

March 24, 2000

Mr. Daniel G. Malone  
Acting Director, Licensing  
Palisades Plant  
27780 Blue Star Memorial Highway  
Covert, MI 49043

SUBJECT: PALISADES PLANT - ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT - REQUEST FOR EXEMPTION FROM 10 CFR PART 50, APPENDIX R, REGARDING REACTOR COOLANT PUMP OIL COLLECTION SYSTEM (TAC NO. MA6289)

Dear Mr. Malone:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your application for exemption dated August 13, 1999, as revised and supplemented by letters dated November 3, 1999, and March 15, 2000. Your application requested an exemption from requirements of 10 CFR Part 50, Appendix R, "Fire Protection Program for Nuclear Power Facilities Operating Prior to January 1, 1979," regarding the capacity of the oil collection system for primary coolant pump motors.

The assessment is being forwarded to the Office of the Federal Register for publication.

Sincerely,

***/RA by C.F. Lyon for/***

Darl S. Hood, Sr. Project Manager, Section 1  
Project Directorate III  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosure: Environmental Assessment

cc w/encl: See next page

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February 2000

UNITED STATES NUCLEAR REGULATORY COMMISSION  
CONSUMERS ENERGY COMPANY  
DOCKET NO. 50-255  
PALISADES NUCLEAR PLANT  
ENVIRONMENTAL ASSESSMENT AND FINDING OF  
NO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an exemption from certain requirements of Section III.O of Appendix R, 10 CFR Part 50 to Consumers Energy Company (the licensee), holder of Facility Operating License No. DPR-20, for operation of the Palisades Nuclear Plant, located in the town of Covert, Michigan, on the eastern shore of Lake Michigan.

ENVIRONMENTAL ASSESSMENT

Identification of the Proposed Action:

The proposed action would exempt the licensee from the requirement of Section III.O of Appendix R, 10 CFR Part 50, regarding the design capacity of the lubricating oil collection systems for three of the four primary coolant pump (PCP) motors. Specifically, the exemption would apply to the requirement that a vented container for the collection of leakage “can hold the entire lube oil system inventory.” The proposed action does not apply to the collection system for PCP P-50D, which, as a result of modifications during the 1999 refueling outage, has been brought into compliance with Section III.O. The proposed action is in accordance with the licensee’s application for an exemption dated August 13, 1999, as revised and

supplemented by letters dated November 3, 1999, and March 15, 2000. The Need for the

Proposed Action:

Each of the four Palisades PCP motors has its own oil collection tank that receives the leakage from both the upper and lower bearing lubrication systems for that PCP motor. The usable volumes of the collection tanks for PCPs P-50A, P-50B, and P-50C, cannot hold the entire inventories of their respective lubricating oil systems as required by Section III.O of Appendix R, 10 CFR Part 50. By removing the need to modify or replace the oil collection tanks to meet the literal requirement of 10 CFR 50, Appendix R, Section III.O, the proposed action would avoid unnecessarily exposing workers to radiation. It would also spare resources.

Environmental Impacts of the Proposed Action:

Each oil collection tank for PCPs P-50A, P-50B, and P-50C has a nominal capacity of 79 gallons. Each pump motor nominally has 87 gallons of lubricating oil in the upper-bearing lubricating oil system and 18 gallons in the lower-bearing lubricating oil system, for a total of 105 gallons. The upper and lower lubricating oil systems are independent of each other.

In the unlikely event that operators allowed leakage in a PCP upper oil system to drain the entire system without taking action to stop the pump, approximately 8 gallons of oil could overflow the oil collection tank onto the floor in containment. Approximately 26 gallons could overflow onto the floor in the less likely event that both the upper and lower oil systems developed gross leakage and operators took no action.

Any lubricating oil that overflowed an oil collection tank would remain inside the containment building and would not be released to the environment. A portion of the spilled oil could flow down to lower floor elevations and eventually into the containment sump. The motor oil has a flash point of over 400°F and the containment atmosphere is nominally 80 to 100°F when the PCPs are in operation. The oil would not come in contact with hot pipes, hot

equipment surfaces, or electrical ignition sources in the tank areas or on the flow paths to the sump. The oil would not become a fire hazard, since it would drain to a safe location.

Cleanup of any oil spill would generate minor amounts of waste materials requiring disposal and expose plant workers to a small amount of radioactive material. However, the waste materials and radiation exposure from cleanup would be essentially the same as from routine lubricating oil system activities associated with normal plant operation and maintenance. Routine activities which generate waste oil and cleanup materials include periodic PCP oil changes, pumpdown of oil collection tanks, PCP oil system piping and equipment repairs, and cleaning of equipment and floors.

The proposed action will not significantly increase the probability or consequences of accidents, no changes are being made in the types of any effluents that may be released offsite, and there is no significant increase in occupational or public radiation exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential nonradiological impacts, the proposed action does not involve any historic sites. It does not affect nonradiological plant effluents and has no other environmental impact. Therefore, there are no significant nonradiological environmental impacts associated with the proposed action. Accordingly, the Commission concludes that there are no significant environmental impacts associated with the proposed action.

#### Alternatives to the Proposed Action:

##### 1. Limiting the Amount of Oil in the PCP Lubrication Systems

Limiting the amount of oil in the PCP lubrication systems according to the capacity of the collection systems would violate the equipment operating requirements, which could lead to early equipment failure.

##### 2. Modifying the Oil Collection Tank Capacity

Modifying the oil collection tank capacity would require significant resources and result in potential occupational exposure without a commensurate benefit to the environment.

### 3. Denying the Proposed Action

As an alternative to the proposed action, the NRC staff considered denying the proposed action (i.e., the “no action” alternative). Denying the application would not change the current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

#### Alternative Use of Resources:

This action does not involve the use of any resources not previously considered in the Final Environmental Statement related to the operation of Palisades Nuclear Generating Plant, dated June 1972, and the associated final addendum (NUREG-0343) dated February 1978.

#### Agencies and Persons Consulted:

In accordance with its stated policy, on March 23, 2000, the staff consulted with the Michigan State official, Mr. Michael McCardy, regarding the environmental impact of the proposed action. The State official had no comments.

#### FINDING OF NO SIGNIFICANT IMPACT

On the basis of the 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 action.

For further details with respect to the proposed action, see the licensee's letters dated August 13 and November 3, 1999, and March 15, 2000, which are available for public

inspection at the Commission's Public Document Room, The Gelman Building, 2120 L Street, N.W., Washington, D.C., and electronically from the ADAMS Public Library component on the NRC Web site, <http://www.nrc.gov> (the Electronic Reading Room).

Dated at Rockville, Maryland, this 24th day of March 2000.

FOR THE NUCLEAR REGULATORY COMMISSION

*/RA/*

Carl F. Lyon, Project Manager, Section 1  
Project Directorate III  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation