



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

August 7, 2000

Mr. Michael B. Sellman, President
Nuclear Management Company, LLC
700 First Street
Hudson, WI 54016

SUBJECT: KEWAUNEE NUCLEAR POWER PLANT - ISSUANCE OF CONFORMING AMENDMENT RE: TRANSFER OF OPERATING AUTHORITY UNDER THE FACILITY OPERATING LICENSE FROM WISCONSIN PUBLIC SERVICE CORPORATION, WISCONSIN POWER AND LIGHT COMPANY, AND MADISON GAS AND ELECTRIC COMPANY TO NUCLEAR MANAGEMENT COMPANY, LLC (TAC NO. MA7277)

Dear Mr. Sellman:

By Order dated May 15, 2000, the Nuclear Regulatory Commission (NRC) approved the transfer of operating authority under Facility Operating License No. DPR-43, held by Wisconsin Public Service Corporation (WPSC), Wisconsin Power and Light Company, and Madison Gas and Electric Company for the Kewaunee Nuclear Power Plant, to Nuclear Management Company, LLC, and approved a conforming amendment, pursuant to 10 CFR 50.80 and 10 CFR 50.90. The Order was published in the *Federal Register* on May 19, 2000 (65 FR 31941). By letters dated May 19, 2000, WPSC and NMC notified the NRC that all required regulatory approvals of the transfer of operating authority have been received. By letter dated August 4, 2000, NMC provided proof that the required insurance has been obtained. By letters dated August 7, 2000, WPSC and NMC notified the NRC that the closing of the transfer would occur on August 7, 2000. Your letters of May 19, August 4, and August 7, 2000, satisfied required conditions of the Order.

Accordingly, the Commission has issued the enclosed Amendment No. 149 to Facility Operating License No. DPR-43 for Kewaunee Nuclear Power Plant. This conforming amendment reflects the transfer of operating authority under the license to NMC. The safety evaluation supporting the conforming amendment was attached to the above mentioned Order, issued on May 15, 2000.

Enclosure 2 contains five copies of Indemnity Agreement No. B-53 Amendment No. 9, which is required in connection with the transfer of the licenses. Please keep four copies for your records and sign and return the other copy.

Mr. M. Sellman

- 2 -

The Notice of Issuance will be included in the Commission's biweekly *Federal Register* notice.

Sincerely,

A handwritten signature in black ink, appearing to read "Tae Kim". The signature is fluid and cursive, with the first name "Tae" being more prominent than the last name "Kim".

Tae Kim, Senior Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-305

Enclosures: 1. Amendment No. 149 to DPR-43
2. Indemnity Agreement

cc w/encls: See next page

Mr. M. Selman

- 2 -

The Notice of Issuance will be included in the Commission's biweekly *Federal Register* notice.

Sincerely,

/RA/
Tae Kim, Senior Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-305

Enclosures: 1. Amendment No. 149 to DPR-43
2. Indemnity Agreement

cc w/encls: See next page

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DATE	8/7/00		8/7/00		8/7/00		8/7/00	

DOCUMENT NAME: G:\PDIII-1\KEWAUNEE\amdA7277.wpd

OFFICIAL RECORD COPY

Kewaunee Nuclear Power Plant

cc:

Foley & Lardner
ATTN: Bradley D. Jackson
One South Pinckney Street
P.O. Box 1497
Madison, WI 53701-1497

Chairman
Town of Carlton
Route 1
Kewaunee, WI 54216

Harold Reckelberg, Chairman
Kewaunee County Board
Kewaunee County Courthouse
Kewaunee, WI 54216

Attorney General
114 East, State Capitol
Madison, WI 53702

U.S. Nuclear Regulatory Commission
Resident Inspectors Office
Route #1, Box 999
Kewaunee, WI 54216

Regional Administrator - Region III
U.S. Nuclear Regulatory Commission
801 Warrenville Road
Lisle, IL 60532-4531

James D. Looch, Chief Engineer
Public Service Commission
of Wisconsin
610 N. Whitney Way
Madison, WI 53707-7854

Mr. M. L. Marchi
Site Vice President-Kewaunee Plant
Wisconsin Public Service Corporation
P.O. Box 19002
Green Bay, WI 54307-9002



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NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

WISCONSIN PUBLIC SERVICE CORPORATION

WISCONSIN POWER AND LIGHT COMPANY

MADISON GAS AND ELECTRIC COMPANY

DOCKET NO. 50-305

KEWAUNEE NUCLEAR POWER PLANT

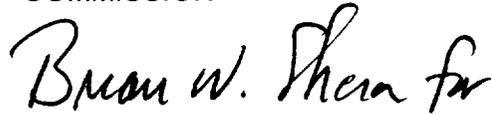
AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 149
License No. DPR-43

1. The U.S. Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Wisconsin Public Service Corporation, Wisconsin Power and Light Company, and Madison Gas and Electric Company (the licensees) dated November 24, 1999, as supplemented December 7, 1999, and February 8, 2000, 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, 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 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.
2. Accordingly, the license is amended as indicated in the attachment to this license amendment.

3. This license amendment is effective as of the date of its issuance, and is to be implemented within 45 days of the date of issuance.

FOR THE NUCLEAR REGULATORY
COMMISSION

A handwritten signature in black ink, appearing to read "Samuel J. Collins for". The signature is written in a cursive, flowing style.

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Attachment: Changes to the License

Date of Issuance: August 7, 2000

ATTACHMENT TO LICENSE AMENDMENT NO. 149

FACILITY OPERATING LICENSE NO. DPR-43

DOCKET NO. 50-305

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

REMOVE

1
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INSERT

1
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UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

WISCONSIN PUBLIC SERVICE CORPORATION

WISCONSIN POWER AND LIGHT COMPANY

MADISON GAS AND ELECTRIC COMPANY

NUCLEAR MANAGEMENT COMPANY

DOCKET NO. 50-305

KEWAUNEE NUCLEAR POWER PLANT

FACILITY OPERATING LICENSE AS AMENDED

License No. DPR-43

1. The Atomic Energy Commission (the Commission) having found that:
 - A. The application for license filed by Wisconsin Public Service Corporation, Wisconsin Power and Light Company, and Madison Gas and Electric Company (the licensees) 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 and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Kewaunee Nuclear Power Plant (facility) has been substantially completed in conformity with Provisional Construction Permit No. CPPR-50, as amended, and the application, as amended, the provisions of the Act and the rules and regulations of the Commission;
 - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
 - D. There is reasonable assurance: (i) that the activities authorized by this operating 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 rules and regulations of the Commission;
 - E. The Nuclear Management Company, LLC (NMC) is technically qualified and the licensees are financially qualified to engage in the activities authorized by this operating license in accordance with the rules and regulations of the Commission;

- F. The licensees and NMC have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements", of the Commission's regulations;
 - G. The issuance of this operating license will not be inimical to the common defense and security or to the health and safety of the public;
 - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental costs and considering available alternatives, the issuance of Facility Operating License No. DPR-43, subject to the condition for protection of the environment set forth herein, is in accordance with 10 CFR Part 50, Appendix D, of the Commission's regulations and all applicable requirements of said Appendix D have been satisfied; and
 - I. The receipt, possession, and use of byproduct and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Part 30 and 70, including 10 CFR Section 30.33, 70.23 and 70.31.
2. Facility Operating License No. DPR-43 is hereby issued to NMC, Wisconsin Public Service Corporation, Wisconsin Power and Light Company and Madison Gas and Electric Company, to read as follows:
- A. This license applies to the Kewaunee Nuclear Power Plant, a pressurized water nuclear reactor and associated equipment (the facility), owned by Wisconsin Public Service Corporation, Wisconsin Power and Light Company, and Madison Gas and Electric Company. The facility is located in Kewaunee County, Wisconsin, and is described in the "Final Safety Analysis Report" as supplemented and amended (Amendments 7 through 31) and the Environmental Report as supplemented and amended.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) Pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities", Wisconsin Public Service Corporation, Wisconsin Power and Light Company, and Madison Gas and Electric Company to possess, and the NMC to use and operate the facility at the designated location in Kewaunee County, Wisconsin, in accordance with the procedures and limitations set forth in this license;

- (2) Pursuant to the Act and 10 CFR Part 70, NMC to receive, possess, and use at any time special nuclear material as reactor fuel in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report as supplemented and amended;
- (3) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, NMC to receive, possess, and use at any time any byproduct, source, and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation, and 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, NMC 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;
- (5) Pursuant to the Act and 10 CFR Parts 30 and 70, NMC to possess but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility".

C. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR, Chapter 1: Part 20, Section 30.34 of Part 30 Section 40.41 of Part 40, Section 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; is subject to all applicable provisions of the Act and to the rules, regulations, 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 NMC is authorized to operate the facility at steady state reactor core power levels not in excess of 1650 megawatts (thermal).

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 146 are hereby incorporated in the license. The NMC shall operate the facility in accordance with the Technical Specifications.

(3) Fire Protection

The NMC shall implement and maintain in effect all provisions of the approved Fire Protection Program as described in the KNPP Fire Plan, and as referenced in the Updated Safety Analysis Report, and as approved in the Safety Evaluation Reports, dated November 25, 1977, and December 12, 1978 (and supplement dated February 13, 1981) subject to the following provision:

The NMC 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.

(4) Physical Protection

The NMC shall fully implement and maintain in effect all provisions of the Commission-approved "Kewaunee Nuclear Power Plant Security Manual", Rev. 1, approved by the NRC on December 15, 1989; the "Kewaunee Nuclear Power Plant Security Force Training and Qualification Manual", Rev. 7, approved by the NRC on November 17, 1987; and the "Kewaunee Nuclear Power Plant Security Contingency Plan", Rev. 1, approved by the NRC on September 1, 1983. These manuals include 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).

(5) Fuel Burnup

The maximum rod average burnup for any rod shall be limited to 60 GWD/MTU until completion of an NRC environmental assessment supporting an increased limit.

(6) Steam Generator Upper Lateral Supports

The design of the steam generator upper lateral supports may be modified by reducing the number of snubbers from four (4) to one (1) per steam generator.

- D. The NMC shall comply with applicable effluent limitations and other limitations and monitoring requirements, if any, specified pursuant to Section 401(d) of the Federal Water Pollution Control Act Amendments of 1972.
- E. This license is effective as of the date of issuance, and shall expire at midnight on December 21, 2013.



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Docket No. 50-305

AMENDMENT TO INDEMNITY AGREEMENT NO. B-53
AMENDMENT NO. 9

Effective August 7, _____, 2000, Indemnity Agreement No. B-53, between Wisconsin Public Service Corporation, Wisconsin Power and Light Company, and Madison Gas and Electric Company, and the Atomic Energy Commission, dated July 13, 1972, as amended, is hereby further amended by adding the following named licensee:

"Nuclear Management Company, LLC"

FOR THE UNITED STATES NUCLEAR REGULATORY COMMISSION

Cynthia A. Carpenter
Cynthia A. Carpenter, Chief
Generic Issues, Environmental, Financial
and Rulemaking Branch
Division of Regulatory Improvement Programs
Office of Nuclear Reactor Regulation

Accepted _____, 2000

Accepted _____, 2000

By _____
Nuclear Management
Company, LLC

By _____
Wisconsin Public Service
Corporation

Accepted _____, 2000

Accepted _____, 2000

By _____
Wisconsin Power and Light
Company

By _____
Madison Gas and Electric
Company