UNITED STATES OF AMERICIA NUCLEAR REGULATORY COMMISSION

In the Matter of

SOUTHERN CALIFORNIA EDISON COMPANY, SAN DIEGO GAS & ELECTRIC COMPANY, THE CITY OF ANAHEIM, CALIFORNIA AND THE CITY OF RIVERSIDE, CALIFORNIA

(San Onofre Nuclear Generating Station, Unit Nos. 2 and 3 Docket Nos. 50-361/362

EXEMPTION

I.

The Southern California Edison Company, San Diego Gas & Electric Company, The City of Anaheim, California, and the City of Riverside, California (the licensees) hold Facility License Nos. NPF-10 and NPF-15, which authorize operation of the San Onofre Nuclear Generating Station, Unit Nos. 2 and 3 (the facilities). The licenses provide, among other things, that the facilities are subject to all rules, regulations and Orders of the Nuclear Regulatory Commission (the Commission) now or hereafter in effect. These facilities are pressurized water reactors located in San Diego County, California.

II.

Section (a) of 10 CFR 70.24 requires that each licensee authorized to possess special nuclear material shall maintain in each area where such material is handled, used, or stored, an appropriate criticality monitoring system. Section (a)(1) of 10 CFR 70.24 requires that coverage of all such areas at San Onofre 2 and 3 shall be provided by two criticality detectors.

8410240141 840928 PDR ADDCK 05000361 P PDR By letter dated March 27, 1984, the San Onofre 2 and 3 licensees requested an exemption from this requirement for the San Onofre 2 and 3 new and spent fuel storage areas of the fuel handling building. Specifically, the licensees propose to handle and store both irradiated and unirradiated fuel in the fuel handling building without having the two criticality monitoring systems required by 10 CFR 70.24. Such exemptions may be authorized pursuant to 10 CFR 70.14, provided that the licensees have shown that good cause exists for the exemption. In particular, Revision 1 of Regulatory Guide 8.12 "Criticality Accident Alarm Systems," January 1981, states that it is appropriate to request an exemption from 10 CFR 70.24 if an evaluation determines that a potential for criticality does not exist, as for example where geometric spacing is used to preclude criticality.

The licensees have previously demonstrated that both irradiated and unirradiated fuel will be stored in a geometry which will assure sub-criticality under normal and accident conditions in the new and spent fuel storage areas of the fuel handling building. This is discussed in Sections 9.1.1 and 9.1.2 of the San Onofre 2 and 3 Final Safety Analysis Report. The staff has previously reviewed storage of irradiated and unirradiated fuel in the San Onofre 2 and 3 fuel handling building and has found the licensees' demonstration of subcriticality to be acceptable, as is discussed in Sections 9.1.1 and 9.1.2 of NUREG-0712, the NRC staff's Safety Evaluation Report related to operation of San Onofre 2 and 3, dated February 1981.

The licensees' request for an exemption from 10 CFR 70.24 is based on the use of geometric spacing to preclude criticality in both the new and spent fuel storage areas. We have reviewed the licensee's request and find it

acceptable, provided that geometric subcriticality is assured by prohibiting the licensees from having more than one fuel assembly outside an approved shipping container, storage rack, or the fuel transfer tube at one time.

Although not required by this exemption, we note that the licensees have a single criticality monitoring system in place and operable in the fuel handling building.

Because irradiated or unirradiated fuel will be subcritical due to the use of geometric spacing when stored in the new or spent fuel storage racks, and subject to the restriction that no more than one fuel assembly shall be authorized to be outside an approved shipping container, storage rack or the fuel transfer tube at any time, we conclude that the licensees' request for an exemption from the requirements of 10 CFR 70.24 with respect to irradiated or unirradiated fuel in the fuel handling building is acceptable and should be granted.

III.

Accordingly, the Commission has determined that, pursuant to 10 CFR 70.14, an exemption is authorized by law and will not endanger life or property or the common defense and security and is otherwise in the public interest.

Pursuant to 10 CFR 51.32, the Commission has determined that the issuance of the exemption will have no significant environmental impact on the environment (49 F. R. 37484).

For further details with respect to this action, see the licensees' request dated March 27, 1984 which is available for public inspection at the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C. and at the San Clemente Branch Library, 242 Avenida del Mar, San Clemente, California 92672.

FOR THE NUCLEAR REGULATORY COMMISSION

Darrell G. disenhut, Director

Division of Licensing

Office of Nuclear Reactor Regulation

Dated at Bethesda, Maryland this 28th day of September, 1984 Pursuant to 10 CFR 51.32, the Commission has determined that the issuance of the exemption will have no significant environmental impact on the environment (49 F. R. 37484).

For further details with respect to this action, see the licensees' request dated March 27, 1984 which is available for public inspection at the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C. and at the San Clemente Branch Library, 242 Avenida del Mar, San Clemente, California 92672.

FOR THE NUCLEAR REGULATORY COMMISSION

Darrell G. Eisenhut, Director Division of Licensing Office of Nuclear Reactor Regulation

Dated at Bethesda, Maryland this 28th day of September, 1984

> DSI:CPR DFieno* 9/13/84

*See previous concurrence.

DL:LB#3 DL:LB#3 HRood/yt* JLee* 8/7/84

DL:LB#3 GWKnighton* 9/ /84 *OELD LChandler 8/15/84 *DL:AD/L TMNovak 5/4/84 DL:AVA DGE: Senhut 920 /84