

A CMS Energy Company

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U. S. Nuclear Regulatory Commission
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**DOCKET 50-255 LICENSE DPR-20 - Palisades Plant
LICENSE AMENDMENT REQUEST - PROPOSED CHANGE TO THE DATE FOR
IMPLEMENTATION OF THE PALISADES IMPROVED TECHNICAL SPECIFICATIONS
(TAC NO. MA0805)**

On January 26, 1998, Consumers Energy Company submitted an application for conversion from Palisades Plant Current Technical Specifications (CTS) to Improved Technical Specifications (ITS) based on NUREG-1432, "Standard Technical Specifications for Combustion Engineering Plants," Revision 1, dated April 1995. Subsequently, on September 30, 1999, Consumers Energy Company notified the NRC that Palisades planned to implement ITS on or before October 31, 2000. On November 30, 1999, the Commission issued Amendment 189 to the Palisades Operating License. Item 3 of the Amendment requires that Palisades ITS be implemented on or before October 31, 2000.

This letter and enclosure request that Item 3 of Amendment 189 be revised to require Palisades ITS implementation on or before December 31, 2000. During the proposed two month extension (until the ITS are implemented), the previously approved CTS will remain in effect and Palisades will continue to be operated in accordance with NRC approved CTS requirements. The enclosure provides a discussion of the basis for this request, as well as a Proposed No Significant Hazards Consideration Determination.

This request is based on a recently completed self-assessment of ITS readiness, which recommended that additional Operator training and assessment of its effectiveness be conducted prior to implementing ITS. Site Management determined that an extension of the date for implementation would be appropriate to allow completion of these actions.

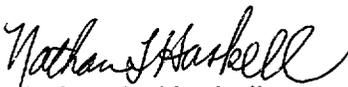
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Consumers Energy Company requests approval of this license amendment not later than October 20, 2000, and that it be effective upon approval.

This change request has been reviewed by the Plant Review Committee and the Independent Safety Review Group of the Nuclear Performance Assessment Department. A copy has been provided to the designated State of Michigan official.

SUMMARY OF COMMITMENTS

This letter revises the previous commitment to implement ITS by October 31, 2000, and replaces it with a commitment to implement ITS no later than December 31, 2000.



Nathan L. Haskell

Director, Licensing and Performance Assessment

CC Administrator, Region III, USNRC
Project Manager, NRR, USNRC
NRC Resident Inspector, Palisades

Enclosure

CONSUMERS ENERGY COMPANY

To the best of my knowledge, the content of this License Amendment Request, which proposes a change to the implementation date for the Palisades Improved Technical Specifications, is truthful and complete.

By Nathan L. Haskell
Nathan L. Haskell
Director, Licensing and Performance Assessment

Sworn and subscribed to before me this 25th day of August 2000.

Norma Jean Fowler
Norma Jean Fowler, Notary Public
Van Buren County, Michigan
My commission expires May 14, 2002

ENCLOSURE

**CONSUMERS ENERGY COMPANY
PALISADES PLANT
DOCKET 50-255**

**LICENSE AMENDMENT REQUEST - PROPOSED CHANGE TO THE DATE FOR
IMPLEMENTING THE PALISADES PLANT IMPROVED TECHNICAL SPECIFICATIONS
(TAC NO. MA0805)**

**DESCRIPTION,
BASIS,
AND
PROPOSED
NO SIGNIFICANT HAZARDS CONSIDERATION DETERMINATION**

DESCRIPTION, BASIS AND PROPOSED NO SIGNIFICANT HAZARDS
CONSIDERATION DETERMINATION
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Section I - Description of Change

This Proposed Change is a request to revise the date for implementation of the Palisades Plant Improved Technical Specifications (ITS) from October 31, 2000, to December 31, 2000. This implementation date was established in the Commission's order issuing Amendment 189 re: Conversion of Current Technical Specifications to Improved Technical Specifications, dated November 30, 1999 (TAC NO. MA0805). Specifically, Item 3 of Amendment 189 would be changed as follows:

EXISTING

"... and shall be implemented on or before October 31, 2000."

PROPOSED:

"... and shall be implemented on or before December 31, 2000."

Note that Amendment 189 did not establish an Operating License Condition to specify the ITS implementation date; therefore, no marked-up or revised pages for the Operating License or Technical Specifications (either CTS or ITS) need be provided with this request. During the period until the ITS are implemented, the previously approved CTS will remain in effect and Palisades will continue to be operated in accordance with NRC approved CTS requirements.

Section II - Basis for Change

On January 26, 1998, Consumers Energy Company submitted an application for conversion from Palisades Plant Current Technical Specifications (CTS) to Improved Technical Specifications (ITS) based on NUREG-1432, "Standard Technical Specifications for Combustion Engineering Plants," Revision 1, dated April 1995. Subsequently, on September 30, 1999, Consumers Energy Company notified the NRC that implementation of ITS would occur on or before October 31, 2000. On November 30, 1999, the Commission issued Amendment 189 to the Palisades Operating License. Item 3 of the Amendment requires that Palisades ITS be implemented on or before October 31, 2000. This request is that Item 3 of Amendment 189 be revised to require ITS implementation on or before December 31, 2000. During the period until the ITS are implemented, the previously approved CTS will remain in effect and Palisades will continue to be operated in accordance with NRC approved CTS requirements.

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Since receiving Amendment 189, Palisades has been completing actions necessary to support implementation by October 31, 2000. As part of the implementation plan, Palisades has conducted periodic self-assessments of the status and effectiveness of these actions.

The most recent of these self-assessments, completed early in August, and utilizing several industry peers, identified that all of the administrative steps necessary to support implementation will be completed as scheduled, including Operating and Surveillance procedure changes, planned training, and a familiarization period using both CTS and ITS provisions in parallel. However, this self-assessment identified that, for some Operators, it appeared to be taking longer than anticipated to fully grasp the change in operating principles embodied in the change from CTS to ITS. These relate to the change in ITS to a "train-based" approach and the need for cascading from one system Limiting Condition of Operation (LCO) to another, based on support-to-supported system impacts. Operators also expressed a desire to develop a better understanding and ability to apply the Safety Function Determination Program, as specified by LCO 3.0.6. The self-assessment team recommended that additional training and assessment of its effectiveness be conducted prior to implementing ITS.

Palisades management concluded the actions recommended would be prudent, and determined that the additional training and effectiveness assessment recommended could be completed before October 31, 2000. However, should the effectiveness assessment identify any necessary remediation or additional training, there would not be time to complete these steps by the current required ITS implementation date. Also, it was determined that an extension of up to two months would provide sufficient time to assure that Operators have developed the necessary understanding and familiarity with ITS to assure a successful transition. As a result, there is a need to extend the date for implementation of Amendment 189. Accordingly, based on the above, this request proposes a change to Item 3 of Amendment 189, as specified, to require implementation of ITS on or before December 31, 2000. During the period until the ITS are implemented, the previously approved CTS will remain in effect and Palisades will continue to be operated in accordance with NRC approved CTS requirements.

Section III - No Significant Hazards Consideration and Environmental Consideration

No Significant Hazards Consideration

The commission has provided standards for determining whether a significant hazards consideration exists as stated in 10 CFR 50.92. A proposed amendment to an operating license for a facility involves no significant hazards consideration if operation of the facility in accordance with a proposed amendment would not: (1) involve a

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significant increase in the probability or consequences of an accident previously evaluated; or, (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or, (3) involve a significant reduction in a margin of safety. A discussion of these standards as they relate to this request follows to show that operation of the facility in accordance with this proposed change does not:

- (1) Involve a significant increase in the probability or consequences of an accident previously evaluated?

Response:

The proposed change is administrative in nature in that it simply extends the date for implementation of the Improved Technical Specifications (ITS) from October 31, 2000 to December 31, 2000. The proposed extension of the ITS implementation date is necessary in order to allow for additional Operations shift crew training and readiness assessment, as well as a longer transition period of operating the plant using the Current Technical Specifications (CTS) and ITS in parallel. These actions are considered essential to proper ITS implementation. Until ITS are implemented, the previously approved CTS will remain in effect and the unit will continue to be operated in accordance with the NRC approved CTS requirements.

The proposed change is administrative in nature, and does not involve any changes to the design or operation of the Palisades Plant which may affect the probability or consequences of an accident previously evaluated in the Updated Final Safety Analysis Report (UFSAR). Previously evaluated accident precursors or initiators are not affected and, as a result, the probability of accident initiation will remain as previously evaluated. There will be no impact on the capability of any structures, systems or components to perform their credited safety functions to prevent an accident or mitigate the consequences of an accident previously evaluated. Therefore, the probability or consequences of a postulated accident previously evaluated in the UFSAR are not increased as a result of the proposed change.

- (2) Create the possibility of a new or different kind of accident from any accident previously evaluated?

Response:

Extension of the date for ITS implementation is an administrative change. The proposed change does not involve any changes to the physical structures, components, or systems of the Palisades Plant. Since the change is administrative, there will be no impact on the process variables, characteristics, or

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functional performance of any structures, systems or components in a manner that could create a new failure mode. Further, the change will not introduce any new modes of plant operation or eliminate any actions required to prevent or mitigate accidents. Thus, operation in accordance with the proposed change will not create the possibility of a new or different kind of accident from any accident previously evaluated.

- (3) Involve a significant reduction in a margin of safety?

Response:

Extension of the date for ITS implementation is an administrative change. The proposed change does not involve any hardware changes or physical alteration of the plant and the change will have no impact on the design, design basis, or operation of the plant. The change will not eliminate any requirements, impose any new requirements, or alter any physical parameters which could reduce any margin of safety. The continued operation of Palisades in accordance with the previously approved Current Technical Specifications assures the proposed change will not involve a significant reduction in a margin of safety.

Based on the responses to these three criteria, Consumers Energy Company considers that the proposed change does not involve a significant hazards consideration.

Environmental Consideration

Consumers Energy has determined that the proposed amendment involves no changes in the amount or type of effluent that may be released offsite, and results in no increase in individual or cumulative occupational radiation exposure from the original design. As described above, the proposed amendment involves no significant hazards consideration, and as such, meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9).

Section IV - Conclusions

The incorporation of this change: a) will not increase the probability nor the consequences of an accident or malfunction of equipment important to safety as previously evaluated in the Safety Analysis Report; b) will not increase the possibility for an accident or malfunction of a different type than any evaluated previously in the Safety Analysis Report; c) will not reduce the margin of safety as defined in the bases for any Technical Specification; and d) involves no significant hazards consideration as defined in 10 CFR 50.92.