



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

October 14, 2016

Mr. Bryan C. Hanson
President and Chief Nuclear Officer
Exelon Nuclear
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION, UNITS 2 AND 3 – ISSUANCE
OF AMENDMENTS RE: DIESEL GENERATOR LUBE OIL INVENTORY
REQUIREMENTS (CAC NOS. MF8010 AND MF8011)

Dear Mr. Hanson:

The U.S. Nuclear Regulatory Commission (the Commission) has issued the enclosed Amendments Nos. 310 and 314 to Renewed Facility Operating License Nos. DPR-44 and DPR-56 for the Peach Bottom Atomic Power Station, Units 2 and 3, respectively. These amendments consist of changes to the Technical Specifications (TSs) in response to your application dated June 20, 2016, as supplemented by letter dated August 11, 2016.

The amendments revise TS 3.8.3, "Diesel Fuel Oil, Lube Oil, and Starting Air," to replace the required stored inventory of lube oil for the diesel generators (specified in number of gallons) with inventory requirements based on diesel generator operating time (specified in number of days). The changes are based on Revision 1 to Technical Specifications Task Force (TSTF) Improved Standard Technical Specifications Change Traveler TSTF-501, "Relocate Stored Fuel Oil and Lube Oil Volume Values to Licensee Control."

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

Sincerely,

A handwritten signature in black ink, appearing to read "R B Ennis".

Richard B. Ennis, Senior Project Manager
Plant Licensing Branch I-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-277 and 50-278

Enclosures:

1. Amendment No. 310 to Renewed DPR-44
2. Amendment No. 314 to Renewed DPR-56
3. Safety Evaluation

cc w/enclosures: Distribution via Listserv



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

EXELON GENERATION COMPANY, LLC

PSEG NUCLEAR LLC

DOCKET NO. 50-277

PEACH BOTTOM ATOMIC POWER STATION, UNIT 2

AMENDMENT TO RENEWED FACILITY OPERATING LICENSE

Amendment No. 310
Renewed License No. DPR-44

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Exelon Generation Company, LLC (Exelon Generation Company) and PSEG Nuclear LLC (the licensees), dated June 20, 2016, as supplemented by letter dated August 11, 2016, 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.

Enclosure 1

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 Renewed Facility Operating License No. DPR-44 is hereby amended to read as follows:

- (2) Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 310, are hereby incorporated in the license. Exelon Generation Company 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 60 days.

FOR THE NUCLEAR REGULATORY COMMISSION



Douglas A. Broaddus, Chief
Plant Licensing Branch I-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment:
Changes to the Technical Specifications
and Renewed Facility Operating License

Date of Issuance: October 14, 2016

ATTACHMENT TO LICENSE AMENDMENT NO. 310
PEACH BOTTOM ATOMIC POWER STATION, UNIT 2
RENEWED FACILITY OPERATING LICENSE NO. DPR-44
DOCKET NO. 50-277

Replace the following page of the Renewed Facility Operating License with the attached revised page. The revised page is identified by amendment number and contains a marginal line indicating the area 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
3.8-25
3.8-27

Insert
3.8-25
3.8-27

- (5) Exelon Generation Company, pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not to separate, such byproduct and special nuclear material as may be produced by operation of the facility, and such Class B and Class C low-level radioactive waste as may be produced by the operation of Limerick Generating Station, Units 1 and 2.

C. This renewed license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Section 50.54 of Part 50, and Section 70.32 of Part 70; all applicable provisions of the Act and the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified below:

- (1) Maximum Power Level

Exelon Generation Company is authorized to operate the Peach Bottom Atomic Power Station, Unit 2, at steady state reactor core power levels not in excess of 3951 megawatts thermal.

- (2) Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 310, are hereby incorporated in the license. Exelon Generation Company shall operate the facility in accordance with the Technical Specifications.

- (3) Physical Protection

Exelon Generation Company shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822), and the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans¹, submitted by letter dated May 17, 2006, is entitled: "Peach Bottom Atomic Power Station Security Plan, Training and Qualification Plan, Safeguards Contingency Plan, and Independent Spent Fuel Storage Installation Security Program, Revision 3." The set contains Safeguards Information protected under 10 CFR 73.21.

Exelon Generation Company shall fully implement and maintain in effect all provisions of the Commission-approved cyber security plan (CSP), including changes made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The Exelon Generation Company CSP was approved by License Amendment No. 281 and modified by Amendment No. 301.

- (4) Fire Protection

The Exelon Generation Company shall implement and maintain in effect all provisions of the approved fire protection program as described in the Updated Final Safety Analysis Report for the facility, and as approved in the NRC Safety Evaluation Report (SER) dated May 23, 1979, and Supplements dated August 14, September 15, October 10 and November 24, 1980, and in the NRC SERs dated September 16, 1993, and August 24, 1994, subject to the following provision:

¹ The Training and Qualification Plan and Safeguards Contingency Plan are Appendices to the Security Plan.

3.8 ELECTRICAL POWER SYSTEMS

3.8.3 Diesel Fuel Oil, Lube Oil, and Starting Air

LC0 3.8.3 The stored diesel fuel oil, lube oil, and starting air subsystem shall be within limits for each required diesel generator (DG).

APPLICABILITY: When associated DG is required to be OPERABLE.

ACTIONS

----- NOTE -----
Separate Condition entry is allowed for each DG.

CONDITION	REQUIRED ACTION	COMPLETION TIME
A. One or more DGs with fuel oil level < 33,000 gal and > 29,500 gal in storage tank.	A.1 Restore fuel oil level to within limits.	48 hours
B. One or more DGs with lube oil inventory less than a 7 day supply and greater than a 6 day supply.	B.1 Restore lube oil inventory to within limits.	48 hours
C. One or more DGs with stored fuel oil total particulates not within limit.	C.1 Restore fuel oil total particulates to within limit.	7 days

(continued)

SURVEILLANCE REQUIREMENTS

SURVEILLANCE	FREQUENCY
SR 3.8.3.1 Verify each fuel oil storage tank contains \geq 33,000 gal of fuel.	In accordance with the Surveillance Frequency Control Program.
SR 3.8.3.2 Verify lube oil inventory is \geq a 7 day supply.	In accordance with the Surveillance Frequency Control Program.
SR 3.8.3.3 Verify fuel oil properties of new and stored fuel oil are tested in accordance with, and maintained within the limits of, the Diesel Fuel Oil Testing Program.	In accordance with the Diesel Fuel Oil Testing Program
SR 3.8.3.4 Verify each DG air start receiver pressure is \geq 225 psig.	In accordance with the Surveillance Frequency Control Program.
SR 3.8.3.5 Check for and remove accumulated water from each fuel oil storage tank.	In accordance with the Surveillance Frequency Control Program.



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

EXELON GENERATION COMPANY, LLC

PSEG NUCLEAR LLC

DOCKET NO. 50-278

PEACH BOTTOM ATOMIC POWER STATION, UNIT 3

AMENDMENT TO RENEWED FACILITY OPERATING LICENSE

Amendment No. 314
Renewed License No. DPR-56

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Exelon Generation Company, LLC (Exelon Generation Company) and PSEG Nuclear LLC (the licensees), dated June 20, 2016, as supplemented by letter dated August 11, 2016, 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.

Enclosure 2

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 Renewed Facility Operating License No. DPR-56 is hereby amended to read as follows:

- (2) Technical Specifications

- The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 314, are hereby incorporated in the license. Exelon Generation Company 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 60 days.

FOR THE NUCLEAR REGULATORY COMMISSION



Douglas A. Broaddus, Chief
Plant Licensing Branch I-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment:
Changes to the Technical Specifications
and Renewed Facility Operating License

Date of Issuance: October 14, 2016

ATTACHMENT TO LICENSE AMENDMENT NO. 314
PEACH BOTTOM ATOMIC POWER STATION, UNIT 3
RENEWED FACILITY OPERATING LICENSE NO. DPR-56
DOCKET NO. 50-278

Replace the following page of the Renewed Facility Operating License with the attached revised page. The revised page is identified by amendment number and contains a marginal line indicating the area 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
3.8-25
3.8-27

Insert
3.8-25
3.8-27

- (5) Exelon Generation Company, pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not to separate, such byproduct and special nuclear material as may be produced by operation of the facility, and such Class B and Class C low-level radioactive waste as may be produced by the operation of Limerick Generating Station, Units 1 and 2.

C. This renewed license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Section 50.54 of Part 50, and Section 70.32 of Part 70; all applicable provisions of the Act and the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified below:

(1) Maximum Power Level

Exelon Generation Company is authorized to operate the Peach Bottom Atomic Power Station, Unit No. 3, at steady state reactor core power levels not in excess of 3951 megawatts thermal.

(2) Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 314, are hereby incorporated in the license. Exelon Generation Company shall operate the facility in accordance with the Technical Specifications.

(3) Physical Protection

Exelon Generation Company shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822), and the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans¹, submitted by letter dated May 17, 2006, is entitled: "Peach Bottom Atomic Power Station Security Plan, Training and Qualification Plan, Safeguards Contingency Plan, and Independent Spent Fuel Storage Installation Security Program, Revision 3." The set contains Safeguards Information protected under 10 CFR 73.21.

Exelon Generation Company shall fully implement and maintain in effect all provisions of the Commission-approved cyber security plan (CSP), including changes made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The Exelon Generation Company CSP was approved by License Amendment No. 283 and modified by Amendment No. 304.

¹The Training and Qualification Plan and Safeguards Contingency Plan and Appendices to the Security Plan.

3.8 ELECTRICAL POWER SYSTEMS

3.8.3 Diesel Fuel Oil, Lube Oil, and Starting Air

LC0 3.8.3 The stored diesel fuel oil, lube oil, and starting air subsystem shall be within limits for each required diesel generator (DG).

APPLICABILITY: When associated DG is required to be OPERABLE.

ACTIONS

----- NOTE -----
Separate Condition entry is allowed for each DG.

CONDITION	REQUIRED ACTION	COMPLETION TIME
A. One or more DGs with fuel oil level < 33,000 gal and > 29,500 gal in storage tank.	A.1 Restore fuel oil level to within limits.	48 hours
B. One or more DGs with lube oil inventory less than a 7 day supply and greater than a 6 day supply.	B.1 Restore lube oil inventory to within limits.	48 hours
C. One or more DGs with stored fuel oil total particulates not within limit.	C.1 Restore fuel oil total particulates to within limit.	7 days

(continued)

SURVEILLANCE REQUIREMENTS

SURVEILLANCE	FREQUENCY
SR 3.8.3.1 Verify each fuel oil storage tank contains $\geq 33,000$ gal of fuel.	In accordance with the Surveillance Frequency Control Program.
SR 3.8.3.2 Verify lube oil inventory is \geq a 7 day supply.	In accordance with the Surveillance Frequency Control Program.
SR 3.8.3.3 Verify fuel oil properties of new and stored fuel oil are tested in accordance with, and maintained within the limits of, the Diesel Fuel Oil Testing Program.	In accordance with the Diesel Fuel Oil Testing Program
SR 3.8.3.4 Verify each DG air start receiver pressure is ≥ 225 psig.	In accordance with the Surveillance Frequency Control Program.
SR 3.8.3.5 Check for and remove accumulated water from each fuel oil storage tank.	In accordance with the Surveillance Frequency Control Program.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION
RELATED TO AMENDMENT NO. 310 TO
RENEWED FACILITY OPERATING LICENSE NO. DPR-44 AND
AMENDMENT NO. 314 TO RENEWED FACILITY OPERATING LICENSE NO. DPR-56
EXELON GENERATION COMPANY, LLC
PSEG NUCLEAR LLC
PEACH BOTTOM ATOMIC POWER STATION, UNITS 2 AND 3
DOCKET NOS. 50-277 AND 50-278

1.0 INTRODUCTION

By application dated June 20, 2016, as supplemented by letter dated August 11, 2016 (Agencywide Documents Access and Management System (ADAMS) Accession Nos. ML16173A371 and ML16224A342, respectively), Exelon Generation Company, LLC (Exelon, the licensee) submitted a license amendment request for the Peach Bottom Atomic Power Station (PBAPS), Units 2 and 3.

The amendments would revise Technical Specification (TS) 3.8.3, "Diesel Fuel Oil, Lube Oil, and Starting Air," requirements associated with the stored inventory of lube oil for the diesel generators (DGs). Specifically, the TS inventory requirements for stored lube oil (currently specified in number of gallons) would be replaced with inventory requirements based on DG operating time (specified in number of days).

The proposed changes are based on Revision 1 to Technical Specifications Task Force (TSTF) Improved Standard Technical Specifications Change Traveler TSTF-501, "Relocate Stored Fuel Oil and Lube Oil Volume Values to Licensee Control" (ADAMS Accession No. ML090510686). A notice of availability for this TS improvement was published in the *Federal Register* on May 26, 2010 (75 FR 29588) as part of the consolidated line item improvement process. Further guidance regarding adoption of the changes in TSTF-501 was provided in a letter from the U.S. Nuclear Regulatory Commission (NRC or the Commission) to the TSTF dated April 3, 2014 (ADAMS Accession No. ML14084A512).

TSTF-501, Revision 1, is applicable to the inventory requirements for stored DG fuel oil and lube oil. However, as discussed in Exelon's application dated June 20, 2016, the licensee is only proposing changes to the PBAPS, Units 2 and 3, TSs with respect to the DG lube oil inventory

requirements. The licensee stated in its application that the proposed change to the DG lube oil requirements is consistent with Revision 1 to TSTF-501.

Since the licensee's current TSs contain numerical volume requirements (specified in gallons) for the inventory of stored DG lube oil, any change to the number of gallons would require prior NRC approval. As discussed in NRC Information Notice 96-67, "Vulnerability of Emergency Diesel Generators to Fuel Oil/Lubricating Oil Incompatibility," dated December 19, 1996 (ADAMS Accession No. ML031050485), lubricating oil contains an additive that neutralizes the products of combustion, most importantly sulfuric acid, to prevent engine corrosion. Changes in Environmental Protection Agency requirements have resulted in oil refiners producing cleaner-burning, ultra-low sulfur diesel fuel. With a reduced amount of sulfur in the DG fuel oil, there would be more unreacted additive in the lubricating oil. As discussed in the licensee's supplement dated August 11, 2016, this may result in the formation of deposits when some of the oil is burned, which may affect the volume of lube oil required to support 7-day operation of the DGs. By adopting TSTF-501, Revision 1, the numerical volume requirements would be removed from the TSs. As a result, the numerical volume requirements for stored DG lube oil could be modified under licensee control under the provisions of Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.59, "Changes, tests, and experiments," and, therefore, may not require prior NRC approval.

The supplement dated August 11, 2016, provided additional information that clarified the application, did not expand the scope of the application as originally noticed, and did not change the NRC staff's original proposed no significant hazards consideration determination as published in the *Federal Register* on July 19, 2016 (81 FR 46962).

2.0 REGULATORY EVALUATION

2.1 Proposed Technical Specification Changes

As discussed above in Section 1.0, TS 3.8.3 would be revised to replace the inventory requirements for stored DG lube oil (currently specified in number of gallons) with inventory requirements based on DG operating time (specified in number of days). Specifically, the amendments would revise Limiting Condition for Operation (LCO) 3.8.3 and Surveillance Requirement (SR) 3.8.3.2 as shown below in Sections 2.1.1 and 2.1.2, respectively.

2.1.1 Proposed Changes to LCO 3.8.3

Condition B in the Actions table for LCO 3.8.3 is entered when the stored DG lube oil inventory requirements are not met. Condition B currently reads as follows:

CONDITION	REQUIRED ACTION	COMPLETION TIME
B. One or more DGs with lube oil inventory < 350 gal and > 300 gal.	B.1 Restore lube oil inventory to within limits.	48 hours

Condition B would be revised to read as follows:

CONDITION	REQUIRED ACTION	COMPLETION TIME
B. One or more DGs with lube oil inventory less than a 7 day supply and greater than a 6 day supply.	B.1 Restore lube oil inventory to within limits.	48 hours

2.1.2 Proposed Changes to SR 3.8.3.2

SR 3.8.3.2 requires that the licensee verify that the stored DG lube oil inventory requirements are met. This SR currently reads as follows:

Verify lube oil inventory is \geq 350 gal.

SR 3.8.3.2 would be revised to read as follows:

Verify lube oil inventory is \geq a 7 day supply.

2.1.3 TS Bases Changes

Consistent with TSTF-501, the licensee provided TS Bases changes to be implemented with the associated TS changes. These pages were provided for information only and would be revised in accordance with the TS Bases Control Program described in PBAPS TS 5.5.10.

2.2 Regulatory Requirements

The NRC's regulatory requirements related to the content of the TSs are specified in 10 CFR 50.36, "Technical specifications." Pursuant to 10 CFR 50.36, TSs are required to include items in the following categories: (1) safety limits, limiting safety system settings, and limiting control settings; (2) LCOs; (3) SRs; (4) design features; and (5) administrative controls. The regulation does not specify the particular requirements to be included in a plant's TSs.

As stated in 10 CFR 50.36(c)(2)(i), LCOs are the lowest functional capability or performance levels of equipment required for safe operation of the facility. When an LCO is not met, the licensee shall shut down the reactor or follow any remedial action permitted by the TSs until the LCO can be met. The LCO Action requirements establish those remedial actions that must be taken when the requirements of an LCO are not met.

As stated in 10 CFR 50.36(c)(3), SRs are requirements relating to test, calibration, or inspection to assure that the necessary quality of systems and components is maintained, that facility operation will be within safety limits, and that the LCOs will be met.

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 the items that are required to be included in the TSs as LCOs. The criteria were subsequently incorporated into the regulations by an amendment to 10 CFR 50.36 (60 FR 36953). Specifically, 10 CFR 50.36(c)(2)(ii) requires that a TS LCO must be established for each item meeting one or more of the following criteria:

- Criterion 1: Installed instrumentation that is used to detect, and indicate in the control room, a significant abnormal degradation of the reactor coolant pressure boundary.
- Criterion 2: 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.
- Criterion 3: 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.
- Criterion 4: A structure, system, or component which operating experience or probabilistic risk assessment has shown to be significant to public health and safety.

The onsite standby alternating current power source for PBAPS, Units 2 and 3, consists of four DGs common to both units. The DGs are a part of the primary success path, and function or actuate, 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 (i.e., the DGs satisfy Criterion 3 in the Final Policy Statement). Since the DG fuel oil, lube oil, and starting air subsystems contained in TS 3.8.3 support the operation of the DGs, the associated LCO 3.8.3 also satisfies Criterion 3 of the Final Policy Statement.

3.0 TECHNICAL EVALUATION

3.1 Proposed Changes to LCO 3.8.3

As shown in Section 2.1.1 above, the proposed amendments would revise Condition B in the LCO for TS 3.8.3 by removing the current stored DG lube oil numerical volume requirements (in gallons) and replacing them with the required DG operating time (in days) so that the lube oil volumes (in gallons) necessary to support the required DG operating time may be modified under licensee control.

As described in the PBAPS Updated Final Safety Analysis Report (UFSAR), Sections 8.5.2 and 8.5.4, each DG is capable of operating continuously for a period of 7 days at the post-accident loads specified in UFSAR Table 8.5.2, without any offsite fuel oil supplies. This onsite fuel oil capacity is sufficient to operate the DGs for longer than the time needed to replenish the onsite fuel oil supply from outside sources.

The DG lubrication system is designed to provide sufficient lubrication to permit proper operation of its associated DG under all loading conditions. The system is required to circulate the lube oil to the diesel engine working surfaces and to remove excess heat generated by friction during operation. Consistent with the inventory requirements for DG fuel oil to support 7 days of DG operating time, each DG has a lube oil inventory capable of supporting a minimum of 7 days of operation. This supply is sufficient to allow the operator to replenish the lube oil supply from outside sources.

In order to meet a 7-day supply of stored lube oil for each DG, TS 3.8.3 currently contains numerical volume requirements associated with a 7-day supply for each DG as measured by volume, in gallons. The TS Bases currently indicate that the numerical volume requirements are based on meeting a 7-day supply. The proposed change would revise TS 3.8.3 by removing the current stored lube oil numerical volume requirements from the TSs so that the lube oil volumes necessary to support the required diesel operating time may subsequently be modified under licensee control pursuant to 10 CFR 50.59. The revised TSs would continue to require that the stored lube oil inventory has a 7-day supply available for each DG. The removal of the TS numerical value volume requirement does not change the current plant configuration, the current lube oil volume requirements, or the current 7-day basis for the lube oil volume requirements.

Currently, Condition B is entered when the stored lube oil inventory numerical volume requirements are not met. The TS Bases currently indicate that the numerical volume requirements in Condition B are based on volumes less than a 7-day supply but greater than a 6-day supply. The proposed amendments would remove the volumetric requirements from the TSs and would modify Condition B to maintain a duration-based requirement such that Condition B would be entered when the stored diesel lube oil inventory is less than a 7-day supply, but greater than a 6-day supply, for one or more DGs. No other parts of Condition B (i.e., Required Actions or Completion Times) are proposed to be modified in the application.

Since LCO 3.8.3 would be revised merely to reflect the required inventory in terms of days of DG operating time rather than in gallons, the proposed changes maintain the current design and licensing basis with respect to the required inventory of DG lube oil. As such, the NRC staff concludes that the proposed changes to LCO 3.8.3 will continue to provide reasonable assurance that the lowest functional capability or performance levels of the DG required for safe operation of the facility will be met, consistent with the requirements stated in 10 CFR 50.36(c)(2)(i). Therefore, the NRC staff concludes that the proposed changes to LCO 3.8.3 are acceptable.

3.2 Proposed Changes to SR 3.8.3.2

SR 3.8.3.2 requires that the licensee verify that the stored DG lube oil inventory requirements are met. The SR currently expresses the inventory requirements as a numerical volume in terms of gallons. The licensee proposes to revise SR 3.8.3.2 to reflect the proposed changes to LCO 3.8.3, namely that a 7-day supply (rather than a specified numerical volume in gallons) be available for each DG. As a result, SR 3.8.3.2 would be revised to require the licensee to verify that the stored DG lube oil inventory is greater than or equal to a 7-day supply for each DG. No other revision to this SR is proposed (i.e., no change in frequency of the surveillance is proposed).

Since SR 3.8.3.2 would be revised merely to reflect the required inventory in terms of days of DG operating time rather than in gallons, the proposed changes maintain the current design and licensing basis with respect to the required inventory of DG lube oil. As such, the NRC staff concludes that the proposed changes to SR 3.8.3.2 will continue to provide reasonable assurance that the necessary quality of systems and components is maintained, that facility operation will be within safety limits, and that the LCOs will be met, consistent with the requirements stated in 10 CFR 50.36(c)(3). Therefore, the NRC staff concludes that the proposed changes to SR 3.8.3.2 are acceptable.

3.3 Technical Evaluation Conclusion

Based on the evaluation discussed in Sections 3.1 and 3.2 above, the NRC staff concludes that the proposed amendments are acceptable.

4.0 STATE CONSULTATION

In accordance with the Commission's regulations, the Pennsylvania 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 and change SRs. 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 (81 FR 46962). 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) there is reasonable assurance that 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: R. Ennis

Date: October 14, 2016

October 14, 2016

Mr. Bryan C. Hanson
President and Chief Nuclear Officer
Exelon Nuclear
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION, UNITS 2 AND 3 – ISSUANCE OF AMENDMENTS RE: DIESEL GENERATOR LUBE OIL INVENTORY REQUIREMENTS (CAC NOS. MF8010 AND MF8011)

Dear Mr. Hanson:

The U.S. Nuclear Regulatory Commission (the Commission) has issued the enclosed Amendments Nos. 310 and 314 to Renewed Facility Operating License Nos. DPR-44 and DPR-56 for the Peach Bottom Atomic Power Station, Units 2 and 3, respectively. These amendments consist of changes to the Technical Specifications (TSs) in response to your application dated June 20, 2016, as supplemented by letter dated August 11, 2016.

The amendments revise TS 3.8.3, "Diesel Fuel Oil, Lube Oil, and Starting Air," to replace the required stored inventory of lube oil for the diesel generators (specified in number of gallons) with inventory requirements based on diesel generator operating time (specified in number of days). The changes are based on Revision 1 to Technical Specifications Task Force (TSTF) Improved Standard Technical Specifications Change Traveler TSTF-501, "Relocate Stored Fuel Oil and Lube Oil Volume Values to Licensee Control."

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

Sincerely,
/RA/

Richard B. Ennis, Senior Project Manager
Plant Licensing Branch I-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-277 and 50-278

Enclosures:

1. Amendment No. 310 to Renewed DPR-44
2. Amendment No. 314 to Renewed DPR-56
3. Safety Evaluation

cc w/enclosures: Distribution via Listserv

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