



March 28, 2006

U.S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, D.C. 20555

Serial No.	06-095
NSS&L/DF	R0
Docket No.	50-423
License No.	NPF-49

**DOMINION NUCLEAR CONNECTICUT, INC.**  
**MILLSTONE POWER STATION UNIT 3**  
**LICENSE AMENDMENT REQUEST (LBD CR 06-MP3-003)**  
**APPLICATION TO ELIMINATE LICENSE CONDITION 2.F REQUIRING**  
**REPORTING OF VIOLATIONS OF SECTION 2.C OF OPERATING LICENSE**

In accordance with the provisions of Section 50.90 of Title 10 of the *Code of Federal Regulations* (10 CFR), Dominion Nuclear Connecticut, Inc. (DNC) is submitting a request for an amendment to the operating license for Millstone Power Station Unit 3.

The proposed amendment would delete the license condition that requires reporting of violations of other requirements (e.g., conditions listed in Section 2.C) in the operating license. The change is consistent with the notice published in the Federal Register on November 4, 2005, as part of the consolidated line item improvement process (CLIIP).

Attachment 1 provides a description of the proposed change and confirmation of applicability. Attachment 2 provides the existing license page marked-up to show the proposed change. Attachment 3 provides the retyped license page.

DNC requests approval of the proposed license amendment by November 1, 2006, with the amendment being implemented within 60 days.

In accordance with 10CFR50.91, a copy of this application, with enclosures, is being provided to the State of Connecticut.

If you should have any questions regarding this submittal, please contact Mr. Paul R. Willoughby at (804) 273-3572.

Very truly yours,

A handwritten signature in black ink, appearing to read "Eugene S. Grecheck", written in a cursive style.

Eugene S. Grecheck  
Vice President – Nuclear Support Services

Attachments:

1. Evaluation of Proposed License Amendment
2. Marked-Up Pages
3. Re-typed Pages

Commitments made in this letter: None

cc: U.S. Nuclear Regulatory Commission  
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(SEAL)

**ATTACHMENT 1**

**LICENSE AMENDMENT REQUEST (LBDCR 06-MP3-003)**  
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**REPORTING OF VIOLATIONS OF SECTION 2.C OF OPERATING LICENSE**

**DESCRIPTION AND ASSESSMENT**

**DOMINION NUCLEAR CONNECTICUT, INC.**  
**MILLSTONE POWER STATION UNIT 3**

## **DESCRIPTION AND ASSESSMENT**

### **1.0 INTRODUCTION**

The proposed amendment would delete Section 2.F of Facility Operating License No. NPF-49 for Millstone Power Station Unit 3 (MPS3), which requires reporting of violations of the requirements in Section 2.C of the facility operating license. The availability of this operating license improvement was announced in the *Federal Register* on November 4, 2005, as part of the consolidated line item improvement process (CLIIP).

### **2.0 DESCRIPTION OF PROPOSED AMENDMENT**

Consistent with the CLIIP Notice of Availability (70 FR 67202), the proposed amendment consists of deleting Section 2.F of Facility Operating License No. NPF-49. The current requirements of the license condition are as follows:

"F Except as otherwise provided in the Technical Specifications or Environmental Protection Plan, Dominion Nuclear Connecticut, Inc. shall report any violations of the requirements contained in Section 2.C of this renewed operating license in the following manner: initial notification shall be made within 24 hours to the NRC Operations Center via the Emergency Notification System with written followup within thirty days in accordance with the procedures described in 10 CFR 50.73(b), (c) and (e)."

The existing requirements in Section 2.C that are subject to the current reporting requirement of License Condition 2.F consist of the following:

#### **"(1) Maximum Power Level**

DNC is authorized to operate the facility at reactor core power levels not in excess of 3411 megawatts thermal (100 percent rated power) in accordance with the conditions specified herein.

#### **"(2) Technical Specifications**

The Technical Specifications contained in Appendix A, revised through Amendment No. 226 and the Environmental Protection Plan contained in Appendix B, both of which are attached hereto are hereby incorporated into the license. DNC shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

- “(3) DNC shall not take any action that would cause Dominion Resources, Inc. (DRI) or its parent companies to void, cancel, or diminish DNC's commitment to have sufficient funds available to fund an extended plant shutdown as represented in the application for approval of the transfer of the licenses for MPS Unit No. 3.
- “(4) Immediately after the transfer of interests in MPS Unit No. 3 to DNC, the amount in the decommissioning trust fund for MPS Unit No. 3 must, with respect to the interest in MPS Unit No. 3, that DNC would then hold, be at a level no less than the formula amount under 10 CFR 50.75.
- “(5) The decommissioning trust agreement for MPS Unit No. 3 at the time the transfer of the unit to DNC is effected and thereafter is subject to the following:
  - (a) The decommissioning trust agreement must be in a form acceptable to the NRC.
  - (b) With respect to the decommissioning trust fund, investments in the securities or other obligations of Dominion Resources, Inc. or its affiliates or subsidiaries, successors, or assigns are prohibited. Except for investments tied to market indexes or other non-nuclear-sector mutual funds, investments in any entity owning one or more nuclear power plants are prohibited.
  - (c) The decommissioning trust agreement for MPS Unit No. 3 must provide that no disbursements or payments from the trust, other than for ordinary administrative expenses, shall be made by the trustee until the trustee has first given the Director of the Office of Nuclear Reactor Regulation 30-days prior written notice of payment. The decommissioning trust agreement shall further contain a provision that no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the NRC.
  - (d) The decommissioning trust agreement must provide that the agreement can not be amended in any material respect without 30 days prior written notification to the Director of the Office of Nuclear Reactor Regulation.

- (e) The appropriate section of the decommissioning trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission's regulations.
- "(6) DNC shall take all necessary steps to ensure that the decommissioning trust is maintained in accordance with the application for approval of the transfer of the MPS Unit No. 3 license and the requirements of the Order approving the transfer, and consistent with the safety evaluation supporting the Order.
- "(7) The Final Safety Analysis Report (FSAR) supplement, as revised, submitted pursuant to 10 CFR 54.21(d), shall be included in the next scheduled update to the FSAR required by 10 CFR 50.71(e)(4) following the issuance of this renewed operating license. Until that update is complete, DNC may make changes to the programs and activities described in the supplement without prior Commission approval, provided that DNC evaluates such changes pursuant to the criteria set forth in 10 CFR 50.59 and otherwise complies with the requirements in that section.
- "(8) The FSAR supplement, as revised, describes certain future activities to be completed prior to the period of extended operation. DNC shall complete these activities no later than November 25, 2025, and shall notify the NRC in writing when implementation of these activities is complete and can be verified by NRC inspection.
- "(9) All capsules in the reactor vessel that are removed and tested must meet the test procedures and reporting requirements of American Society for Testing and Materials (ASTM) E 185-82 to the extent practicable for the configuration of the specimens in the capsule. Any changes to the capsule withdrawal schedule, including spare capsules, must be approved by the NRC prior to implementation. All capsules placed in storage must be maintained for future insertion. Any changes to storage requirements must be approved by the NRC, as required by 10 CFR Part 50, Appendix H."

### 3.0 BACKGROUND

The background for this application is adequately addressed by the NRC Notice of Availability published on November 4, 2005 (70 FR 67202) and the Notice of Opportunity to Comment published on August 29, 2005 (70 FR 51098).

### 4.0 REGULATORY REQUIREMENTS AND GUIDANCE

The applicable regulatory requirements and guidance associated with this application are adequately addressed by the NRC Notice of Availability published on November 4, 2005 (70 FR 67202) and the Notice of Opportunity to Comment published on August 29, 2005 (70 FR 51098).

### 5.0 TECHNICAL ANALYSIS

DNC has reviewed the safety evaluation (SE) published on August 29, 2005, as part of the CLIIP Notice of Opportunity to Comment. DNC has concluded that the justifications presented in the SE prepared by the NRC staff are applicable to MPS3 and justify this amendment of the facility operating license for MPS3.

### 6.0 REGULATORY ANALYSIS

A description of this proposed change and its relationship to applicable regulatory requirements and guidance was provided in the NRC Notice of Opportunity to Comment published on August 29, 2005 (70 FR 51098).

### 7.0 NO SIGNIFICANT HAZARDS CONSIDERATION

DNC has reviewed the proposed no significant hazards consideration determination published on August 29, 2005 (70 FR 51098), as part of the CLIIP Notice of Opportunity to Comment. DNC has concluded that the proposed determination presented in the notice is applicable to MPS3 and the determination is hereby incorporated by reference to satisfy the requirements of 10 CFR 50.91(a).

### 8.0 ENVIRONMENTAL EVALUATION

DNC has reviewed the environmental evaluation included in the model SE published on August 29, 2005 (70 FR 51098), as part of the CLIIP Notice of Opportunity to Comment. DNC has concluded that the NRC staff's findings presented in that evaluation are applicable to MPS3 and the evaluation is hereby incorporated by reference for this application.



## 9.0 PRECEDENT

This application is being made in accordance with the CLIIP. DNC is not proposing variations or deviations from the changes described in the NRC staff's model SE published on August 29, 2005 (70 FR 51098).

## 10. REFERENCES

1. *Federal Register* Notice of Opportunity to Comment on Model Safety Evaluation on Elimination of Typical License Condition Requiring Reporting of Violations of Section 2.C of Operating License Using the Consolidated Line Item Improvement Process, August 29, 2005 (70 FR 51098)
2. *Federal Register* Notice of Availability of Model Application Concerning Elimination of Typical License Condition Requiring Reporting of Violations of Section 2.C of Operating License Using the Consolidated Line Item Improvement Process, November 4, 2005 (70 FR 67202)

**ATTACHMENT 2**

**LICENSE AMENDMENT REQUEST (LBDCR 06-MP3-003)**  
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**MARKED-UP PAGE**

**DOMINION NUCLEAR CONNECTICUT, INC.**  
**MILLSTONE POWER STATION UNIT 3**

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 combined set of plans, which contains Safeguards Information protected under 10 CFR 73.21, is entitled: "Millstone, North Anna and Surry Power Stations' Security Plan, Training, and Qualification Plan, Safeguards Contingency Plan, and Independent Spent Fuel Storage Installation Security Program, Revision 0" submitted by letter dated October 15, 2004.

F.

Deleted.

Except as otherwise provided in the Technical Specifications or Environmental Protection Plan, DNC shall report any violations of the requirements contained in Section 2.C of this renewed operating license in the following manner: initial notification shall be made within 24 hours to the NRC Operations Center via the Emergency Notification System with written follow-up within thirty days in accordance with the procedures described in 10 CFR 50.73(b), (c) and (e).

- G. 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.

H. Fire Protection (Section 9.5.1, SER, SSER 2, SSER 4, SSER 5)

DNC shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report for the facility and as approved in the SER (NUREG-1031) issued July 1984 and Supplements Nos. 2, 4, and 5 issued September 1985, November 1985, and January 1986, respectively, subject to the following provision:

The licensee may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

- I. This renewed operating license is effective as of its date of issuance and shall expire at midnight on November 25, 2045.

FOR THE NUCLEAR REGULATORY COMMISSION

*J. E. Dyer*

J. E. Dyer, Director  
Office of Nuclear Reactor Regulation

Attachments:

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

Date of Issuance: November 28, 2005

Renewed License No. NPF-49

**ATTACHMENT 3**

**LICENSE AMENDMENT REQUEST (LBDCR 06-MP3-003)**  
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**RE-TYPED PAGE**

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**MILLSTONE POWER STATION UNIT 3**

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FOR THE NUCLEAR REGULATORY COMMISSION

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J. E. Dyer, Director

Office of Nuclear Reactor Regulation

Attachments:

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

Date of Issuance: November 28, 2005