

12579



OFFICE OF THE SECRETARY

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

February 12, 1992

RECEIVED USNRC '92 FEB 12 A7:42

OFFICE OF SECRETARY DOCKETING & SERVICE BRANCH

MEMORANDUM FOR: Board and Parties LONG ISLAND LIGHTING COMPANY (Shoreham Nuclear Power Station, Unit 1) Docket No. 50-322-OLA-3

RECEIVED FEB 12 1992

SUBJECT: SECY-92-041

On the advice of the NRC Office of General Counsel, copies of SECY-92-041 entitled "Shoreham Nuclear Power Station License Transfer" are being served on the Licensing Board and the parties to this proceeding.

Emile L. Julian Emile L. Julian, Chief Docketing and Service Branch

Attachment: SECY-92-041

9202180148 920212 PDR ADOCK 05000322 G PDR

502



**POLICY ISSUE**  
(Notation Vote)

February 6, 1992

SECY-02-041

For: The Commissioners

From: James M. Taylor  
Executive Director for Operations

Subject: SHOREHAM NUCLEAR POWER STATION LICENSE TRANSFER

Purpose: To request the Commission's approval for the staff to transfer the Shoreham Nuclear Power Station (SNPS) Possession Only License (POL) from the Long Island Lighting Company (LILCO) to the Long Island Power Authority (LIPA).

Background: On April 21, 1989, the NRC issued a full-power operating license to LILCO for operation of SNPS. Rather than operate SNPS, LILCO entered into an agreement with the State of New York to transfer ownership of SNPS to an entity of the State for decommissioning. LIPA is the State entity responsible to decommission SNPS.

LILCO and LIPA submitted a joint request to transfer the SNPS license from LILCO to LIPA in their letter of June 28, 1990. They supplemented this request in letters dated June 13, June 27, October 31, and December 5, 1991.

Discussion: Plant Status

On June 14, 1991, the staff removed LILCO's authority to operate SNPS by issuing the POL amendment. With the nuclear fuel stored in the spent fuel pool, LILCO has begun shipping (for offsite burial) some equipment previously needed to support power operation. LILCO has also taken fourteen 1-inch diameter through-wall sample borings of the SNPS reactor pressure vessel. LILCO has also segmented the

NOTE: TO BE MADE PUBLICLY AVAILABLE  
IMMEDIATELY

CONTACTS:  
S. Brown, PDNP/NRR  
504-3143

J. Moulton, PDNP/NRR  
504-1106

*9202110292 SUPP.*

recirculation system piping to demonstrate certain pipe cutting techniques. LILCO is taking these and other actions under 10 CFR 50.59 to prepare for the decommissioning of SNPS.

#### License Transfer and Evaluation

LILCO and LIPA submitted a joint application on June 28, 1990, which was supplemented on June 17, June 27, October 31, and December 5, 1991. This application requested that Facility License No. NPF-82 (POL) be transferred to LIPA.

Under the 1989 Settlement Agreement between LILCO and New York State, LILCO is contractually obligated never to operate Shoreham as a nuclear facility and to transfer the Shoreham facility to LIPA for decommissioning.

The staff has completed its review and evaluation of the LILCO/LIPA license transfer request. The staff reviewed two major areas to determine if LIPA is adequately qualified to become the licensee of Shoreham: (1) LIPA's management and technical qualifications and (2) its financial qualifications. The staff did not perform an antitrust review in accordance with 10 CFR 50.33(a). Under 10 CFR 50.33a(a)(3), an applicant is exempt from this review if it has an electrical generating capacity of 200 MW(e) or less. LIPA has no electric generating capacity.

#### Management and Technical Qualifications

The staff evaluated LIPA's management and technical qualifications in accordance with the criteria set forth in NUREG-0800, "Standard Review Plan" (SRP) Section 13.1.1, "Management and Technical Support Organization," and Sections 13.1.2 - 13.1.3, "Operating Organization."

After the license transfer, LIPA's management and technical staff will consist primarily of LILCO personnel currently performing the same or similar functions for LILCO. The Site Agreement between LILCO and LIPA obligates LILCO to "use its best efforts" to make LILCO employees available for maintenance and decommissioning activities.

Changes to the existing site organization will be limited to upper management and will not significantly affect the daily conduct of routine physical and technical activities at Shoreham. The Shoreham upper management positions affected will be filled by New York Power Authority (NYPA) employees (LIPA/NYPA co-employees). LIPA and NYPA have entered into the Management Services Agreement, which requires NYPA to provide technical and managerial services to LIPA throughout the decommissioning process. These LIPA/NYPA co-employees will be assigned full-time to LIPA for maintaining Shoreham in its present defueled status and for eventually decommissioning the

plant. The upper management positions to be filled by LIPA/NYPA co-employees are Executive Vice-President, Shoreham Project; Shoreham Resident Manager; Operations Maintenance Department Head; Radiological Controls Director; Decommissioning Department Head; and Quality Assurance/Quality Control Department Head. The staff received resumes of the six LIPA/NYPA co-employees that demonstrate the technical and managerial qualifications of these LIPA/NYPA co-employees.

The staff found the following to be acceptable regarding LIPA's management and technical qualifications:

1. The proposed corporate and plant organizational structure and functions for the maintenance of Shoreham in its present defueled condition and for the eventual decommissioning of the plant.
2. The management controls, lines of authority, and channels of communication among the organizational units involved in the management, operation, and technical support for the maintenance of Shoreham in its present condition and for the eventual decommissioning of the plant.
3. The LIPA/NYPA co-employees assigned to fill the upper technical and managerial positions at Shoreham.

Further, should LIPA need to replace any of its co-employees, the replacement co-employee's qualifications will be in accordance with ANSI standards, as appropriate, reflecting the permanently defueled status of the Shoreham facility.

#### Financial Qualifications

In assessing LIPA's financial qualifications for license transfer, the staff evaluated LIPA's ability to adequately fund all Shoreham activities, including decommissioning.

LILCO confirmed its obligations never to operate Shoreham and to transfer it to LIPA in a subsequent Asset Transfer Agreement between LILCO and LIPA. The Asset Transfer Agreement established the framework by which LILCO is to pay all LIPA costs for the transfer, maintenance, and eventual decommissioning. On January 24, 1990, LIPA and LILCO entered into a Site Cooperation and Reimbursement Agreement (Site Agreement), which established the specific mechanism by which LILCO would pay Shoreham-related costs incurred by LIPA and provided for the cooperation of the parties both before and after approval of the license transfer. The New York State Public Service Commission's (PSC) June 7, 1990, approval of the Site Agreement and the PSC's commitment, in its April 11, 1991, letter to the NRC, to allow recovery of Shoreham-related costs, have given

the staff the required assurance that Shoreham related costs will be reimbursable both before and after commencement of decommissioning.

The staff has determined that the Asset Transfer Agreement and the Site Agreement coupled with LILCO's decommissioning funding plan establish the financial qualifications necessary for license transfer. These agreements obligate LILCO to deposit into LIPA accounts those funds necessary to cover all Shoreham-related activities of LIPA/NYPA, including asset transfer, license transfer, maintenance, and decommissioning activities.

On November 22, 1991, the NRC approved the decommissioning funding plan proposed by LILCO and issued an exemption from the requirement to have full decommissioning funding at the start of decommissioning. LILCO's funding plan is based primarily on the Asset Transfer and Site agreements previously mentioned. In approving the Shoreham decommissioning funding plan, the staff determined that the plan is adequate to protect the health and safety of the public and sufficient to decommission Shoreham. Therefore, the staff concludes that LIPA, which will receive needed funds through the Asset Transfer and Site agreements and will be the ultimate recipient of the decommissioning funding plan, has the financial resources to safely maintain the plant in its defueled, non-operating condition and that LIPA is financially qualified to become the licensee of the Shoreham Nuclear Power Station.

#### Petition to Intervene and Request for Prior Hearing

On March 20, 1991, the NRC staff published in the Federal Register a "Notice of Consideration of Issuance of Amendment to Facility Operating License and Proposed No Significant Hazards Consideration Determination and Opportunity for Hearing" for the requested amendment (56 FR 11781). By letters of April 19, 1991, the Scientists and Engineers for Secure Energy and the Shoreham Wading River Central School District (the petitioners) submitted comments and petitions to intervene and requests for prior hearing on this proposed license transfer. On June 3, 1991, the Commission referred the intervention petition to the Atomic Safety and Licensing Board (ASLB). In its Scheduling Order of October 23, 1991, the ASLB set November 18, 1991, as the deadline for the petitioners to submit contentions. No hearing has been scheduled.

The staff has addressed the petitioners' comments and contentions on this proposed amendment in the Safety Evaluation Report included in the enclosed license transfer package. The staff concluded that nothing in the submissions of the Petitioners affects the proposed no significant hazards consideration determination.

Motion for Stay of License Transfer

On December 17, 1991, the petitioners filed a joint motion asking the Commission to stay any NRC staff action approving the transfer of the POL to LIPA, or, in the alternative, to administratively stay the effectiveness of the license transfer for a certain period\* to allow them time to pursue a judicial stay.

Motion Suggesting LIPA's Demise

On December 19, 1991, the petitioners filed a motion before the Commission suggesting that the transfer of the Shoreham license from LILCO to LIPA was moot based on their view that LIPA will cease to exist as an entity of the State of New York as of January 15, 1992, under New York Public Authority Law, Section 2828 (a sunset law). LIPA replied to this motion in a filing of December 30, 1991, in which LILCO concurred. The staff addressed the petitioners' motion in its January 6, 1992 pleading before the Commission.

LIPA's response to this motion detailed that the petitioners' interpretation of the New York sunset law did not conform to the language or purpose of that statute, was at variance with the statute creating LIPA, and contrary to the actions of the New York State legislature in 1991, which extended the terms of LIPA's appointed trustees until elections were held for permanent trustees in 1993. The staff, in its response, found petitioners' arguments that the New York sunset law would shortly cause the demise of LIPA not supported by the language or any reasonable interpretation of that law.

Decommissioning Plan

In its letter of December 29, 1990, LIPA submitted a decommissioning plan and a supplement to the environmental report.

In its letter of January 2, 1991, LILCO incorporated LIPA's submittal into the SNPS docket. By letter dated July 25, 1991, the staff requested LIPA to supplement the information provided in the December 29, 1990, submittal. In its letter of August 26, 1991, LIPA provided the requested information.

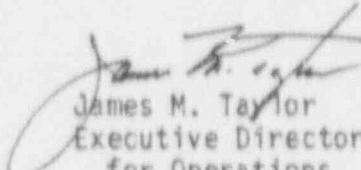
On December 23, 1991, the NRC staff published in the Federal Register a "Notice of Consideration of Issuance of an Order Authorizing Decommissioning a Facility and Opportunity for

\*Petitioners suggest a stay of 10-20 working days after a notice of issuance of the amendment is published in the Federal Register. The Commission previously imposed such an administrative stay on issuance of the POL. CLI-91-08, 33 NRC 461, 471-72 (1991).

Hearing," (56 FR 66459). This notice offered an opportunity to any person who felt potentially aggrieved by the decommissioning option selected and who wished to participate as a party to the proceedings to file a request for hearing and petition to intervene. In a letter of January 13, 1992, with the concurrence of LILCO, LIPA also requested that the POL be amended to authorize the decommissioning of Shoreham in accordance with the Plan and that a no significant hazards consideration (NSHC) be made in regard to that license amendment. In a letter of January 22, 1992, LIPA provided further justification for a NSHC determination. The staff will provide its recommended response to this request to the Commission in a separate correspondence. On January 22, 1992, petitions to intervene were received from the Scientists and Engineers for Secure Energy and from the Shoreham-Wading River School District.

Recommendation: The staff requests that the Commission approve the issuance of the SNPS license transfer to LIPA in accordance with the enclosed proposed license amendment package.

Coordination: The Office of the General Counsel (OGC) has reviewed this Commission paper and has no legal objection.

  
James M. Taylor  
Executive Director  
for Operations

Enclosure:  
Proposed license  
amendment package

Commissioners' comments or consent should be provided directly to the Office of the Secretary by COB Wednesday, February 26, 1992.

Commission Staff Office comments, if any, should be submitted to the Commissioners NLT Tuesday, February 18, 1992, with an information copy to the Office of the Secretary. If the paper is of such a nature that it requires additional review and comment, the Commissioners and the Secretariat should be apprised of when comments may be expected.

DISTRIBUTION:  
Commissioners  
OGC  
OCAA  
OIG  
OCA  
OPA  
REGION I  
EDO  
SECY



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

Docket No. 50-322

Mr. John D. Leonard, Jr.  
Vice President - Office of Corporate Services  
and Office of Nuclear  
Long Island Lighting Company  
Shoreham Nuclear Power Station  
North Country Road  
P.O. Box 618  
Wading River, New York 11792

Dear Mr. Leonard:

SUBJECT: SHOREHAM NUCLEAR POWER STATION, UNIT 1 - ISSUANCE OF AMENDMENT  
NO. TO FACILITY OPERATING LICENSE

The Commission has issued the enclosed Amendment No. to Facility Operating License No. NPF-82 for the Shoreham Nuclear Power Station, Unit 1. This amendment transfers License No. NPF-82, and its Appendices (the Technical Specifications and Environmental Protection Plan) to the Long Island Power Authority (LIPA) in response to the joint Long Island Lighting Company (LILCO) and LIPA application of June 28, 1990, as supplemented by letters of June 13, June 27, October 31, and December 5, 1991.

Additionally, the staff finds LIPA's proposal to train and certify the Shoreham fuel handlers in lieu of use of 10 CFR Part 55 licensed operators to be acceptable.

On March 20, 1991, the NRC published in the Federal Register a Notice of Consideration of Issuance of Amendment to Facility Operating License and Proposed No Significant Hazards Consideration determination and Opportunity for Hearing related to the requested action (56 FR 11781). The NRC has received comments and a request for hearing.

A copy of the related Safety Evaluation supporting Amendment No. is enclosed.

Sincerely,

Seymour H. Weiss, Director  
Non-Power Reactors, Decommissioning and  
Environmental Project Directorate  
Division of Advanced Reactors  
and Special Projects  
Office of Nuclear Reactor Regulation

Enclosures:

1. Amendment No.
2. Safety Evaluation
3. Environmental Assessment

cc w/enclosures: See next page



Mr. John D. Leonard, Jr.

Shoreham Nuclear Power Station  
Long Island Lighting Company

cc:

Victor A. Staffieri, Esq.  
General Counsel  
Long Island Lighting Company  
175 East Old County Road  
Hicksville, New York 11801

Richard M. Kessel  
Chairman & Executive Director  
New York State Consumer Protection  
Board  
250 Broadway  
New York, New York 10007

W. Taylor Reveley, III, Esq.  
Hunton & Williams  
Riverfront Plaza, East Tower  
951 East Byrd Street  
Richmond, Virginia 23219-4074

Jonathan D. Feinbert, Esq.  
New York State Department  
of Public Service  
Three Empire State Plaza  
Albany, New York 12223

Mr. Lawrence Britt  
Shoreham Nuclear Power Station  
Post Office Box 618  
Wading River, New York 11792

Martin Bradley Ashart, Esq.  
Suffolk County Attorney  
H. Lee Dennison Building  
Veteran's Memorial Highway  
Hauppauge, New York 11788

Mr. L. Calone  
Plant Manager  
Shoreham Nuclear Power Station  
Post Office Box 628  
Wading River, New York 11792

Robert Abrams, Esq.  
Attorney General of the State  
of New York  
ATTN: Charles Donaldson, Esq.  
New York State Department of Law  
Consumer Protection Bureau  
3rd Floor  
120 Broadway  
New York, New York 10271

Barry S. Norris  
Project Inspector (Shoreham)  
U.S. Nuclear Regulatory Commission  
475 Allendale Road  
King of Prussia, Pennsylvania 19406

Ms. Donna Ross  
New York State Energy Office  
Agency Building 2  
Empire State Plaza  
Albany, New York 12223

Regional Administrator, Region I  
U.S. Nuclear Regulatory Commission  
475 Allendale Road  
King of Prussia, Pennsylvania 19406

James P. McGranery, Jr., Esq.  
Dow, Lohnes and Albertson  
Suite 500  
1255 23rd Street, N.W.  
Washington, D.C. 20037-1194

Leonard Bickwit, Jr., Esq.  
Miller & Chevalier, Chartered  
Metropolitan Square  
Suite 900  
655 Fifteenth Street, N.W.  
Washington, D.C. 20005-5701

Dr. A. David Rossin  
Resources Conservation  
Organization  
Suite 320  
11 First Street  
Alto, California 94022

L. Hill  
New York Power Authority  
123 Main Street  
White Plains, New York 10601

Mr. John D. Leonard, Jr.

- 2 -

Shoreham Nuclear Power Station  
Long Island Lighting Company

cc:

David J. McGoff  
Associate Deputy Assistant  
Secretary for Reactor Deployment  
U.S. Department of Energy  
Washington, D.C. 20545

Nicholas S. Reynolds  
David A. Repka  
Winston & Strawn  
1400 L Street, N.W.  
Washington, D.C. 20005

Samuel A. Cherniak  
NYS Department of Law  
Bureau of Consumer  
Frauds and Protection  
120 Broadway  
New York, New York 10271

George A. Ferguson  
Administrative Judge  
Atomic Safety and Licensing Board  
5307 Al Jones Drive  
Columbia Beach, Maryland 20764

Stanley B. Klimberg, Esq.  
Executive Director and  
General Counsel  
Long Island Power Authority  
Suite 201  
200 Garden City Plaza  
Garden City, New York 11530

Commissioner James T. McFarland  
New York Public Service Commission  
814 Ellicott Building  
295 Main Street  
Buffalo, New York 14203

Gerald C. Goldstein, Esq.  
Office of General Counsel  
New York Power Authority  
1633 Broadway  
New York, New York 10019

Thomas S. Moore, Esq.  
Chairman, Atomic Safety and  
Licensing Board  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Jerry R. Kline  
Administrative Judge  
Atomic Safety and Licensing Board  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Carl R. Schenker, Jr.  
O'Melveny & Myers  
555 13th Street, N.W.  
Washington, D.C. 20004



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

LONG ISLAND POWER AUTHORITY

DOCKET NO. 50-322

SHOREHAM NUCLEAR POWER STATION, UNIT 1

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No.  
License No. NPF-82

1. The U.S. Nuclear Regulatory Commission (the Commission or the NRC) has found that:
  - A. The joint application by Long Island Lighting Company (LILCO) and Long Island Power Company (LIPA), of June 28, 1990, and as supplemented on June 13, June 27, October 31, and December 5, 1991, 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 be maintained in conformity with the application, the provisions of the Act, and the regulations of the Commission;
  - C. There is reasonable assurance (i) that the activities authorized by this license 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 licensee is technically qualified to engage in the activities authorized by this operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
  - E. The licensee has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
  - F. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public; and

- G. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70.
2. Accordingly, Facility Operating License No. NPR-82 is hereby amended in its entirety to read as follows:
- A. The license applies to the Shoreham Nuclear Power Station, Unit 1, a boiling water nuclear reactor and associated equipment, owned by the licensee. The facility is located in Suffolk County, New York, and is described in the Shoreham Defueled Safety Analysis Report (DSAR), which includes, by reference, the appropriate sections of the Updated Safety Analysis Report (USAR), as supplemented and amended, and the Shoreham Environmental Report, as supplemented and amended.
  - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses the Long Island Power Authority (LIPA, the licensee):
    - (1) Pursuant to Section 103 of the Act and 10 CFR Part 50, to possess, use, but not operate the facility at the designated location in Suffolk County, New York, in accordance with the procedures and limitations set forth in this license;
    - (2) Pursuant to the Act and 10 CFR Part 70, to possess at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for the original reactor core load, as described in the Defueled Safety Analysis Report, as supplemented and amended;
    - (3) 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 as sealed neutron sources for radiation monitoring equipment calibration and as fission detectors in amounts as required;
    - (4) 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
    - (5) 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 have previously been 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 1 and is subject to all applicable provisions of the Act and to the rules, regulations (except for those exemptions from specific portions of the regulations, previously granted by the Commission, and are still applicable), 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

The licensee is not authorized to operate the facility at any core power level.

(2) Technical Specifications and Environmental Protection Plan

The Technical Specifications contained in Appendix A and the Environmental Protection Plan contained in Appendix B, as revised through Amendment No. are hereby incorporated into this license. Long Island Power Authority shall maintain the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

(3) Requirement to Obtain NRC Approval to Place Fuel in the Reactor Vessel

The licensee shall not place any fuel assemblies in the reactor vessel without the prior approval of the NRC staff.

- D. The licensee shall implement and maintain in effect all provisions of the approved fire protection program as described in the Fire Hazard Analysis Report and the DSAR for the facility and as approved in the safety evaluation report (SER) of April 1981 and Supplements 2 of February 1982 and 9 of December 1985, subject to the following provision:

The licensee may make changes to the approved fire protection program without prior approval of the Commission only if these changes would not adversely affect the ability to maintain the fuel in the spent fuel pool in a safe condition in the event of a fire.

- E. The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard 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 to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are titled: Phase I, "Shoreham Nuclear Power Station Security Plan for Long Term Defueled Condition, Fuel Storage in the Spent Fuel Pool,"

with revisions submitted through October 9, 1990; November 4 and 8, 1991, "Guard Training and Qualification Plan," with revisions submitted through September 18, 1990; and "Shoreham Nuclear Power Station Safeguards Contingency Plan," with revisions submitted through May 13, 1988. Changes made in accordance with 10 CFR 73.55 shall be implemented in accordance with the schedule set forth therein.

- F. The licensee shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.
  - G. This license shall expire at midnight on April 13, 2013.
3. This license amendment will become effective within thirty (30) calendar days from date of issuance.

Dennis M. Crutchfield, Acting Associate  
Director for Advanced Reactors  
Office of Nuclear Reactor Regulation

Attachments:

- 1. Appendix A - Technical Specifications
- 2. Appendix B - Environmental Protection Plan

Date of Issuance:

ATTACHMENT TO LICENSE AMENDMENT NO.  
TO FACILITY OPERATING LICENSE NO. NPF-82  
DOCKET NO. 50-322

Replace the following pages of the Appendix A Technical Specifications with the attached pages. The revised pages are identified by Amendment number and contain vertical lines indicating the area of change.

<u>Remove</u>	<u>Insert</u>
vi	vi
vii	vii
6-1	6-1
6-2	6-2
6-3	6-3
6-4	6-4
6-5	6-5
6-6	6-6
6-7	6-7
6-8	6-8
6-9	6-9
6-10	6-10
6-15	6-15
6-17	6-17
6-18	6-18

INDEX

ADMINISTRATIVE CONTROLS

---

<u>SECTION</u>	<u>PAGE</u>
6.1 <u>RESPONSIBILITY</u> .....	6-1
6.2 <u>ORGANIZATION</u> .....	6-1
6.2.1 NUCLEAR ORGANIZATION.....	6-1
6.2.2 UNIT STAFF.....	6-2
6.3 <u>UNIT STAFF QUALIFICATIONS</u> .....	6-2
6.4 <u>TRAINING</u> .....	6-3
6.5 <u>REVIEW AND AUDIT</u> .....	6-3
6.5.1 SITE REVIEW COMMITTEE (SRC).....	6-3
FUNCTION.....	6-3
COMPOSITION.....	6-3
ALTERNATES.....	6-3
MEETING FREQUENCY.....	6-3
QUORUM.....	6-4
RESPONSIBILITIES.....	6-4
RECORDS.....	6-5
6.5.2 INDEPENDENT REVIEW PANEL (IRP).....	6-6
FUNCTION.....	6-6
COMPOSITION.....	6-6
MEETING FREQUENCY.....	6-6
QUORUM.....	6-7
REVIEW.....	6-7



INDEX

ADMINISTRATIVE CONTROLS

---

<u>SECTION</u>	<u>PAGE</u>
6.5.2 INDEPENDENT REVIEW PANEL (IRP) CONT'D	
AUDITS.....	6-7
RECORDS.....	6-8
6.6 <u>REPORTABLE EVENT ACTION</u> .....	6-9
6.7 <u>PROCEDURES AND PROGRAMS</u> .....	6-9
6.8 <u>REPORTING REQUIREMENTS</u> .....	6-13
6.8.1 ROUTINE REPORTS.....	6-13
ANNUAL REPORTS.....	6-13
ANNUAL RADIOLOGICAL ENVIRONMENTAL OPERATING REPORT.....	6-13
SEMIANNUAL RADIOACTIVE EFFLUENT RELEASE REPORT.....	6-14
6.8.2 SPECIAL REPORTS.....	6-14
6.9 <u>RECORD RETENTION</u> .....	6-13
6.10 <u>RADIATION PROTECTION PROGRAM</u> .....	6-15
6.11 <u>HIGH RADIATION AREA</u> .....	6-16
6.12 <u>PROCESS CONTROL PROGRAM (PCP)</u> .....	6-17
6.13 <u>OFFSITE DOSE CALCULATION MANUAL (ODCM)</u> .....	6-17

## 6.0 ADMINISTRATIVE CONTROLS

---

### 6.1 RESPONSIBILITY

6.1.1 The Resident Manager shall be responsible for the management of the overall plant and ensuring the safe storage and handling of irradiated fuel. The Resident Manager shall delegate in writing the succession to this responsibility during his absence.

6.1.2 The Watch Engineer (or during his absence from the Control Room a designated certified fuel handling operator) shall be responsible for the Control Room command function. A management directive to this effect, signed by the Executive Vice President of Shoreham Project, shall be reissued to all station personnel on an annual basis.

### 6.2 ORGANIZATION

#### 6.2.1 Nuclear Organization

An organization shall be established for the unit in the DEFUELED MODE and for corporate management. This organization shall include the positions for activities affecting the safe storage and handling of irradiated nuclear fuel.

- a. Lines of authority, responsibility and communication shall be established and defined from the highest management levels through intermediate levels to and including all organization positions involved with the safe storage and handling of irradiated fuel. These relationships shall be documented and updated, as appropriate, in the form of organizational charts, functional descriptions of departmental responsibilities and relationships, and job descriptions for key personnel positions, or in equivalent forms of documentation. These requirements shall be documented in the DSAR and updated in accordance with 10 CFR 50.71(e).
- b. The Executive Vice President of Shoreham Project shall have corporate responsibility for overall plant nuclear safety and shall take any measures needed to ensure acceptable performance of the staff in maintaining and providing technical support to the plant to ensure the safe storage and handling of irradiated fuel.
- c. The Resident Manager shall be responsible for overall unit safety and shall have control over those onsite activities necessary for safe maintenance of the plant and storage and handling of irradiated fuel.
- d. The individuals who train the operations staff and those who carry out health physics and quality assurance functions may report to the appropriate onsite manager; however, they shall have sufficient organizational freedom to ensure their independence from operating pressures.

## ADMINISTRATIVE CONTROLS

---

### UNIT STAFF

6.2.2 The station organization shall be as follows:

- a. Each duty shift shall be composed of at least the minimum shift crew consisting of three operators, one of which shall be a Watch Engineer. The Watch Engineer shall hold a Senior Fuel Handling Operators Certification\* on SNPS Unit 1.
- b. One of the operators, as specified in 6.2.2a, other than the Watch Engineer shall be certified\* and qualified to respond to any alarms in the Main Control Room. This operator should normally be in the Main Control Room when fuel is in the Spent Fuel Pool.
- c. All fuel handling operations shall be observed and directly supervised by a certified\* operator or individual certified to supervise the handling of irradiated fuel, and who has no other concurrent responsibilities during this operation.
- d. A Health Physics technician shall be on site when irradiated fuel is being handled on site.
- e. Adequate shift coverage shall be maintained without routine heavy use of overtime. The objective shall be to have operating personnel work a normal 8-hour day, 40-hour week. However, in the event that unforeseen problems require substantial amounts of overtime to be used, or during extended periods of fuel movement, major maintenance, or major unit modification, on a temporary basis the following guidelines shall be followed:
  1. An individual should not be permitted to work more than 16 hours straight, excluding shift turnover time.
  2. An individual should not be permitted to work more than 16 hours in any 24-hour period, nor more than 24 hours in any 48-hour period, nor more than 72 hours in any 7-day period, all excluding shift turnover time.
  3. A break of at least 8 hours should be allowed between work periods, including shift turnover time.

Any deviation from the above guidelines shall be authorized by the Resident Manager or his deputy, or higher levels of management.

### 6.3 UNIT STAFF QUALIFICATIONS

6.3.1 Each member of the unit staff shall meet or exceed the minimum qualifications of the programs and procedures as outlined in Section 13 -

\*Certification of personnel performing these functions shall be in accordance with the licensee's NRC-approved certification program.

## ADMINISTRATIVE CONTROLS

---

Conduct of Operations\*\*, of the Defueled Safety Analysis Report for comparable positions.

### 6.4 TRAINING

6.4.1 A retraining and replacement training program for the station staff shall be maintained under the direction of the Training Supervisor, shall meet or exceed the requirements of the programs and procedures as outlined in Section 13.2 - Training Program, of the Defueled Safety Analysis Report.

### 6.5 REVIEW AND AUDIT

#### 6.5.1 SITE REVIEW COMMITTEE (SRC)

##### FUNCTION

6.5.1.1 The SRC shall function to advise the Resident Manager on all matters related to nuclear safety.

##### COMPOSITION

6.5.1.2 The SRC shall be composed of a chairman or alternate chairman and six or more members or alternate members of the plant staff as designated by the chairman.

##### ALTERNATES

6.5.1.3 All alternate members shall be appointed in writing by the SRC Chairman; however, no more than two alternates shall participate as voting members in SRC activities at any one time.

##### MEETING FREQUENCY

6.5.1.4 The SRC shall meet at least once per calendar month and as convened by the SRC Chairman or his designated alternate.

\*\* The terms "operation" and "operations" as used herein refer to actions by licensee personnel and utilization of Shoreham systems and equipment to support activities which are required in the DEFUELED MODE or other non-operating plant configuration, including, but not limited to, safe fuel storage and handling, radiological control, personnel habitability, facility maintenance, and decommissioning.

## ADMINISTRATIVE CONTROLS

---

### QUORUM

6.5.1.5 The quorum of the SRC necessary for the performance of the SRC responsibility and authority provisions of these Technical Specifications shall consist of the Chairman or his designated alternate and four other members including alternates.

### RESPONSIBILITIES

6.5.1.6 The SRC shall be responsible for:

- a. Review of (1) all proposed procedures required by Specification 6.7 and changes thereto, (2) all proposed programs required by Specification 6.7 and changes thereto, and (3) any other proposed procedures or changes thereto as determined by the Resident Manager to affect nuclear safety;
- b. Review of all proposed tests and experiments that affect nuclear safety;
- c. Review of all proposed changes to the Possession Only License and to Appendix A Technical Specifications;
- d. Review of all proposed changes or modifications to unit systems or equipment that affect nuclear safety;
- e. Investigation of all violations of the Technical Specifications, including the preparation and forwarding of reports covering evaluation and recommendations to prevent recurrence, to the Executive Vice President of Shoreham Project;
- f. Review of all REPORTABLE EVENTS;
- g. Review of station operations to detect potential hazards to nuclear safety;
- h. Performance of special reviews, investigations, or analyses and reports thereon as requested by the Resident Manager;
- i. Review of the Security Plan and implementing procedures;
- j. Review of the Emergency Plan and implementing procedures;
- k. Review of the Fire Protection Plan and implementing procedures;

## ADMINISTRATIVE CONTROLS

---

- l. Review of the proposed changes to the Process Control Program (PCP);
- m. Review of the proposed changes to the Offsite Dose Calculation Manual (ODCM);
- n. Review of the proposed Major Changes to Radioactive Waste Systems;
- o. Review of Personnel Radiation Records annually to determine how exposures might be lowered consistent with ALARA principles. Document such considerations;
- p. Review of any accidental, unplanned, or uncontrolled radioactive release including the preparation of reports covering evaluation, recommendations, and disposition of the corrective action to prevent recurrence and the forwarding of these reports to the Executive Vice President of Shoreham Project; and
- q. Review of proposed changes to the approved Decommissioning Plan.

### 6.5.1.7 The SRC shall:

- a. Recommend in writing to the Resident Manager approval or disapproval of items considered under Specification 6.5.1.6a. through d. and n. prior to their implementation.
- b. Render determinations in writing with regard to whether or not each item considered under Specification 6.5.1.6a. through e. above constitutes an unreviewed safety question.
- c. Provide written notification within 24 hours to the Executive Vice President of Shoreham Project of disagreement between the SRC and the Resident Manager; however, the Resident Manager shall have responsibility for resolution of such disagreements pursuant to Specification 6.1.1.

## RECORDS

6.5.1.8 The SRC shall maintain written minutes of each SRC meeting that, at a minimum, document the results of all SRC activities performed under the responsibility provisions of these Technical Specifications. Copies shall be provided to the Executive Vice President of Shoreham Project and the Independent Review Panel.

## ADMINISTRATIVE CONTROLS

---

### 6.5.2 INDEPENDENT REVIEW PANEL (IRP)

#### FUNCTION

6.5.2.1 The IRP shall function to provide independent review of designated activities in the areas of nuclear safety, radiological controls, and regulatory compliance. In addition, the IRP shall be cognizant of audit activities as described in Specification 6.5.2.6.

The IRP shall report to the LIPA chairman and ultimately to the LIPA Board of Trustees.

#### COMPOSITION

6.5.2.2 The IRP shall be composed of the IRP Chairman and a minimum of four additional IRP members. The chairman and all members of the IRP shall be appointed by the LIPA Board of Trustees from outside organizations with demonstrated expertise in the areas of utility nuclear operations, academia and/or research in nuclear fields, or nuclear regulation.

The Chairman and all other members of the IRP shall have qualifications that meet the education and experience requirements of Section 4.7 of ANSI/ANS 3.1-1978. The IRP, on a collective basis, shall be technically competent so as to be able to provide oversight in the areas of administrative controls, nuclear power plant operations, nuclear engineering, quality assurance, radiological safety, mechanical engineering, and electrical engineering.

#### MEETING FREQUENCY

6.5.2.3 The IRP shall meet at least once per six months.

## ADMINISTRATIVE CONTROLS

---

### QUORUM

6.5.2.4 The quorum of the IRP necessary for the performance of the IRP review functions of these Technical Specifications shall consist of the Chairman or his designated alternate and at least two other members. The IRP Chairman shall appoint an alternate chairman from among the other members in writing, in advance of any IRP meetings in which the IRP Chairman is not available to participate.

### REVIEW

6.5.2.5 The IRP shall review:

- a. The safety evaluations for (1) changes to equipment or systems and (2) tests or experiments completed under the provision of 10 CFR 50.59 to verify that such actions did not constitute an unreviewed safety question;
- b. Proposed changes to procedures, equipment, or systems which involve an unreviewed safety question as defined in 10 CFR 50.59;
- c. Proposed tests or experiments which involve an unreviewed safety question as defined in 10 CFR 50.59;
- d. Proposed changes to Technical Specifications of this Possession Only License;
- e. Violations of codes, regulations, orders, Technical Specifications, license requirements, or of internal procedures or instructions having nuclear safety significance;
- f. Significant deviations from normal and expected performance of station equipment that affect nuclear safety;
- g. All REPORTABLE EVENTS;
- h. All recognized indications of an unanticipated deficiency in some aspect of design or operations of structures, systems, or components that could affect nuclear safety; and
- i. Reports and meeting minutes of the SRC.

### AUDITS

6.5.2.6 Audits of station activities shall be performed under the cognizance of the IRP. These audits and audit frequencies are as follows:

- a. The conformance of station operation to provisions contained within the Technical Specifications and applicable license conditions at least once per 12 months;



## ADMINISTRATIVE CONTROLS

---

### AUDITS (Continued)

- b. The performance, training and qualifications of the entire staff at least once per 12 months;
- c. The results of actions taken to correct deficiencies occurring in unit equipment, structures, systems, or method of operation that affect nuclear safety, at least once per year;
- d. The performance of activities required by the Quality Assurance Program to meet the criteria of Appendix B, 10 CFR Part 50, at least once per 24 months;
- e. The fire protection programmatic controls including the implementing procedures, equipment and program implementation at least once per 24 months utilizing either a qualified offsite licensee fire protection engineer(s) or an outside independent fire protection consultant.
- f. Any other area of station operation considered appropriate by the IRP, the President of Shoreham Project or the Executive Vice President of Shoreham Project;
- g. The Radiological Environmental Monitoring Program and the results thereof at least once per 12 months;
- h. The OFFSITE DOSE CALCULATION MANUAL and implementing procedures at least once per 24 months; and
- i. The PROCESS CONTROL PROGRAM and implementing procedures for solidification of radioactive wastes at least once per 24 months.
- j. The performance of activities required by the Quality Assurance Program for effluent and environmental monitoring at least once per 12 months.

### RECORDS

6.5.2.7 Records of IRP activities shall be prepared, approved, and distributed as indicated below:

- a. Minutes of each IRP meeting shall be prepared, approved, and forwarded to the President of Shoreham Project and the Executive Vice President of Shoreham Project within 14 days following each meeting.
- b. Reports of reviews encompassed by Specification 6.5.2.5 shall be prepared, approved, and forwarded to the President of Shoreham Project and the Executive Vice President of Shoreham Project within 14 days following completion of the review.

## ADMINISTRATIVE CONTROLS

---

### RECORDS (Continued)

- c. Audit reports encompassed by Specification 6.5.2.6 shall be forwarded to the President of Shoreham Project, Executive Vice President of Shoreham Project and to the management positions responsible for the areas audited within 30 days after completion of the audit by the auditing organization.

### 6.6 REPORTABLE EVENT ACTION

6.6.1 The following actions shall be taken for REPORTABLE EVENTS:

- a. The Commission shall be notified and a report submitted pursuant to the requirements of Section 50.73 to 10 CFR Part 50, and
- b. Each REPORTABLE EVENT shall be reviewed by the SRC, and the results of this review shall be submitted to the Executive Vice President of Shoreham Project.

### 6.7 PROCEDURES AND PROGRAMS

6.7.1 Written procedures shall be established, implemented, and maintained covering the activities referenced below:

- a. The applicable procedures recommended in Appendix A of Regulatory Guide 1.33, Revision 2, February 1978.
- b. The applicable procedures required to implement the requirements of NUREG-0737.
- c. Fuel handling operations.
- d. Surveillance and test activities of safety-related equipment.
- e. Security Plan implementation.
- f. Emergency Plan implementation.
- g. Fire Protection Program implementation.
- h. PROCESS CONTROL PROGRAM implementation.
- i. OFFSITE DOSE CALCULATION MANUAL implementation.
- j. Quality Assurance Program for effluent and environmental monitoring.

## ADMINISTRATIVE CONTROLS

---

6.7.2 Each procedure of Specification 6.7.1, and changes thereto, shall be reviewed by the SRC prior to implementation. The Resident Manager shall approve Station Administrative Procedures, Security Plan Implementing Procedures and Defueled Emergency Plan Implementing Procedures prior to implementation. Other procedures of Specification 6.7.1 shall be approved by the appropriate Division Manager or by the Resident Manager prior to implementation. Each Division Manager shall be responsible for a designated set of procedures. These procedures shall be reviewed periodically as set forth in administrative procedures.

6.7.3 Temporary changes to procedures of Specification 6.7.1 may be made provided:

- a. The intent of the original procedure is not altered;
- b. The change is approved by two members of the unit management staff, at least one of whom holds a Senior Fuel Handling Operators Certification on the unit affected; and
- c. The change is documented, reviewed by the SRC, and approved by the Resident Manager within 14 days of implementation.

6.7.4 The following programs shall be established, implemented, and maintained:

a. Radioactive Effluent Controls Program

A program shall be provided conforming with 10 CFR 50.36a for the control of radioactive effluents and for maintaining doses to MEMBERS OF THE PUBLIC from radioactive effluents as low as reasonably achievable. The program (1) shall be contained in the ODCM, (2) shall be implemented by operating procedures, and (3) shall include remedial actions to be taken whenever the program limits are exceeded. The program shall include the following elements:

- 1) Limitations on the operability of radioactive liquid and gaseous monitoring instrumentation including surveillance tests and setpoint determination in accordance with the methodology in the ODCM.

## ADMINISTRATIVE CONTROLS

---

h. Records of annual physical inventory of all sealed source material of record.

6.9.3 The following records shall be retained for the duration of the unit License:

- a. Records and drawing changes reflecting station design modifications made to systems and equipment described in the Defueled Safety Analysis Report.
- b. Records of new and irradiated fuel inventory, fuel transfers, and assembly burnup histories.
- c. Records of radiation exposure for all individuals issued monitoring devices in accordance with 10 CFR 20.202.
- d. Records of gaseous and liquid radioactive material released to the environs.
- e. Records of training and qualification for current members of the unit staff.
- f. Records of quality assurance activities required by the Quality Assurance Manual which are not listed in Section 6.9.2.
- g. Records of reviews performed for changes made to procedures or equipment or reviews of tests and experiments pursuant to 10 CFR 50.59.
- h. Records of meetings of the SRC and IRP and of meetings of the Review of Operations Committee and Nuclear Review Board held by the original licensee.
- i. Records of analyses required by the Radiological Environmental Monitoring Program that would permit evaluation of the accuracy of the analysis at a later date. This should include procedures effective at specified times and QA records showing that these procedures were followed.
- j. Records of reviews performed for changes made to the OFFSITE DOSE CALCULATION MANUAL and the PROCESS CONTROL PROGRAM.

### 6.10 RADIATION PROTECTION PROGRAM

6.10 Procedures for personnel radiation protection shall be prepared consistent with the requirements of 10 CFR Part 20 and shall be approved, maintained, and adhered to for all operations involving personnel radiation exposure.

## ADMINISTRATIVE CONTROLS

---

where no enclosure exists for purposes of locking, and no enclosure can be reasonably constructed around the individual areas, then that area shall be roped off, conspicuously posted, and a flashing light shall be activated as a warning device. In lieu of the stay time specification of the RWP, continuous surveillance, direct or remote (such as use of closed circuit TV cameras) may be made by personnel qualified in radiation protection procedures to provide exposure control over the activities within the area.

### 6.12 PROCESS CONTROL PROGRAM (PCP)

Changes to the PCP:

- a. Shall be documented and records of reviews performed shall be retained as required by Specification 6.9.3.j. This documentation shall contain:
  - 1) Sufficient information to support the change together with the appropriate analyses or evaluations justifying the change(s) and
  - 2) A determination that the change will maintain the overall conformance of the solidified waste product to existing requirements of Federal, State, or other applicable regulations.
- b. Shall become effective after review and acceptance by the SRC and the approval of the Resident Manager.

### 6.13 OFFSITE DOSE CALCULATION MANUAL (ODCM)

Changes to the ODCM:

- a. Shall be documented and records of reviews performed shall be retained as required by Specification 6.9.3.j. This documentation shall contain:
  - 1) Sufficient information to support the change together with the appropriate analyses or evaluations justifying the change(s) and

ADMINISTRATIVE CONTROLS (Continued)

---

- 2) A determination that the change will maintain the level of radioactive effluent control required by 10 CFR 20.106, 40 CFR Part 190, 10 CFR 50.36a, and Appendix I to 10 CFR Part 50 and not adversely impact the accuracy or reliability of effluent, dose, or setpoint calculations.
- b. Shall become effective after review and acceptance by SRC and the approval of the Resident Manager.
  - c. Shall be submitted to the Commission in the form of a complete, legible copy of the entire ODCM as a part of or concurrent with the Semiannual Radioactive Effluent Release Report for the period of the report in which any change to the ODCM was made. Each change shall be identified by markings in the margin of the affected pages, clearly indicating the area of the page that was changed, and shall indicate the date (e.g., month/year) the change was implemented.



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

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION  
RELATED TO AMENDMENT NO. TO FACILITY OPERATING LICENSE NO. NPF-82  
LONG ISLAND LIGHTING COMPANY (LILCO)  
SHOREHAM NUCLEAR POWER STATION, UNIT 1  
DOCKET NO. 50-322

1.0 INTRODUCTION

By letter of June 28, 1990, and as supplemented by letters of June 13, June 27, October 31, and December 5, 1991, the Long Island Power Authority (LIPA) and the Long Island Lighting Company (LILCO) jointly requested an amendment to the Possession Only License, Facility Operating License No. NPF-82 for the Shoreham Nuclear Power Station, Unit 1 (SNPS).

The proposed amendment would authorize the transfer of ownership of the Shoreham Possession Only License, Facility Operating License No. NPF-82, from LILCO to LIPA.

2.0 BACKGROUND

In 1988 and 1989, a series of negotiations took place involving New York State and LILCO. These negotiations resulted in an agreement between New York and LILCO (1989 Settlement Agreement). Under the 1989 Settlement Agreement, LILCO is contractually committed never to operate Shoreham as a nuclear facility and to transfer the Shoreham facility to LIPA for decommissioning. The 1989 Settlement Agreement became legally binding on June 28, 1989. The licensee began defueling the reactor on June 30, 1989, and completed this on August 9, 1989. All fuel is stored in the spent fuel pool.

LILCO's obligations never to operate Shoreham and to transfer it to LIPA were reconfirmed in a subsequent Asset Transfer Agreement between LILCO and LIPA. The Asset Transfer Agreement established the framework by which all LIPA costs related to transfer, maintenance, and eventual decommissioning are to be paid by LILCO. Additionally, LIPA and LILCO entered into a Site Cooperation and Reimbursement Agreement (Site Agreement), dated January 24, 1990, which established the specific mechanism by which LILCO would make payment of Shoreham-related costs incurred by LIPA and provided for the cooperation of the parties both before and after approval of the license transfer.

On March 20, 1991, the NRC staff published in the Federal Register a "Notice of Consideration of Issuance of Amendment to Facility Operating License and Proposed No Significant Hazards Consideration Determination and Opportunity for Hearing" for the requested amendment (56 FR 11781). By letters dated April 19, 1991, the Scientists and Engineers for Secure Energy and the Shoreham

Wading River Central School District (the petitioners) submitted comments and petitions to intervene and requests for prior hearing on this proposed license transfer. The Commission referred the intervention petition to the Atomic Safety and Licensing Board (ASLB) on June 3, 1991. In its Scheduling Order dated October 23, 1991, the ASLB solicited the petitioners to submit their contentions by November 18, 1991. The staff has addressed the petitioners' November 18, 1991, contentions on this proposed amendment in the section on the final no significant hazards consideration finding of this safety evaluation. No hearing has been scheduled.

The NRC amended LILCO's license to a possession only status on June 14, 1991, which prevents the operation of the Shoreham reactor as well as prevents the movement of fuel assemblies into the reactor vessel without prior NRC approval. Additionally, on November 22, 1991, the NRC approved the licensee's decommissioning funding plan which is based, in part, on the Site Agreement.

In preparing this evaluation, the staff has applied the criteria and review areas required by 10 CFR 50.80 "Transfer of Licenses," as appropriate.

### 3.0 EVALUATION

The licensee's proposed amendment would transfer the SNPS Facility Operating License No. NPF-82 (Possession Only License or POL) to the Long Island Power Authority. This transfer would require a number of administrative changes to the license and to the Administrative Controls section of the SNPS Technical Specifications. The first part of this safety evaluation will address the management, technical, and financial qualifications of the LIPA organization with respect to license transfer. The second part of this safety evaluation will cover the specific changes to the license and the staff's corresponding evaluation of these changes.

#### 3.1 Management, Technical, and Financial Qualifications

The staff has completed its evaluation of the management and technical qualifications of the LIPA organization. This evaluation was conducted in accordance with the criteria set forth in NUREG-0800, "Standard Review Plan" (SRP) Section 13.1.1, "Management and Technical Support Organization," and Section 13.1.2-13.1.3, "Operating Organization." The staff's evaluation of LIPA's financial qualifications was conducted separately in conjunction with the approval of the Shoreham decommissioning funding plan. It should be noted that information pertinent to an antitrust review pursuant to 10 CFR 50.33a is not applicable. 10 CFR 50.33a (a)(3) exempts applicants from the review if the applicant's electrical generating capacity is 200 MW(e) or less. Shoreham as currently licensed, and LIPA, the transferee have no electric generating capacity.

##### 3.1.1 Shoreham Staffing and Technical Qualifications

In letters dated June 28, 1990, and June 13, 1991, LILCO/LIPA stated that nearly 90 percent of the Shoreham management and technical site positions will be filled by incumbent LILCO personnel currently performing the same or similar functions. In addition, LIPA entered into a Management Services Agreement with the New York Power Authority (NYPA) under which NYPA is



providing technical and management services to NYPA as its prime contractor for Shoreham activities. Per this agreement, LILCO is obligated to make LILCO employees available to NYPA for decommissioning activities related to Shoreham.

Changes to the existing site organization will be limited to upper management and will not significantly impact the day-to-day conduct of routine physical and technical activities at Shoreham. The Shoreham upper management positions affected will be filled by NYPA employees (LIPA/NYPA co-employees) assigned on a full-time basis to LIPA for the purpose of maintaining Shoreham in its present defueled status and for the eventual decommissioning of the plant. The upper management positions to be filled by LIPA/NYPA co-employees are Executive Vice-President, Shoreham Project; Shoreham Resident Manager; Operations Maintenance Department Head; Radiological Controls Director; Decommissioning Department Head; and Quality Assurance/Quality Control Department Head.

Based on (1) the retention and use, in future activities, of nearly 90 percent of the incumbent Shoreham staff, (2) the NYPA Management Services Agreement, and (3) the proposed management changes, the staff concludes that the proposed licensee, LIPA, has an acceptable methodology for the integrated support required for the maintenance of Shoreham in its present defueled condition and for eventual decommissioning of the plant. Thus, the organization meets the acceptance criteria in Section 13.2 of NUREG-0800.

### 3.1.2 Corporate Relationships

In a letter dated June 27, 1991, and at a meeting on July 1, 1991, LILCO/LIPA described the basic corporate relationships among the LIPA President, Shoreham Project; the LIPA/NYPA co-employees; Shoreham; and other parties providing support related to the management, operation, and subsequent decommissioning of Shoreham.

Coupled with the NYPA Management Services Agreement, the staff concludes that the lines of authority, communication, and control that exist among LILCO, LIPA, and other interested parties, are acceptable for the management of Shoreham in its present defueled condition and for the eventual decommissioning of the plant and is consistent with Section 13.1 of NUREG-0800.

### 3.1.3 Management Qualifications

In letters dated June 28, 1990, and June 13, 1991, LILCO/LIPA provided position descriptions and the qualifications required of the management positions to be filled by LIPA/NYPA co-employees. The position descriptions formally establish the technical and managerial qualifications required for the LIPA/NYPA positions. Resumes of the LIPA/NYPA co-employees were provided which demonstrate the technical and managerial qualifications of the six co-employees.

The staff concludes that the proposed Shoreham management position descriptions and qualification requirements meet the acceptance criteria in SRP Section 13.1 are acceptable for the management of Shoreham. The staff has also determined that the proposed LIPA/NYPA co-employees for these Shoreham management positions are technically and managerially competent to manage Shoreham in its present defueled condition and for the eventual decommissioning of the

plant. Additionally, should LIPA need to replace any of its co-employees, the replacement co-employee's qualifications will meet or exceed those specified in the above position descriptions. These qualifications will meet ANSI N18.1-1971, as appropriate for the permanently defueled status of the Shoreham facility.

#### 3.1.4 Financial Qualifications

The staff's assessment of LIPA's financial qualifications with respect to license transfer, concentrated on LIPA's ability to adequately fund all Shoreham related activities, including decommissioning. The staff has determined that the Asset Transfer Agreement and Site Agreement establish the requisite financial qualifications necessary for license transfer. These agreements oblige LILCO to deposit into LIPA accounts those funds necessary to cover all Shoreham related activities of LIPA/NYPA, including asset transfer, license transfer, maintenance, and decommissioning activities.

Essentially, LILCO's financial well being condition assures LIPA's financial qualifications to carry-out matters pertaining to Shoreham after the transfer of the POL. In its June 7, 1990, approval of the Site Agreement between LIPA and LILCO, the New York State Public Service Commission (PSC) determined that costs attributable to Shoreham are reimbursable from the ratepayers. The PSC, in its April 11, 1991, letter to the NRC reaffirmed the implication of its June 7, 1990, decision and further committed to ensure that such Shoreham related costs are recovered. Even if the PSC does not grant rate relief for Shoreham related costs, there is reasonable assurance that LILCO is sufficiently solvent to cover all Shoreham related costs and has at its disposal an unused line of credit of approximately \$300 million, if needed. The staff's judgement is based on LILCO's significantly improved net income in the last two years and the fact that both their net income and retained earnings substantially exceed the estimated decommissioning cost. Additionally, at the commencement of LIPA's decommissioning effort, LILCO has access to the \$10 million emergent decommissioning account. Therefore, based on the above, the staff concludes that LILCO's financial well being in matters related to Shoreham is assured.

The NRC approved LILCO's proposed decommissioning funding plan on November 22, 1991, when it issued an exemption from the requirement to have full decommissioning funding at the start of decommissioning. LILCO's funding plan is based primarily on the Asset Transfer and Site agreements mentioned above. In its November approval of the Shoreham decommissioning funding plan, the staff determined that the plan is adequate to protect the health and safety of the public and to adequately decommission Shoreham. In addition to LILCO funding LIPA in accordance with the Asset Transfer and Site Agreements, the funding plan requires LILCO to set aside \$10 million in a separate account for emergent decommissioning needs and to commit a portion of its line of credit sufficient to cover remaining decommissioning costs. Therefore, the staff concludes that LIPA, which will receive its funds through the Asset Transfer and Site Agreements and will be the ultimate recipient of the decommissioning funding plan, has the financial resources to safely maintain the plant in its defueled, non-operating condition and that LIPA is financially qualified to become the transferee of the POL for Shoreham Nuclear Power Station.

### 3.1.5 Conclusion

Based on the above evaluation, the staff concludes that:

- (1) The proposed corporate and plant organizational structure and functions for the maintenance of Shoreham in its present defueled condition and for the eventual decommissioning of the plant are acceptable.
- (2) The management controls, lines of authority, and channels of communication among the organizational units involved in the management, operation, and technical support for the maintenance of Shoreham in its present condition and for the eventual decommissioning of the plant are acceptable.
- (3) The LIPA/NYPA co-employees assigned to fill the upper management positions at Shoreham are technically and managerially competent to manage Shoreham in its current defueled condition.
- (4) The Asset Transfer Agreement and Site Agreement establish the necessary financial qualifications for LIPA to become the Shoreham licensee.

Additionally, the staff concludes that the proposed owner, Long Island Power Authority, will have the necessary managerial, technical, and financial resources to provide for (1) the maintenance of Shoreham in its present defueled state, (2) the eventual decommissioning of the plant, and (3) the protection of public health and safety.

### 3.2 License Changes

The following is a list of the proposed license changes necessary to effect the proposed license transfer amendment. The staff evaluation of each change follows:

1. Change: License NPF-82, Paragraph 2.A. Substitute "Shoreham" in place of "licensee's" in describing the Defueled Safety Analysis Report and the Environmental Report.

Evaluation: This change is administrative in nature and consistent with LIPA as the new licensee and, therefore, is acceptable.

2. Change: License NPF-82, Paragraph 2.B. - Replace "Long Island Lighting Company (LILCO)," with "Long Island Power Authority (LIPA)."

Evaluation: This change reflects LIPA as the licensee and is acceptable.

3. Change: License NPF-82, Paragraph 2.B.(2)- Delete "receive" and "and use." Delete "reactor operation" and "Updated" and replace with "the original reactor core load" and "Defueled," respectively.

Evaluation: This change prevents LIPA from receiving and using special nuclear material, but allows them to possess the original reactor core load. The change also clarifies the applicable safety analysis report. This change is consistent with the defueled condition of the Shoreham plant and consistent with expected activities during decommissioning. This change is conservative in that it limits LIPA to possession of the spent fuel. The staff concludes that this change is acceptable.

4. Change: License NPF-82, Paragraph 2.B.(5)- Delete "be" and replace with "may have previously been."

Evaluation: This change clarifies that the byproducts and special nuclear material that LIPA may possess are from previous plant operation rather than from any future operation. This change is consistent with the non-operational status of the plant, and therefore, is acceptable.

5. Change: License NPF-82, Paragraph 2.C.(2) - Delete "Long Island Lighting Company" and replace with "Long Island Power Authority."

Evaluation: This change reflects LIPA as the licensee and is acceptable.

6. Change: Technical Specification, Paragraph 6.1.1 Responsibility - Delete "Plant" and replace with "Resident."

Evaluation: This change reflects the title change from Plant Manager to Resident Manager. This change is consistent with the defueled condition of the plant and is acceptable.

7. Change: Technical Specification, Paragraph 6.1.2 Responsibility - Delete "licensed" and replace with "certified fuel handling." Delete "Vice President, Office of Nuclear" and replace with "Executive Vice President of Shoreham Project."

Evaluation: This change reflects the fact that licensed operators are no longer required at Shoreham in that SNPS can no longer perform licensed operator activities as specified in 10 CFR 50.54. Certified fuel handlers, however, are required. This change also reflects the implementation of the LIPA organization for license transfer and is consistent with the non-operating status of the plant. The staff concludes that this change is acceptable.

8. Change: Technical Specification, Paragraph 6.2.1 b. Nuclear Organization - Modify to read: "The Executive Vice President of Shoreham Project shall..." and delete "operating."

Evaluation: This change reflects the implementation of the LIPA organization for license transfer and is consistent with the non-operating status of the plant. The staff concludes that this change is acceptable.

9. Change: Technical Specification, Paragraph 6.2.1 c. Nuclear Organization - replace "Plant Manager" with "Resident Manager." Delete "safe operation" and replace with "safety."

Evaluation: This change reflects the title change from Plant Manager to Resident Manager and his responsibility for unit maintenance and safety instead of operations. This change is consistent with the defueled condition of the plant and is acceptable.

10. Change: Technical Specification, Paragraph 6.2.1 d. Nuclear Organization - Delete "operating" and replace with "operations."

Evaluation: This change reflects the non-operational condition of the plant and is acceptable.

11. Change: Technical Specification, Paragraph 6.2.2 a. UNIT STAFF - Delete "Reactor" and replace with "Fuel Handling," delete "License" and replace with "Certification\*," and add footnote "\*Certification of personnel performing these functions shall be in accordance with the licensee's NRC-approved certification program."

Evaluation: The shutdown and defueled condition at Shoreham requires no licensed operators. 10 CFR 50.54 specifies those activities which require licensed operators. These include activities such as affecting the reactivity or power level of the reactor, start-up and power operations, refueling, and core alteration. Since there are no "licensed operator activities" at Shoreham, licensed operators are no longer required. Therefore, substituting certified fuel handlers for licensed operators is allowed by the Commission's regulations and is acceptable. The NRC staff in its letter of October 18, 1991, approved LILCO's revised Shoreham Nuclear Power Station Licensed Operator Requalification Program (Requalification Program) based on the non-operational status of the facility. LIPA has committed to develop a certified fuel handlers training program identical to the NRC-approved Requalification Program. Therefore, the staff finds LIPA's proposed certified fuel handler training program to be acceptable based on LIPA's commitment that the new program will be identical to the current NRC-approved Requalification Program. The NRC Region I Office will inspect the LIPA certified fuel handler training program prior to implementation of that program.

The major difference between LIPA's proposed certified fuel handler and a currently NRC licensed senior reactor operator for the Shoreham facility will be that the testing of the certified fuel handler will be administered by the LIPA rather than by the NRC.

The NRC staff concludes based on the above stated reasons that both LIPA's proposals, the substituting certified fuel handlers for NRC licensed senior reactor operators and the certified fuel handler training program, are acceptable.

12. Change: Technical Specification, Paragraph 6.2.2.b. UNIT STAFF - Delete "licensed" and replace with "certified\*."

Evaluation: This change has been reviewed and found to reflect LIPA's organization for the defueled condition of the plant and is acceptable for reasons mentioned in change 11. above.

13. Change: Technical Specification, Paragraph 6.2.2.c. UNIT STAFF - Delete "licensed" and replace with "certified\*."

Evaluation: This change has been reviewed and found to reflect LIPA's organization for the defueled condition of the plant and is acceptable for reasons mentioned in change 11. above.

14. Change: Technical Specifications, Paragraph 6.2.2 Last paragraph UNIT STAFF - Replace "Plant" with "Resident."

Evaluation: This change reflects the title change from Plant Manager to Resident Manager and is acceptable.

15. Change: Technical Specifications, Paragraph 6.3.1 UNIT STAFF QUALIFICATIONS - Add footnote after "Conduct of Operations\*\*." The footnote shall read: "\*\*\*The terms "operation" and "operations" as used herein refer to actions by licensee personnel and utilization of Shoreham systems and equipment to support activities which are required in the DEFUELED MODE or other non-operating plant configuration, including, but not limited to, safe fuel storage and handling, radiological control, personnel habitability, facility maintenance, and decommissioning."

Evaluation: This change appropriately characterizes the meaning of the term "operation" and "operations" for the defueled, non-operating conditions at Shoreham. This change is acceptable.

16. Change: Technical Specification, 6.5.1 Review of Operations Committee (ROC) - Replace "REVIEW OF OPERATIONS COMMITTEE (ROC)" with "SITE REVIEW COMMITTEE (SRC)."

Evaluation: This change reflects LIPA's organization for the shutdown, defueled condition of Shoreham. The SRC retains a similar review function as the ROC, but applicable to the defueled condition. The staff concludes that this change is acceptable.

17. Change: Technical Specifications, Paragraph 6.5.1.1 FUNCTION - Replace "ROC" with "SRC" and "Plant" with "Resident."

Evaluation: The change to "SRC" and "Resident" reflects LIPA's organization as stated in changes 14 and 16, above, and is therefore, acceptable.

18. Change: Technical Specification, Paragraph 6.5.1.2 COMPOSITION - Replace "ROC" with "SRC" and increase the number of members from "four" to "six or more."

Evaluation: This change has been reviewed and found to reflect LIPA's organization for the defueled condition of the plant, as stated above.

In addition, the increase in the number of members is a conservative change and, therefore, acceptable.

19. Change: Technical Specification, Paragraph 6.5.1.3 ALTERNATES - Replace "ROC" with "SRC" and increase the number of alternates from "one" to "two."

Evaluation: This change has been reviewed and found acceptable based upon the defueled condition of the plant.

20. Change: Technical Specifications, Paragraph 6.5.1.4 MEETING FREQUENCY - Replace "ROC" with "SRC."

Evaluation: This change is acceptable for reasons previously mentioned.

21. Change: Technical Specifications, Paragraph 6.5.1.5 QUORUM - Replace "ROC" with "SRC" and increase the number of "other members" from "two" to "four."

Evaluation: This change has been reviewed and found acceptable based upon the defueled condition of the plant.

22. Change: Technical Specifications, Paragraph 6.5.1.6 a. RESPONSIBILITIES - Replace "ROC" with "SRC" and "Plant" with "Resident."

Evaluation: This change is administrative in nature and acceptable.

23. Change: Technical Specifications, Paragraph 6.5.1.6 c. RESPONSIBILITIES - Include "the Possession Only License" as a review item for the SRC.

Evaluation: This change requires the SRC to review all proposed changes to Possession Only License No. NPF-82 in addition to Appendix A of the Technical Specifications. This is a prudent review item and is, therefore, acceptable.

24. Change: Technical Specifications, Paragraph 6.5.1.6 e. RESPONSIBILITIES - Replace "responsible Vice President" with "Executive Vice President of Shoreham Project."

Evaluation: This change is administrative in nature in that it reflects the Vice President responsible for Shoreham. This change is acceptable.

25. Change: Technical Specifications, Paragraph 6.5.1.6 h. RESPONSIBILITIES - Replace "Plant Manager" with "Resident Manager."

Evaluation: This change is acceptable in that it reflects the appropriate title changes.

26. Change: Technical Specifications, Paragraph 6.5.1.6 p. RESPONSIBILITIES - Replace "responsible Vice President" with "Executive Vice President of Shoreham Project."

Evaluation: This change is acceptable for reasons previously mentioned in change 24.

27. Change: Technical Specification, Paragraph 6.5.1.6 RESPONSIBILITIES - Add new responsibility: "q. Review of proposed changes to the approved Decommissioning Plan."

Evaluation: This change requires the SRC to review proposed revisions to the approved Decommissioning Plan. This is a prudent review item and is, therefore, acceptable.

28. Change: Technical Specifications, Paragraph 6.5.1.7 a. and c. - Replace "ROC" with "SRC," "Plant Manager" with "Resident Manager," and "responsible Vice President" with "Executive Vice President of Shoreham Project."

Evaluation: This change is acceptable for reasons previously mentioned.

29. Change: Technical Specifications, Paragraph 6.5.1.8 RECORDS - replace "ROC" with "SRC," "responsible Vice President" with "Executive Vice President of Shoreham Project," and "Nuclear Review Board" with "Independent Review Panel."

Evaluation: This change is acceptable for reasons previously mentioned. The Independent Review Panel is evaluated in 30, below.

30. Change: Technical Specifications, Paragraph 6.5.2 NUCLEAR REVIEW BOARD (NRB) - Replace with "INDEPENDENT REVIEW PANEL (IRP)."

Evaluation: The change replaces the Nuclear Review Board (NRB) with the Independent Review Panel (IRP). The IRP has similar duties as the NRB, but for the defueled, non-operating condition of Shoreham. The staff concludes that the IRP will provide the necessary independent review function similar to the NRB in evaluating the conduct of licensed activities in the defueled condition of Shoreham. Therefore, the staff concludes that this change is acceptable.

31. Change: Technical Specifications, Paragraph 6.5.2.1 FUNCTION - Replace "NRB" with "IRP." Delete "and audit." Delete "in the areas of:" and all of a, b, c, d, and e; replace with: "in the areas of nuclear safety, radiological controls, and regulatory compliance. In addition, the IRP shall be cognizant of audit activities as described in Specification 6.5.2.6." Replace "and advise the vice president ... 6.5.2.8" with "the LIPA chairman and ultimately the LIPA board of Trustees."



Evaluation: This change removes the responsibility for conducting audits from the IRP. The IRP must, however, continue to review all activities specified and be cognizant of all audit activities. This change is consistent with the defueled condition of Shoreham and the new LIPA management organization, and therefore, is acceptable.

32. Change: Technical Specifications, Paragraph 6.5.2.2 COMPOSITION -  
Replace with the following:

"The IRP shall be composed of the IRP Chairman and a minimum of four additional IRP members. The Chairman and all members of the IRP shall be appointed by the LIPA Board of Trustees from outside organizations with demonstrated expertise in the areas of utility nuclear operations, academia and/or research in nuclear fields, or nuclear regulation.

The Chairman and all other members of the IRP shall have qualifications that meet the education and experience requirements of Section 4.7 of ANSI/ANS 3.1-1978. The IRP, on a collective basis, shall be technically competent so as to be able to provide oversight in the areas of administrative controls, nuclear power plant operations, nuclear engineering, quality assurance, radiological safety, mechanical engineering, and electrical engineering."

Evaluation: This change is administrative in nature and does not materially alter the composition and qualification requirements of the previous independent review function of the NRB. This change is acceptable.

33. Change: Technical Specifications, Paragraph 6.5.2.3 ALTERNATES -  
Delete in its entirety.

Evaluation: This change deletes the appointment of alternate IRP members. This change has been reviewed and found acceptable based upon the defueled condition of the plant.

34. Change: Technical Specifications, Paragraph 6.5.2.4 CONSULTANTS -  
Delete in its entirety.

Evaluation: This change deletes the use of consultants not contemplated under the new organization. This change has been reviewed and found acceptable based upon the defueled condition of the plant.

35. Change: Technical Specifications, Paragraph 6.5.2.5 MEETING FREQUENCY -  
Change this paragraph number to 6.5.2.3. Replace "NRB" with "IRP."

Evaluation: This change reflects the previously deleted paragraph numbers and reflects the appropriate LIPA organization title. This change is acceptable.

36. Change: Technical Specifications, Paragraph 6.5.2.6 QUORUM - Change this paragraph number to 6.5.2.4. Replace "NRB" with "IRP." Delete "and audit." Delete "three but not less than ... operation of the unit." and replace with: "two other members. The IRP Chairman shall appoint an alternate Chairman from among the other members in writing in advance of any IRP meetings in which the IRP Chairman is not available to participate."

Evaluation: This change reflects the previously deleted paragraph numbers and reflects the appropriate LIPA organization title. In addition, this change implements the quorum and alternate chairman requirements consistent with the LIPA organization. This change is acceptable.

37. Change: Technical Specifications, Paragraph 6.5.2.7 REVIEW - Change this paragraph number to 6.5.2.5. Replace "NRB" with "IRP" and "ROC" with "SRC."

Evaluation: This change reflects the appropriate LIPA organization titles and is acceptable.

38. Change: Technical Specifications, Paragraph 6.5.2.8 AUDITS - Change this paragraph number to 6.5.2.6. Replace "NRB" with "IRP." Replace "shall encompass:" with "and audit frequencies are as follows:" Replace "President or the Vice President, Office of Nuclear," with "President of Shoreham Project or the Executive Vice President of Shoreham Project," in paragraph 6.5.2.6 f.

Evaluation: This change reflects the new organization and its responsibilities as previously stated above. This change is administrative in nature and is acceptable.

39. Change: Technical Specifications, Paragraph 6.5.2.9 RECORDS - Change paragraph number to 6.5.2.7. Replace "NRB" with "IRP." Replace "President" and "Vice President, Office of Nuclear" with "President of Shoreham Project" and "Executive Vice President of Shoreham Project" respectively. Replace "6.5.2.7" with "6.5.2.5" and "6.5.2.8" with "6.5.2.6."

Evaluation: This change is consistent with LIPA's organization for Shoreham and appropriately rennumbers the paragraphs. Thus, the change is acceptable.

40. Change: Technical Specifications, Paragraph 6.6 REPORTABLE EVENT ACTION - Replace "ROC" with "SRC," and "responsible Vice President" with "Executive Vice President of Shoreham Project."

Evaluation: This change is acceptable for reasons previously mentioned in Changes 16 and 24, above.

41. Change: Technical Specifications, Paragraph 6.7 2 PROCEDURES AND PROGRAMS - Replace "ROC" with "SRC," "Plant Manager" with "Resident Manager" and "Plant Division Manager" with "Division Manager."

Evaluation: This change is consistent with the new LIPA organization positions and titles, and is, therefore, acceptable.

42. Change: Technical Specifications, Paragraph 6.7.3 b. and c. PROCEDURES AND PROGRAMS - Replace "Senior Reactor Operators License" with "Senior Fuel Handling Operators Certification" and "ROC" with "SRC" and "Plant Manager" with "Resident Manager."

Evaluation: This change is acceptable for reasons previously mentioned in Changes 11 and 41 above.

43. Change: Technical Specifications, Paragraph 6.9.3. h. RECORD RETENTION - Delete "Operating." Replace "Final" with "Defueled." Replace "ROC" with "SRC," "NRB" with "IRF," and add: "and of meetings of the Review of Operations Committee and Nuclear Review Board held by the original licensee."

Evaluation: This change is consistent with the LIPA organization and titles, and appropriately identifies the LILCO records that should be retained. This change is acceptable.

44. Change: Technical Specifications, Paragraph 6.12 PROCESS CONTROL PROGRAM (PCP) - Replace "ROC" with "SRC" and "Plant Manager" with "Resident Manager."

Evaluation: This change is acceptable for reasons previously mentioned in Change 41, above.

45. Change: Technical Specifications, Paragraph 6.13 OFFSITE DOSE CALCULATION MANUAL (ODCM) - Replace "ROC" with "SRC" and "Plant Manager" with "Resident Manager."

Evaluation: This change is acceptable for reasons previously mentioned in Change 41, above.

#### 4.0 FINAL NO SIGNIFICANT HAZARDS CONSIDERATION FINDING

The Commission has provided standards for significant hazards considerations. Under the Commission's regulations in 10 CFR 50.92, a proposed amendment to a facility operating license involves no significant hazards consideration if operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequence 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. The staff considered aspects of these standards as they relate to the amendment in the evaluation section of this Safety Evaluation. The following is a summary of the staff's findings related to the no significant hazards consideration on this amendment:

- (1) The Defueled Safety Analysis Report (DSAR), previously prepared and submitted by LILCO, demonstrates that the plant conditions and licensed responsibilities to be assumed by LIPA, represent a

substantially reduced radiological risk from that associated with full power operation of Shoreham as previously evaluated in the Shoreham Updated Safety Analysis Report (USAR). Only two events from the spectrum of accidents previously evaluated in the USAR remain relevant to the defueled plant condition. These are the Fuel Handling Accident and the Liquid Radwaste Tank Rupture.

The proposed amendment will not significantly increase the probabilities or the consequences of these two events. Specifically, there will be no physical changes to the facility, resulting from the proposed amendment. The reactor will not be refueled and any fuel handling operations will be performed by certified personnel using existing equipment and approved procedures. Additionally, all license conditions, technical specification limiting conditions for fuel handling operations, surveillance requirements, and technical specification programs as proposed by LILCO in the DSAR, will remain unchanged by this amendment. On this basis, the probability of a fuel handling accident would not be increased.

Regarding Fuel Handling Accident consequences, the DSAR postulates the worst case scenario wherein all gaseous fission products in the spent fuel are released into the environment. Since LIPA is not allowed to further irradiate the fuel and the fuel has only been irradiated a short time, any releases would be bound by that analysis. Therefore, there is no possibility for activities under the transferred license to result in any increase in the consequences of a Fuel Handling Accident.

As for the Liquid Radwaste Tank Rupture event, the proposed amendment would not involve any changes to Shoreham's radwaste systems. Any radwaste processing could not significantly increase the source terms assumed in the DSAR for this event given the overall low levels of plant contamination due to the short period of operation. The calculated doses for this event in the DSAR analysis are orders of magnitude below the USAR estimated doses and well within applicable limits. Thus, there would be no significant increase in the probability or consequences of a Liquid Radwaste Tank Rupture event.

Based on the above, the staff concludes that the proposed amendment does not involve a significant increase in the probability or consequences of an accident previously evaluated.

- (2) Under the proposed amendment, there will be no modifications made to the facility which could alter the applicable events as previously evaluated in LILCO's current plant safety analyses, LILCO's Radiological Safety Analysis for Spent Fuel Storage and Handling, and the DSAR, or which could create new events of radiological concern. The activities to be conducted under the transferred license will not involve further irradiation of the existing fuel nor receipt of additional fuel. Activities will be oriented toward maintenance of the facility in the defueled condition until a decommissioning plan is approved by the NRC. LIPA's activities will be consistent with those currently being

conducted at Shoreham, and will be performed in accordance with appropriate procedures. The plant conditions for which the revised accident analyses have been performed will remain valid. As noted previously, Shoreham programs, plans and Technical Specifications as modified by LILCO's DSAR and related submittal will be adapted to reflect ownership by LIPA. Furthermore, LIPA has personnel with sufficient experience and qualifications to manage and conduct licensed activities at Shoreham. Therefore, the proposed amendment does not create the possibility of a new or different kind of accident from an accident previously evaluated.

- (3) Plant safety margins applicable to the defueled, non-operating condition of Shoreham are established in LILCO's DSAR and associated proposed Technical Specification amendments, as well as in applicable programs, plans, and procedures referenced therein. The proposed amendment will entail the transfer of all responsibilities and obligations associated with these documents to LIPA. Accordingly, LIPA's activities will be consistent with the safety margins established therein. Therefore, the proposed amendment does not involve a significant reduction in a margin of safety.

The Commission made a proposed determination that the amendment involves no significant hazards consideration which was published in the Federal Register (56 FR 11781) on March 20, 1991. In response to this Federal Register Notice, the Scientists and Engineers for Secure Energy and the Shoreham Wading River Central School District (the Petitioners) filed petitions and NSHC comments on April 19, 1991, to intervene and request for a prior hearing concerning the LILCO/LIPA joint application for license transfer. These petition were opposed by LILCO/LIPA and the Commission's staff in filings dated May 6, 1991, and May 17, 1991, respectively. The Commission referred the intervention petitions to the Atomic Safety and Licensing Board (ASLB) on June 3, 1991. Pursuant to an ASLB Scheduling Order, dated October 23, 1991, petitioners submitted contentions on November 18, 1991. Below, is a summary of the petitioners' contentions filed on November 18, 1991.

- a. An Environmental Impact Statement (EIS) must be prepared prior to approving the transfer of the Shoreham Possession Only License to LIPA, because the transfer is within the scope of the proposal to decommission Shoreham.
- b. The need for an EIS on the proposal to decommission Shoreham is required by the 1988 and earlier versions of 10 CFR 51.20(b)(5) since the Final Generic Environmental Impact Statement on Decommissioning Nuclear Facilities does not apply to the Shoreham Facility.
- c. The Environmental Report on decommissioning should address all issues prescribed in Regulatory Guide 4.2 (Rev. 2, July 1976).
- d. The Decommissioning Plan submitted by LIPA proposes the DECON alternative which forecloses alternative decommissioning methods including SAFSTOR and ENTOMB and therefore requires an EIS.

- e. The required EIS on the decommissioning proposal must include the indirect effects such as construction of fossil plants and transmission lines to replace Shoreham.
- f. LIPA is not financially qualified to become the licensee of the Shoreham facility because it is bankrupt, has no assurance of funding non-Shoreham related activities, and has not complied with the state laws concerning bond repayment. Also, there is no assurance that LILCO will be able to pay LIPA's costs under the Site Cooperation and Reimbursement Agreement through rate relief from the PSC.
- g. LILCO's management does not meet the character requirements for an NRC licensee due to past lack of candor and openness concerning its opposition to LILCO rate increases.

The staff has addressed each of these comments in the corresponding items below and concluded that nothing in the submissions of the Petitioners affects the proposed no significant hazards consideration determination.

- a. On April 3, 1991, the Commission in CLI-91-04 indicated that petitioners could proffer a properly supported contention that several license amendments are an inseparable part of decommissioning and require preparation of an EIS. However, since this license amendment only allows LIPA to maintain Shoreham in its defueled, non-operating status, and does not authorize a particular method of decommissioning, there are no environmental effects beyond those allowed by the current license, and there is no foreclosure of decommissioning costs, methods, or options. The staff has prepared an Environmental Assessment and concluded that the proposed amendment will not have a significant effect on the quality of the human environment. Thus, no EIS is required.
- b. The license transfer does not authorize decommissioning. As mentioned in (a) above, this license transfer allows LIPA to maintain the defueled, non-operating status of Shoreham, under the conditions of the current POL and does not have a significant effect on the human environment. No EIS is required for the transfer of the Shoreham license.

The regulation relied on to support the assertion that an EIS is required for a proposal to decommission is no longer in effect. Additionally, the petitioners incorrectly state that the Final Generic Environmental Impact Statement on Decommissioning Nuclear Facilities, NUREG-0586 (August 1988) (GEIS) does not apply in the case of the Shoreham decommissioning proposal. The limited operation of Shoreham, and its corresponding low radiological risk as compared to a plant ceasing operations at the end of its useful life, show that the impacts of decommissioning Shoreham are bound by the GEIS. The petitioner fails to explain how the environmental impacts of decommissioning Shoreham fall outside the scope of the impacts already considered in the GEIS.

- c. This contention focuses on the separate action of authorizing decommissioning of Shoreham facility and is, therefore, not applicable to this license transfer.

Moreover, the Atomic Safety and Licensing Board (the Board) rejected a similar contention concerning the POL application, finding that compliance with Regulatory Guide is not required. LBP-91-39 (November 15, 1991). In addition, the petitioners do not show how the Environmental Report submitted by LIPA is inadequate.

- d. The question of whether the decommissioning plan submitted by LIPA precludes alternative decommissioning methods is not applicable to this license transfer. As mentioned previously, this license transfer does not authorize any additional action by LIPA that is not already allowed by the current license and does not authorize decommissioning. The petitioners do not explain how this license transfer will preclude decommissioning alternatives.
- e. As stated above, concerns about the contents of an EIS on decommissioning are not applicable to this license transfer. In addition, a similar contention filed in the Shoreham POL proceeding was found to be inadmissible. The Board, in LBP-91-39 (November 15, 1991), ruled that indirect effects of decommissioning would be outside the scope of any required NEPA review because the Commission has held that restart or other methods of generating electricity may not be considered.
- f. As noted in Section 3.1.4 of this evaluation, the staff's assessment of LIPA's financial qualifications for becoming the licensee of the Shoreham facility, concentrated on LIPA's ability to adequately fund all Shoreham related activities up to and including decommissioning.

The staff determined that the Asset Transfer Agreement and Site Agreement, coupled with LILCO's decommissioning funding plan, establish the requisite financial qualifications necessary for license transfer. These agreements oblige LILCO to deposit into LIPA accounts those funds necessary to cover all Shoreham related activities of LIPA/NYPA, including asset transfer, license transfer, maintenance, and decommissioning activities. The ability of LIPA to fund non-Shoreham related activities and their financial condition in these areas have no bearing on their ability to fund Shoreham activities due to the completely separate and legally binding responsibility of LILCO to provide funds to LIPA for the express purpose of maintaining and ultimately decommissioning Shoreham. In effect, LILCO's financial condition assures LIPA's financial well being in matters pertaining to the responsibilities at Shoreham, regardless of any financial problems that LIPA may have receiving funding from the State for non-Shoreham activities. Furthermore, LILCO's financial qualifications in matters related to Shoreham is further assured in the New York Public Service Commission's (PSC), June 7, 1990, decision approving the Site Agreement between LIPA and LILCO. This decision

determined that costs attributable to Shoreham are reimbursable from the ratepayers. These costs include those incurred in license transfer, LIPA's maintenance of Shoreham, and the ultimate decommissioning of the plant. In the unlikely event that the PSC were to not grant rate relief for Shoreham related costs, it is the staff's judgment that LILCO is sufficiently financially solvent to cover all Shoreham related costs. This judgment is based on LILCO's significantly improved net income in the last two years and the fact that both their net income and retained earnings substantially exceed the estimated decommissioning cost of \$186 million. Additionally, LILCO has an unused line of credit of approximately \$300 million and has already set aside \$10 million in a separate decommissioning account to put Shoreham in a safe condition, if an emergency arises. Therefore, based on the above, the staff concluded that LILCO's financial well being in matters related to Shoreham is assured.

The NRC approved LILCO's proposed decommissioning funding plan on November 22, 1991, with its issuance of an exemption from the requirement to have full decommissioning funding at the start of decommissioning (56 FR 61265). LILCO's funding plan is based primarily on the Asset Transfer and Site Agreements mentioned above. In its November approval of the Shoreham decommissioning funding plan, the staff determined that the plan is adequate to protect the health and safety of the public and to adequately decommission Shoreham. In addition to LILCO funding LIPA in accordance with the Asset Transfer and Site Agreements, the funding plan requires LILCO to set aside \$10 million in a separate account for emergent decommissioning needs and to commit a portion of its line of credit sufficient to cover remaining decommissioning costs. Therefore, the staff concluded that LIPA, which will receive its funds through the Asset Transfer and Site Agreements and will be the ultimate recipient of the decommissioning funding plan, has the financial resources to safely maintain the plant in its defueled, non-operating condition, and that LIPA is financially qualified to become the licensee of the Shoreham Nuclear Power Station.

Additionally, the New York Court of Appeals in a decision of October 22, 1991, upheld the validity of the Agreements between LIPA/LILCO. These agreements hold LILCO legally responsible to fund the maintenance activities and the decommissioning efforts at Shoreham.

9. The NRC staff conducted its review of the LIPA management consistent with its reviews of other prospective licensees. The staff's evaluation concentrated on areas of managerial and technical competence and was conducted in accordance with the criteria set forth in NUREG-0800, "Standard Review Plan" (SRP) Section 13.1.1, "Management and Technical Support Organization." The staff concluded that:
  - (1) The proposed corporate and plant organizational structure and functions for the maintenance of Shoreham in its



present defueled condition and for the eventual decommissioning of the plant are acceptable;

- (2) The management controls, lines of authority, and channels of communication among the organizational units involved in the management, operation, and technical support for the maintenance of Shoreham in its present condition and for the eventual decommissioning of the plant are acceptable; and
- (3) The LIPA/NYPA co-employees assigned to fill the upper technical and managerial positions at Shoreham are acceptable.

Additionally, the staff believes that LIPA has the necessary managerial and technical resources and competence to provide for (1) the maintenance of Shoreham in its present defueled state, (2) the eventual decommissioning of the plant, and (3) the protection of public health and safety.

With respect to the allegation that the LIPA Chairman, Richard Kessel, lacked openness at a February 1991 NRC meeting when LILCO was questioned about opposition to its rate hike proposal, the staff reviewed this matter shortly after the Newsday report of Mr. Kessel's response. It was the staff's judgment that this incident was not significant and did not meet the NRC's threshold for further investigation as it did not indicate any opposition to LILCO recovery of Shoreham costs, the matter at issue.

Thus, the staff concludes that the petitioners have failed to show or set out with particularity how the proposed amendment to transfer the license authority of Shoreham to LIPA would increase the probability or consequences of a previously evaluated accident, create the possibility of a new or different type of accident, or cause a significant decrease in a margin of safety. Thus, their comments do not alter the staff's initial determination that the amendment involves no significant hazards consideration.

The NRC staff has reached a final finding that the requested license amendment does not involve a significant hazards consideration. The staff's no significant hazards consideration determination is based on the preceding evaluation, the above discussion on the specific no significant hazards consideration for the non-operating, defueled condition of the facility, and the Commission's Memorandum and Order of January 24, 1991, (CLI-91-01).

#### 5.0 STATE CONSULTATION

In accordance with the Commission's regulations, the State of New York was contacted about the proposed license transfer. The State had no comments.

#### 6.0 ENVIRONMENTAL CONSIDERATION

Pursuant to 10 CFR 51.21, 51.32, and 51.35, an environmental assessment and finding of no significant impact was published in the Federal Register on \_\_\_\_\_, 1992 (57 FR \_\_\_\_\_). Based upon the environmental assessment, the Commission has determined that issuance of this amendment will not have a significant effect on the quality of the human environment.

## 7.0 CONCLUSION

The Commission has concluded, based on the considerations discussed above, that: (1) because the license transfer does not involve a significant increase in the probability or consequences of accidents previously evaluated, or create the possibility of a new or different kind of accident from any accident previously evaluated, and does not involve a significant reduction in a margin of safety, the amendment does not involve a significant hazards consideration, (2) there is reasonable assurance that the health and safety of the public will not be endangered by the proposed activities, and 3) such activities will be conducted in compliance with the Commission's regulations and issuance of this amendment will not be inimical to the common defense and security or the health and safety of the public.

Principal Contributors: John Moulton  
Richard Pelton

Date:

UNITED STATES NUCLEAR REGULATORY COMMISSIONLONG ISLAND LIGHTING COMPANYSHOREHAM NUCLEAR POWER STATIONDOCKET NO. 50-322ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (the NRC or Commission) is considering issuance of an amendment to Facility License No. NPF-82 issued to Long Island Lighting Company (LILCO or the licensee) for the possession of the Shoreham Nuclear Power Station, Unit 1 (SNPS or the facility) located in Suffolk County, New York.

ENVIRONMENTAL ASSESSMENTIdentification of Proposed Action:

The proposed amendment would change license conditions and Technical Specifications (TS) to allow the possession and management of Shoreham by the Long Island Power Authority (LIPA).

The proposed action is in accordance with the licensee's and LIPA's joint application dated June 28, 1990, and as supplemented June 13, June 27, October 31, and December 5, 1991.

The Need for the Proposed Action:

Under the 1989 Settlement Agreement between New York State and LILCO, LILCO is contractually committed never to operate Shoreham as a nuclear facility and to transfer the Shoreham facility to LIPA for decommissioning. The proposed amendment would transfer the SNPS Facility Operating License

(Possession Only License or POL) to LIPA. There will be no physical changes to the Shoreham facility associated with this amendment other than the change in name to Long Island Power Authority.

Environmental Impacts of the Proposed Action:

The Commission has completed its evaluation of the proposed changes to the license conditions and TS. The proposed changes involve transferring the Possession Only License from LILCO to LIPA. Under the proposed amendment, all responsibilities and obligations associated with the Possession Only License, Technical Specifications, as well as applicable plans, procedures, and programs referenced therein will be transferred to LIPA. Accordingly, LIPA's activities after license transfer will be consistent with the Defueled Safety Analysis (DSAR) and the established safety margins. The direct environmental impacts of LIPA's activities under the license transfer are within those previously evaluated by LILCO in their DSAR and the Commission's approval of the POL on June 14, 1991. There will be no changes to the facility or the environment as a result of the license amendment and the corresponding administrative and managerial changes to the TS reflecting the change in ownership and the permanently defueled condition of the plant. Accordingly, the Commission concludes that this action would result in no radiological or non-radiological environmental impact.

Alternative to the Proposed Action:

It has been determined that there is no impact associated with the proposed amendment; any alternatives to the amendment will have either no environmental impact or greater environmental impact.

Alternative Use of Resources:

This action does not involve the use of resources not considered in the Final Environmental Statement for the Shoreham Nuclear Power Station.

Agencies and Persons Consulted:

The NRC staff reviewed the licensee's request and did not consult other agencies or persons.

FINDING OF NO SIGNIFICANT IMPACT

Based on the foregoing environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed amendment.

A Notice of Consideration of Issuance of Amendment to Facility Operating License and Proposed No Significant Hazards Consideration Determination and Opportunity for Hearing in connection with this action was published in the Federal Register on March 20, 1991, (56 FR 11781). On April 19, 1991, the Scientists and Engineers for Secure Energy and the Shoreham Wading River Central School District (the petitioners) filed petitions and comments to intervene and request for hearing concerning the license transfer application. The NRC staff (staff) addressed the petitioner's comments in their Safety Evaluation concerning this amendment and concluded that nothing in the petitioner's comments affects the staff's proposed no significant hazards consideration.

For further details with respect to this action, see the request for amendment dated June 28, 1990, and supplements of June 13, June 27, October 31, and December 5, 1992, which are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street N.W., Washington, D.C. 20555, and at the Shoreham-Wading River Public Library, Route 25A, Shoreham, New York 11786-9697.

Dated at Rockville, Maryland this

FOR THE NUCLEAR REGULATORY COMMISSION

Seymour H. Weiss, Director  
Non-Power Reactors, Decommissioning and  
Environmental Project Directorate  
Division of Advanced Reactors  
and Special Projects  
Office of Nuclear Reactor Regulation

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the Matter of

LONG ISLAND LIGHTING COMPANY

(Shoreham Nuclear Power Station,  
Unit 1)

Docket No.(s) 50-322-OLA-3

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing MEMO JULIAN FOR BD & PARTIES have been served upon the following persons by U.S. mail, first class, except as otherwise noted and in accordance with the requirements of 10 CFR Sec. 2.712.

Office of Commission Appellate  
Adjudication  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555

Administrative Judge  
Thomas S. Moore, Chairman  
Atomic Safety and Licensing Board  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555

Administrative Judge  
Jerry R. Kline  
Atomic Safety and Licensing Board  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555

Administrative Judge  
George A. Ferguson  
ASLBP  
5307 Al Jones Drive  
Shady Side, MD 20764

Mitzi A. Young, Esq.  
Office of the General Counsel  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555

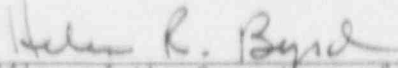
Donald P. Irwin, Esq.  
Hunton & Williams  
Riverfront Plaza, East Tower  
951 East Byrd Street  
Richmond, VA 23219

Carl R. Schenker, Jr., Esq.  
O'Melveny and Myers  
555 13th Street, N.W.  
Washington, DC 20004

James P. McGranery, Jr., Esq.  
Dow, Lohnes & Albertson  
1255 23rd St., N.W., Suite 500  
Washington, DC 20037

Docket No.(s)50-322-OLA-3  
MEMO JULIAN FOR BD & PARTIES

Dated at Rockville, Md. this  
12 day of February 1992

  
Office of the Secretary of the Commission