



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

December 6, 2000

LICENSEE: Consumers Energy Company

FACILITIES: Palisades Plant

SUBJECT: SUMMARY OF NOVEMBER 9, 2000, MEETING REGARDING  
POTENTIAL APPLICATION TO TRANSFER OPERATING AUTHORITY  
TO NUCLEAR MANAGEMENT COMPANY, LLC (TAC NO. MB0378)

On November 9, 2000, the Nuclear Regulatory Commission (NRC) met in Rockville, Maryland, with Mr. R. Vincent of Consumers Energy Company (CEC and licensee) and Mr. J. Newman, representing Nuclear Management Company, LLC, regarding the contents of a potential application for a license amendment to transfer operating authority for the Palisades Plant from CEC to NMC. Meeting attendees are listed in Enclosure 1.

Mr. Vincent explained that CEC was in the process of negotiating with NMC regarding an operating services agreement whereby NMC would assume exclusive responsibility for the operation and maintenance of Palisades. Mr. Vincent said an agreement was expected to be reached within a few days and the application would be filed with the NRC within the next two weeks. CEC and NMC anticipate implementing the transfer of operating authority promptly following NRC issuance of the proposed amendment and would like to effect the transfer of applicable CEC employees to NMC before the next refueling outage in the spring of 2001. Meeting this date would require an expedited review by the NRC. Accordingly, Mr. Vincent explained that the purpose of the meeting was to review the content of the draft application to ensure completeness of the final application so as to help ensure a more efficient NRC review process.

Enclosure 2, which served as the meeting agenda, identifies the topics that would be covered by the potential application. [NOTE: Since the application has now been filed with the NRC, Mr. Vincent's summary of these topics during the meeting are not repeated here. Rather, the reader is referred to the letter from Mr. Thomas Palmisano, Site Vice President-Palisades Plant, to the NRC, "Docket Nos. 50-255 and 72-7, Palisades Plant Application For Order And Conforming License Amendment Re: Transfer of Operating Authority," dated November 21, 2000, which is available on the ADAMS Public Library component on the NRC's web site, <http://www.nrc.gov> (the Electronic Reading Room) using ADAMS Accession No. ML003771304. The letter may also be examined, and/or copied for a fee, at the NRC's Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland.]

Regarding the NRC's review schedule, the NRC staff said that the pending license transfer request would likely require at least 6 months to review and process, assuming expediting circumstances exist.

The NRC staff noted that shortening this schedule to accommodate a spring 2001 outage would impact other scheduled NRC workloads and would require substantial justification.

No regulatory decisions or commitments were made during the meeting.



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

Docket No. 50-255

Enclosures: 1. List of Attendees  
2. Transfer Request Topics Covered (Agenda)

cc w/encls: See next page

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/RA/

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

Docket No. 50-255

Enclosures: 1. List of Attendees  
2. Transfer Request Topics Covered (Agenda)

cc w/encls: See next page

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Palisades Plant

cc:

Mr. Thomas J. Palmisano  
Site Vice President  
Palisades Plant  
27780 Blue Star Memorial Highway  
Covert, MI 49043

Mr. Robert A. Fenech, Senior Vice President  
Nuclear, Fossil, and Hydro Operations  
Consumers Energy Company  
212 West Michigan Avenue  
Jackson, MI 49201

Arunas T. Udrys, Esquire  
Consumers Energy Company  
212 West Michigan Avenue  
Jackson, MI 49201

Regional Administrator, Region III  
U.S. Nuclear Regulatory Commission  
801 Warrenville Road  
Lisle, IL 60532-4351

Jerry Sarno, Supervisor  
Covert Township  
P. O. Box 35  
Covert, MI 49043

Office of the Governor  
P. O. Box 30013  
Lansing, MI 48909

U.S. Nuclear Regulatory Commission  
Resident Inspector's Office  
Palisades Plant  
27782 Blue Star Memorial Highway  
Covert, MI 49043

Drinking Water and Radiological  
Protection Division  
Michigan Department of  
Environmental Quality  
3423 N. Martin Luther King Jr Blvd  
P. O. Box 30630 CPH Mailroom  
Lansing, MI 48909-8130

Michigan Department of Attorney General  
Special Litigation Division  
630 Law Building  
P.O. Box 30212  
Lansing, MI 48909

Mr. Nathan L. Haskell, Director  
Licensing and Performance Assessment  
Palisades Plant  
27780 Blue Star Memorial Highway  
Covert, MI 49043

April 2000

**Meeting Attendees**  
November 9, 2000

**NRC**

B. Zalcman  
C. Craig  
R. Wood  
S. O'Connor  
S. Hom  
C. Lyon  
R. Pelton  
D. Hood

**CEC**

R. Vincent

**NMC**

J. Newman

**ENCLOSURE 1**

# **CONSUMERS ENERGY/NMC TRANSFER REQUEST TOPICS COVERED**

**SUMMARY OF REQUEST**

**BACKGROUND AND DESCRIPTION OF ORGANIZATION(S)**

**REQUESTED APPROVALS**

**GENERAL INFORMATION FOR LICENSE TRANSFERS**

**Name and Address of Successor Licensee**

**Description of Business of Operating Company**

**Organization of Management and Operating Company**

**Technical Qualifications**

**Statement of Benefits of the Transfer of License**

**Financial Considerations**

**Anti-trust Considerations**

**Restricted Data**

**No Environmental Impact**

**CONSUMERS ENERGY/NMC TRANSFER REQUEST  
TOPICS COVERED (cont'd)**

**SPECIFIC INFORMATION**

**Public Health, Safety and Welfare Considerations**

**Emergency Planning**

**Offsite Power**

**Exclusion Area**

**Security**

**Quality Assurance Program**

**Final Safety Analysis Report**

**Training**

**Decommissioning**

**CORRESPONDENCE**

**EFFECTIVE DATE**

**ATTACHMENTS**

**Summary of Organization**

**Summary of Changes to Operating License**

**Revised Operating License**

**Marked-up Operating License with Proposed Changes**

**Safety Evaluation**

**Nuclear Power Plant Operating Services Agreement**