accident of a different kind, nor significantly decrease any margin of safety.

If the proposed determination that the requested license amendment involves no significant hazards consideration becomes final, the staff will issue the amendments without first offering an opportunity for a public hearing. An opportunity for a hearing will be published in the *Federal*

Register at a later date and any hearing request will not delay the effective date of the amendment.

If the staff decides in its final determination that the amendment does involve a significant hazards consideration, a notice of opportunity for a prior hearing will be published in the *Federal Register* and, if a hearing is granted, it will be held before the amendment is issued.

Comments on the proposed determination of no significant hazards consideration may be (1) telephoned to Evangelos C. Marinos, Chief, Plant Licensing Branch II-1, by collect call to 301-415-2911, or by facsimile to 301-415-1222, (2) e-mailed to ecm@nrc.gov or (3) submitted in writing to the Chief, Rulemaking, Directives and Editing Branch, Division of Administrative Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001. All comments received by close of business on October 3, 2006, from 7:30 a.m. to 4:15 p.m. Federal workdays will be considered in reaching a final determination. A copy of the application may be examined electronically through the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room link at the NRC Web site <http://www.nrc.gov/reading-rm/adams.html> and at the Commission's Public Document Room (PDR), located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. 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.