

November 30, 2004

Mr. James J. Sheppard
President and Chief Executive Officer
STP Nuclear Operating Company
South Texas Project Electric
Generating Station
P. O. Box 289
Wadsworth, TX 77483

SUBJECT: SOUTH TEXAS PROJECT, UNITS 1 AND 2 - ISSUANCE OF AMENDMENTS
RE: ISSUANCE OF AMENDMENT RE: ELIMINATION OF REQUIREMENTS
FOR HYDROGEN RECOMBINERS AND HYDROGEN MONITORS
(TAC NOS. MC4229 AND MC4230)

Dear Mr. Sheppard:

The Commission has issued the enclosed Amendment No. 165 to Facility Operating License No. NPF-76 and Amendment No. 155 to Facility Operating License No. NPF-80 for the South Texas Project, Units 1 and 2, respectively. The amendments consist of changes to the Technical Specifications (TSs) in response to your application dated August 26, 2004.

The amendments eliminate the requirements in the TS associated with hydrogen recombiners and hydrogen monitors. A notice of availability for this TS improvement using the consolidated line item improvement process was published in the *Federal Register* on September 25, 2003 (68 FR 55416).

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

Sincerely,

/RA/

David H. Jaffe, Senior Project Manager, Section 1
Project Directorate IV
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

Enclosures: 1. Amendment No. 165 to NPF-76
2. Amendment No. 155 to NPF-80
3. Safety Evaluation

cc w/encls: See next page

Mr. James J. Sheppard
President and Chief Executive Officer
STP Nuclear Operating Company
South Texas Project Electric
Generating Station
P. O. Box 289
Wadsworth, TX 77483

November 30, 2004

SUBJECT: SOUTH TEXAS PROJECT, UNITS 1 AND 2 - ISSUANCE OF AMENDMENTS
RE: ISSUANCE OF AMENDMENT RE: ELIMINATION OF REQUIREMENTS
FOR HYDROGEN RECOMBINERS AND HYDROGEN MONITORS
(TAC NOS. MC4229 AND MC4230)

Dear Mr. Sheppard:

The Commission has issued the enclosed Amendment No. 165 to Facility Operating License No. NPF-76 and Amendment No. 155 to Facility Operating License No. NPF-80 for the South Texas Project, Units 1 and 2, respectively. The amendments consist of changes to the Technical Specifications (TSs) in response to your application dated August 26, 2004.

The amendments eliminate the requirements in the TS associated with hydrogen recombiners and hydrogen monitors. A notice of availability for this TS improvement using the consolidated line item improvement process was published in the *Federal Register* on September 25, 2003 (68 FR 55416).

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

Sincerely,

/RA/

David H. Jaffe, Senior Project Manager, Section 1
Project Directorate IV
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

Enclosures: 1. Amendment No. 165 to NPF-76
2. Amendment No. 155 to NPF-80
3. Safety Evaluation

cc w/encls: See next page

DISTRIBUTION:

PUBLIC	GHill (4)
PDIV-1 r/f	RidsNrrDlpmLpdiv (HBerkow)
RidsNrrDlpmLpdiv1(A) (MWebb)	RidsNrrPMDJaffe
RidsNrrLADBaxley	RidsNrrDriplrob (TBoyce)
RidsAcrsAcnwMailCenter	RidsOgcRp
RidsRgn4MailCenter (BJohnson)	RidsNrrDlpmDpr (SWall)
RidsNrrPMWReckley	

ACCESSION NO: M043340390

OFFICE	PDIV-1/PM	PDIV-1/LA	PDIV-1/PM	OGC	PDIV-1/SC(A)
NAME	DJaffe	DBaxley	WReckley	MHiggins(NLO)	MWebb
DATE	9/20/04	9/15/04	9/20/04	10/25/04	10/27/04

OFFICIAL RECORD COPY

STP NUCLEAR OPERATING COMPANY

DOCKET NO. 50-498

SOUTH TEXAS PROJECT, UNIT 1

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 165
License No. NPF-76

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by STP Nuclear Operating Company* acting on behalf of itself and for Texas Genco, LP, the City Public Service Board of San Antonio (CPS), AEP Texas Central Company, and the City of Austin, Texas (COA) (the licensees), dated August 26, 2004, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this license amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

*STP Nuclear Operating Company is authorized to act for Texas Genco, LP, the City Public Service Board of San Antonio, AEP Texas Central Company, and the City of Austin, Texas, and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

2. Accordingly, the license is amended by changes to the Technical Specifications as indicated in the attachment to this license amendment and Paragraph 2.C.(2) of Facility Operating License No. NPF-76 is hereby amended to read as follows:

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 165, and the Environmental Protection Plan contained in Appendix B, are hereby incorporated in the license. The STP Nuclear Operating Company shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

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

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Michael K. Webb, Acting Chief, Section 1
Project Directorate IV
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to the Technical
Specifications

Date of Issuance: November 30, 2004

STP NUCLEAR OPERATING COMPANY

DOCKET NO. 50-499

SOUTH TEXAS PROJECT, UNIT 2

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 155
License No. NPF-80

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by STP Nuclear Operating Company* acting on behalf of itself and for Texas Genco, LP, the City Public Service Board of San Antonio (CPS), AEP Texas Central Company, and the City of Austin, Texas (COA) (the licensees), dated August 26, 2004, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this license amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

*STP Nuclear Operating Company is authorized to act for Texas Genco, LP, the City Public Service Board of San Antonio, AEP Texas Central Company, and the City of Austin, Texas, and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

2. Accordingly, the license is amended by changes to the Technical Specifications as indicated in the attachment to this license amendment and Paragraph 2.C.(2) of Facility Operating License No. NPF-80 is hereby amended to read as follows:

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 155, and the Environmental Protection Plan contained in Appendix B, are hereby incorporated in the license. The STP Nuclear Operating Company shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

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

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Michael K. Webb, Acting Chief, Section 1
Project Directorate IV
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to the Technical
Specifications

Date of Issuance: November 30, 2004

ATTACHMENT TO LICENSE AMENDMENT NOS. 165 AND 155

FACILITY OPERATING LICENSE NOS. NPF-76 AND NPF-80

DOCKET NOS. 50-498 AND 50-499

Replace the following pages of the Appendix A Technical Specifications with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

REMOVE

3/4 3-69
3/4 3-74
3/4 6-18
3/4 6-19

INSERT

3/4 3-69
3/4 3-74
3/4 6-18
3/4 6-19

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

RELATED TO AMENDMENT NOS. 165 AND 155 TO

FACILITY OPERATING LICENSE NOS. NPF-76 AND NPF-80

STP NUCLEAR OPERATING COMPANY, ET AL.

SOUTH TEXAS PROJECT, UNITS 1 AND 2

DOCKET NOS. 50-498 AND 50-499

1.0 INTRODUCTION

By application dated August 26, 2004 (Accession No. ML042520321), STP Nuclear Operating Company (the licensee), requested changes to the Technical Specifications (TSs) for South Texas Project (STP), Units 1 and 2. The proposed amendments eliminate the requirements in the TS associated with hydrogen recombiners (TS 3/4 6.4.2) and hydrogen monitors (TS 3/4 6.4.1, TS Table 3.3-10 Item 20, and TS Table 4.3-7 Item 20). A notice of availability for this TS improvement using the Consolidated Line Item Improvement Process (CLIIP) was published in the *Federal Register* on September 25, 2003 (68 FR 55416).

The Nuclear Regulatory Commission (NRC) has revised Section 50.44 of Title 10 of the *Code of Federal Regulations* (10 CFR), "Standards for Combustible Gas Control System in Light-Water-Cooled Power Reactors." The amended standards eliminated the requirements for hydrogen recombiners and relaxed the requirements for hydrogen and oxygen monitoring. In letters dated December 17, 2002, and May 12, 2003, the Nuclear Energy Institute (NEI) TS Task Force (TSTF) proposed to remove requirements for hydrogen recombiners and hydrogen and oxygen monitors from the standard TSs (STS) (NUREG-1430 thru NUREG-1434) on behalf of the industry to incorporate the amended standards. This proposed change was designated TSTF-447.

The NRC staff prepared a model safety evaluation (SE) for the elimination of requirements regarding containment hydrogen recombiners and the removal of requirements from TS for containment hydrogen and oxygen monitors and solicited public comment (67 FR 50374, published August 2, 2002) in accordance with the CLIIP. The use of the CLIIP was intended to help the NRC to efficiently process amendments that propose to remove the hydrogen recombiner and hydrogen and oxygen monitor requirements from TS. Licensees of nuclear power reactors to which this model applied were informed (68 FR 55416, published September 25, 2003) that they could request amendments conforming to the model, and, in such requests, should confirm the applicability of the SE to their reactors and provide the requested plant-specific verifications and commitments.

2.0 BACKGROUND

Regulatory Issue Summary 2000-06, "Consolidated Line Item Improvement Process for Adopting Standard Technical Specification Changes for Power Reactors," was issued on March 20, 2000. The CLIIP is intended to improve the efficiency of NRC licensing processes. This is accomplished by processing proposed changes to the STS in a manner that supports subsequent license amendment applications. The CLIIP includes an opportunity for the public to comment on proposed changes to the STS following a preliminary assessment by the NRC staff and finding that the change will likely be offered for adoption by licensees. The NRC staff evaluates any comments received for a proposed change to the STS and either reconsiders the change or proceeds with announcing the availability of the change for proposed adoption by licensees. Those licensees opting to apply for the subject change to TS are responsible for reviewing the staff's SE, referencing the applicable technical justifications, and providing any necessary plant-specific information. Each amendment application made in response to the notice of availability would be processed and noticed in accordance with applicable rules and NRC procedures.

The Commission's regulatory requirements related to the content of TS are set forth in 10 CFR 50.36. This regulation requires that the TSs include items in five specific categories. These categories include: (1) safety limits, limiting safety system settings and limiting control settings, (2) limiting conditions for operation (LCO), (3) surveillance requirements, (4) design features, and (5) administrative controls. However, the regulation does not specify the particular TSs to be included in a plant's license.

Additionally, 10 CFR 50.36(c)(2)(ii) sets forth four criteria to be used in determining whether an LCO is required to be included in the TS. These criteria are as follows:

1. Installed instrumentation that is used to detect, and indicate in the control room, a significant abnormal degradation of the reactor coolant pressure boundary.
2. A process variable, design feature, or operating restriction that is an initial condition of a design-basis accident or transient analysis that assumes either the failure of or presents a challenge to the integrity of a fission product barrier.
3. A structure, system, or component that is part of the primary success path and which functions or actuates to mitigate a design-basis accident or transient that either assumes the failure of or presents a challenge to the integrity of a fission product barrier.
4. A structure, system or component which operating experience or probabilistic risk assessment has shown to be significant to public health and safety.

Existing LCOs and related surveillances included as TS requirements which satisfy any of the criteria stated above must be retained in the TSs. Those TS requirements which do not satisfy these criteria may be relocated to other licensee-controlled documents.

As part of the rulemaking that revised 10 CFR 50.44, the Commission retained requirements for ensuring a mixed atmosphere, inerting Mark I and II containments, and providing hydrogen control systems capable of accommodating an amount of hydrogen generated from a metal-

water reaction involving 75 percent of the fuel cladding surrounding the active fuel region in Mark III and ice condenser containments. The Commission eliminated the design-basis loss-of-coolant accident (LOCA) hydrogen release from 10 CFR 50.44 and consolidated the requirements for hydrogen and oxygen monitoring to 10 CFR 50.44 while relaxing safety classifications and licensee commitments to certain design and qualification criteria. The Commission also relocated without change the hydrogen control requirements in 10 CFR 50.34(f) to 10 CFR 50.44 and the high point vent requirements from 10 CFR 50.44 to 10 CFR 50.46a.

3.0 EVALUATION

The ways in which the requirements and recommendations for combustible gas control were incorporated into the licensing bases of commercial nuclear power plants varied as a function of when plants were licensed. Plants that were operating at the time of the Three Mile Island (TMI), Unit 2 accident are likely to have been the subject of confirmatory orders that imposed the combustible gas control functions described in NUREG-0737, "Clarification of TMI Action Plan Requirements," as obligations. The issuance of plant-specific amendments to adopt these changes, which would remove hydrogen recombiner and hydrogen monitoring controls from TS, supersede the combustible gas control specific requirements imposed by post-TMI confirmatory orders.

3.1 Hydrogen Recombiners

The revised 10 CFR 50.44 no longer defines a design-basis LOCA hydrogen release, and eliminates the requirements for hydrogen control systems to mitigate such a release. The installation of hydrogen recombiners and/or vent and purge systems required by 10 CFR 50.44(b)(3) was intended to address the limited quantity and rate of hydrogen generation that was postulated from a design-basis LOCA. The Commission has found that this hydrogen release is not risk-significant because the design-basis LOCA hydrogen release does not contribute to the conditional probability of a large release up to approximately 24 hours after the onset of core damage. In addition, these systems were ineffective at mitigating hydrogen releases from risk-significant beyond design-basis accidents (DBAs). Therefore, the Commission eliminated the hydrogen release associated with a design-basis LOCA from 10 CFR 50.44 and the associated requirements that necessitated the need for the hydrogen recombiners and the backup hydrogen vent and purge systems. As a result, the NRC staff finds that requirements related to hydrogen recombiners no longer meet any of the four criteria in 10 CFR 50.36(c)(2)(ii) for retention in TS and the existing TSs requirements may, therefore, be eliminated for all plants.

3.2 Hydrogen Monitoring Equipment

Title 10, CFR Part 50, Section 50.44(b)(1), the STS, and plant-specific TS currently contain requirements for monitoring hydrogen. Licensees have also made commitments to design and qualification criteria for hydrogen monitors in Item II.F.1, Attachment 6 of NUREG-0737 and Regulatory Guide (RG) 1.97, "Instrumentation for Light-Water-Cooled Nuclear Power Plants to Assess Plant and Environs Conditions During and Following an Accident." The hydrogen monitors are required to assess the degree of core damage during a beyond DBA and confirm that random or deliberate ignition has taken place. If an explosive mixture that could threaten containment integrity exists during a beyond DBA, then other severe accident management

strategies, such as purging and/or venting, would need to be considered. The hydrogen monitors are needed to implement these severe accident management strategies.

With the elimination of the design-basis LOCA hydrogen release, hydrogen monitors are no longer required to mitigate DBAs and, therefore, the hydrogen monitors do not meet the definition of a safety-related component as defined in 10 CFR 50.2. RG 1.97 recommends classifying the hydrogen monitors as Category 1. Category 1 in RG 1.97 is intended for key variables that most directly indicate the accomplishment of a safety function for DBA events and, therefore, are items usually addressed within TS. As part of the rulemaking to revise 10 CFR 50.44, the Commission found that the hydrogen monitors no longer meet the definition of Category 1 in RG 1.97. The Commission concluded that Category 3, as defined in RG 1.97, is an appropriate categorization for the hydrogen monitors because the monitors are required to diagnose the course of beyond DBAs. Hydrogen monitoring is not the primary means of indicating a significant abnormal degradation of the reactor coolant pressure boundary. Section 4 of Attachment 2 to SECY-00-0198, "Status Report on Study of Risk-Informed Changes to the Technical Requirements of 10 CFR Part 50 (Option 3) and Recommendations on Risk-Informed Changes to 10 CFR 50.44 (Combustible Gas Control)," found that the hydrogen monitors were not risk-significant. Therefore, the NRC staff finds that hydrogen monitoring equipment requirements no longer meet any of the four criteria in 10 CFR 50.36(c)(2)(ii) for retention in TS and, therefore, may be relocated to other licensee-controlled documents.

However, because the monitors are required to diagnose the course of beyond DBAs, each licensee should verify that it has, and make a regulatory commitment to maintain, a hydrogen monitoring system capable of diagnosing beyond DBAs.

The elimination of post-accident sampling system requirements from some plant-specific TS (and associated CLIP notices) indicated that during the early phases of an accident, safety-grade hydrogen monitors provide an adequate capability for monitoring containment hydrogen concentration. The NRC staff has subsequently concluded that Category 3 hydrogen monitors also provide an adequate capability for monitoring containment hydrogen concentration during the early phases of an accident.

4.0 VERIFICATIONS AND COMMITMENTS

As requested by the NRC staff in the notice of availability for this TS improvement, the licensee has addressed the following plant-specific verifications and commitments.

- 4.1 Each licensee should verify that it has, and make a regulatory commitment to maintain, a hydrogen monitoring system capable of diagnosing beyond DBAs.

The licensee has verified that a hydrogen monitoring system capable of diagnosing beyond DBAs is installed at STP. The licensee has committed to maintain the hydrogen monitoring capability which will be included in the licensee's Technical Requirements Manual in accordance with the licensee's August 26, 2004, amendment request. The licensee will implement this commitment within 60 days of issuance of this license amendment.

The NRC staff finds that reasonable controls for the implementation and for subsequent evaluation of proposed changes pertaining to the above regulatory commitments are provided

by the licensee's administrative processes, including its commitment management program. Should the licensee choose to incorporate a regulatory commitment into the emergency plan, final safety analysis report, or other document with established regulatory controls, the associated regulations would define the appropriate change-control and reporting requirements. The NRC staff has determined that the commitments do not warrant the creation of regulatory requirements which would require prior NRC approval of subsequent changes. The NRC staff has agreed that NEI 99-04, Revision 0, "Guidelines for Managing NRC Commitment Changes," provides reasonable guidance for the control of regulatory commitments made to the NRC staff. (See Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," dated September 21, 2000.) The commitments should be controlled in accordance with the industry guidance or comparable criteria employed by a specific licensee. The NRC staff may choose to verify the implementation and maintenance of these commitments in a future inspection or audit.

5.0 STATE CONSULTATION

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

6.0 ENVIRONMENTAL CONSIDERATION

The amendments change a requirement with respect to the installation or use of a facility component located within the restricted area as defined in 10 CFR Part 20. The NRC staff has determined that the amendments involve no significant increase in the amounts, and no significant change in the types, of any effluents that may be released offsite, and that there is no significant increase in individual or cumulative occupational radiation exposure. The Commission has previously issued a proposed finding that the amendments involve no significant hazards consideration and there has been no public comment on such finding published on September 28, 2004 (69 FR 57996). Accordingly, the amendments meet the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Pursuant to 10 CFR 51.22(b) no environmental impact statement or environmental assessment need be prepared in connection with the issuance of the amendments.

6.0 CONCLUSION

The Commission has concluded, based on the considerations discussed above, that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of the amendments will not be inimical to the common defense and security or to the health and safety of the public.

Principal Contributor: W. Reckley

Date: November 30, 2004

South Texas Project, Units 1 & 2

cc:

Senior Resident Inspector
U.S. Nuclear Regulatory Commission
P. O. Box 910
Bay City, TX 77414

C. Kirksey/C. M. Canady
City of Austin
Electric Utility Department
721 Barton Springs Road
Austin, TX 78704

Mr. J. J. Nesrsta
Mr. R. K. Temple
City Public Service Board
P. O. Box 1771
San Antonio, TX 78296

Mr. C. A. Johnson/ R. P. Powers
AEP Texas Central Company
P. O. Box 289
Mail Code: N5022
Wadsworth, TX 77483

INPO
Records Center
700 Galleria Parkway
Atlanta, GA 30339-3064

Regional Administrator, Region IV
U.S. Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 400
Arlington, TX 76011

D. G. Tees/R. L. Balcom
Texas Genco, LP
P. O. Box 1700
Houston, TX 77251

Judge, Matagorda County
Matagorda County Courthouse
1700 Seventh Street
Bay City, TX 77414

A. H. Gutterman, Esq.
Morgan, Lewis & Bockius
1111 Pennsylvania Avenue, NW
Washington, DC 20004

Mr. T. J. Jordan, Vice President
Engineering & Technical Services
STP Nuclear Operating Company
P. O. Box 289
Wadsworth, TX 77483

S. M. Head, Manager, Licensing
STP Nuclear Operating Company
P. O. Box 289, Mail Code: N5014
Wadsworth, TX 77483

Environmental and Natural Resources
Policy Director
P. O. Box 12428
Austin, TX 78711-3189

Jon C. Wood
Cox Smith Matthews
112 East Pecan, Suite 1800
San Antonio, TX 78205

Director
Division of Compliance & Inspection
Bureau of Radiation Control
Texas Department of State Health Services
1100 West 49th Street
Austin, TX 78756

Brian Almon
Public Utility Commission
William B. Travis Building
P. O. Box 13326
1701 North Congress Avenue
Austin, TX 78701-3326

November 2004

South Texas Project, Units 1 & 2

-2-

Susan M. Jablonski
Office of Permitting, Remediation
and Registration
Texas Commission on
Environmental Quality
MC-122
P.O. Box 13087
Austin, TX 78711-3087

Mr. Terry Parks, Chief Inspector
Texas Department of Licensing
and Regulation
Boiler Division
P. O. Box 12157
Austin, TX 78711

Mr. Ted Enos
4200 South Hulen
Suite 630
Ft. Worth, Texas 76109