

April 12, 2007

Mr. Jack M. Davis
Senior Vice President and Chief Nuclear Officer
Detroit Edison Company
Fermi 2 - 210 NOC
6400 North Dixie Highway
Newport, MI 48166

SUBJECT: FERMI 2 - ISSUANCE OF AMENDMENT RE: APPLICATION FOR TECHNICAL SPECIFICATION CHANGE TSTF-374, REVISION TO TS 5.5.13 AND ASSOCIATED TS BASES FOR THE DIESEL FUEL OIL TESTING PROGRAMS USING THE CONSOLIDATED LINE ITEM IMPROVEMENT PROCESS (TAC NO. MD3691)

Dear Mr. Davis:

The Commission has issued the enclosed Amendment No. 174 to Facility Operating License No. NPF-43 for the Fermi 2 facility. The amendment consists of changes to the Technical Specifications (TSs) in response to your application dated November 27, 2006 (ADAMS Accession No. ML063420067).

The amendment modifies the TSs by relocating the American Society for Testing and Materials (ASTM) standards references for fuel oil testing to licensee-controlled documents. This proposed change is described in TS Task Force (TSTF) Standard TS Change Traveler TSTF-374, Rev. 0, "Revision to TS 5.5.13 and Associated TS Bases for Diesel Fuel Oil." In addition, the licensee has proposed adding alternate criteria to the "clear and bright" acceptance test for new fuel oil. A notice of availability for this TS improvement using the consolidated line item improvement process was published in the *Federal Register* on April 21, 2006 (71 FR 20735).

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

Sincerely,

/RA/

Meghan M. Thorpe-Kavanaugh, Project Manager
Plant Licensing Branch III-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-341

Enclosures:

1. Amendment No. to NPF-43
2. Safety Evaluation

cc w/encl: See next Page

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DETROIT EDISON COMPANY

DOCKET NO. 50-341

FERMI 2

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 174
License No. NPF-43

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by the Detroit Edison Company (the licensee) dated November 27, 2006, 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. NPF-43 is hereby amended to read as follows:

Technical Specifications and Environmental Protection Plan

The Technical Specifications contained in Appendix A, as revised through Amendment No. 174, and the Environmental Protection Plan contained in Appendix B, are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

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

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

L. Raghavan, Chief
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to Facility Operating License and
the Technical Specifications

Date of Issuance: April 12, 2007

ATTACHMENT TO LICENSE AMENDMENT NO. 174

FACILITY OPERATING LICENSE NO. NPF-43

DOCKET NO. 50-341

Replace the following pages of the Facility Operating License and 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

License Page 3
5.0-15
5.0-16

INSERT

License Page 3
5.0-15
5.0-16

- (4) DECo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use at any time any byproduct, source and special nuclear material such as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (5) DECo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- (6) DECo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

DECo is authorized to operate the facility at reactor core power levels not in excess of 3430 megawatts thermal (100% power) in accordance with conditions specified herein and in Attachment 1 to this license. The items identified in Attachment 1 to this license shall be completed as specified. Attachment 1 is hereby incorporated into this license.

(2) Technical Specifications and Environmental Protection Plan

The Technical Specifications contained in Appendix A as revised through Amendment No.174 and the Environmental Protection Plan contained in Appendix B, are hereby incorporated into this license. DECo shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

(3) Antitrust Conditions

DECo shall abide by the agreements and interpretations between it and the Department of Justice relating to Article I, Paragraph 3 of the Electric Power Pool Agreement between Detroit Edison Company and

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION
RELATED TO AMENDMENT NO. 174 FACILITY OPERATING LICENSE NO. NPF-43

DETROIT EDISON COMPANY

FERMI 2

DOCKET NO. 50-341

1.0 INTRODUCTION

By application dated November 27, 2006 (ADAMS Accession No. ML063420067), the Detroit Edison Company (DECo or the licensee) requested changes to the Technical Specifications (TSs) for Fermi 2. Specifically, the proposed revisions to TS 5.5.9 relocate the specific American Society of Testing and Materials (ASTM) Standard from the Administrative Controls Section of TS to a licensee-controlled document. Also, the proposed revision to TS 5.5.9 would allow the performance of alternate water and sediment content test to establish the acceptability of new fuel oil prior to addition to the storage tank has been added to the clear and bright test.

2.0 REGULATORY EVALUATION

Section 182a of the Atomic Energy Act (the "Act") requires applicants for nuclear power plant operating licenses to include TSs as part of the license. The TSs ensure the operational capability of structures, systems and components that are required to protect the health and safety of the public. The Nuclear Regulatory Commission's (NRC's) regulatory requirements related to the content of the TSs are contained in Title 10 of the *Code of Federal Regulations* (10 CFR), Part 50, Section 50.36. That regulation requires that the TSs include items in the following specific categories: (1) safety limits, limiting safety systems settings, and limiting control settings (50.36(c)(1)); (2) limiting conditions for operation (50.36(c)(2)); (3) surveillance requirements (50.36(c)(3)); (4) design features (50.34(c)(4)); and (5) administrative controls (50.36(c)(5)).

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) voluntary changes to take advantage of the evolution in policy and guidance as to the required content and preferred format of the TSs over time. This amendment deals with the second class of changes. In determining the acceptability of revising TS 5.5.9, the staff used the accumulation of generically approved guidance in NUREG-1433, Revision 3, "Standard Technical Specifications, General Electric Plants BWR 4," dated June, 2004.

Licensees may revise the TSs to adopt current improved Standard Technical Specifications (STS) 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. The detailed application of this general framework, and additional specialized guidance, are discussed in Section 3.0 in the context of specific proposed changes.

By letter dated April 27, 2001, the Technical Specification Task Force (TSTF) proposed revisions to STS 5.5.13 to relocate the specific ASTM Standard from the Administrative Controls Section of the TSs to a licensee-controlled document (NUREGs 1430 - 1434) on behalf of the industry to incorporate the amended standards. Also, the proposed revision to TS 5.5.13 would allow the performance of alternate water and sediment content test to establish the acceptability of new fuel oil prior to addition to the storage tank has been added to the clear and bright test. This proposed change is designated TSTF-374.

The NRC staff prepared a model safety evaluation (SE) for the revisions to TS 5.5.13 and solicited public comment (71 FR 9179; February 22, 2006) in accordance with the Consolidated Line Item Improvement Process (CLIIP). The use of the CLIIP in this matter is intended to help the NRC to efficiently process amendments that propose to revise licensees of nuclear power reactors to which this model applies were informed (71 FR 20735; April 21, 2006) that they could request amendments conforming to the model, and, in such requests, should confirm the applicability of the SE to their reactors and provide the requested plant-specific verifications and commitments.

Specifically, the licensee proposed to relocate the reference to specific ASTM standards from the TS Administrative Controls Section 5.5.9, "Diesel Fuel Oil Testing Program," to a licensee-controlled document. Although the reference to specific testing standards or methods is relocated, TS 5.5.9 retains acceptance criteria for new and stored diesel fuel oil and refers to "applicable ASTM standards" for sampling and testing requirements. The licensee included in its application the proposed revisions to the TS Bases to reflect the changes to TS 5.5.9 and to incorporate the references to the applicable ASTM standards. The changes are consistent with TSTF-374 and will be incorporated into the TS Bases in accordance with TS 5.5.10.

3.0 TECHNICAL EVALUATION

The detailed evaluation below will support the conclusion 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.

3.1 Relocation of the specific ASTM Standard from the Administrative Controls Section of TS to a licensee-controlled document

The proposed change to relocate the specific ASTM Standard for allowable particulate concentration in fuel from the Administrative Controls Section STS 5.5.9 to a licensee-controlled document is acceptable, because referencing ASTM Standards in the TS is not required by 10 CFR 50.36. The actual value of allowable particulate concentration in fuel, which is required by 10 CFR 50.36(c), remains in TS 5.5.9.

3.2 Revision to Fuel Color Test in TS 5.5.9.a.3

The TS 5.5.9.a.3 proposes to provide more objectivity to the fuel color test as follows:

Replacing “a clear and bright appearance with proper color” with “a clear and bright appearance with proper color or water and sediment content within limits.”

This alternative test is better suited for darker colored fuels and is recognized in ASTM standards that have been referenced in NRC-approved amendment requests. This revision provides additional detail to the appearance test, as presented in the current STS 5.5.9.a.3., and is therefore a more restrictive change.

3.3 Revision to Bases B 3.8.3 Reference

This proposed revision updates Bases B 3.8.3 to reference the current ASTM Standards. The proposed change revises the STS Bases for SR 3.8.3.2 to indicate that the API gravity is tested in accordance with ASTM D1298-85 and to provide an additional method (ASTM D4294-90) for sulfur testing.

4.0 STATE CONSULTATION

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

5.0 ENVIRONMENTAL CONSIDERATION

The amendment changes a requirement with respect to the 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 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 (72 FR 149; January 3, 2007). 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.

Principal Contributor: M. Thorpe-Kavanaugh

Date: April 12, 2007

Fermi 2

cc:

David G. Pettinari
Legal Department
688 WCB
Detroit Edison Company
2000 2nd Avenue
Detroit, MI 48226-1279

Michigan Department of Environmental
Quality
Waste and Hazardous Materials Division
Radiological Protection and Medical Waste
Section
Nuclear Facilities Unit
Constitution Hall, Lower-Level North
525 West Allegan Street
P.O. Box 30241
Lansing, MI 48909-7741

U.S. Nuclear Regulatory Commission
Resident Inspector's Office
6450 N Dixie Highway
Newport, MI 48166

Mr. M. V. Yudas, Jr., Director
Monroe County Emergency Management
Division
965 South Raisinville Road
Monroe, MI 48161

Regional Administrator, Region III
U.S. Nuclear Regulatory Commission
Suite 210
2443 Warrenville Road
Lisle, IL 60532-4351

Ronald W. Gaston
Manager, Nuclear Licensing
Detroit Edison Company
Fermi 2 - 200 TAC
6400 North Dixie Highway
Newport, MI 48166

Supervisor - Electric Operators
Michigan Public Service Commission
P.O. Box 30221
Lansing, MI 48909

Wayne County Emergency Management
Division
10250 Middlebelt Road
Detroit, MI 48242

Mr. Donald K. Cobb
Assistant Vice President - Nuclear
Generation
Detroit Edison Company
6400 North Dixie Highway
Newport, MI 48166