

February 21, 2001

MEMORANDUM TO: File

FROM: Darl S. Hood, Senior Project Manager, Section 1 */RA/*
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

SUBJECT: PALISADES PLANT-CLOSURE OF TAC NO. MA9273 REGARDING
GRID VOLTAGE CONCERN DURING THE SUMMER OF 2000

In early June 2000, I opened TAC No. MA9273 on the Palisades Plant regarding a telephone call requested by Mr. Robert Vincent of the Licensing Department of Consumers Energy Company (the licensee). Mr. Vincent wished to discuss his concern for limited margins to accommodate grid voltage drops throughout the summer of 2000. The concern was of limited duration because a modification to a stations' transformer would eventually correct the current limitation by replacing a fixed-tap transformer with a variable-tap one.

The requested discussion occurred on June 20, 2000, between Mr. Vincent, the Electrical & Instrumentation & Controls Branch (R. Jenkins and J. Lazevnick), the Technical Specifications Branch (R. Tjader), and myself. Mr. Vincent explained that the Palisades Plant has one of two offsite power sources that are expected to be inoperable periodically whenever grid voltage drops below 352 kv. The other offsite power transformer has its limit at 335 kv. The normal switchyard voltage is 357 kv. Unlike some other plants, the load dispatcher does not control to the voltage limits at the plant. Only in the event of a plant shutdown does the plant call on the load dispatcher (this is associated with an economic incentive since the Michigan grid system imports the most economical power available). Therefore, the licensee anticipated entering and exiting the applicable Limiting Condition for Operation (LCO) specified in the Technical Specifications repeatedly during the summer of 2000.

Mr. Vincent emphasized that his real concern was the possibility of losing an emergency diesel generator (EDG) at the same time they are in the LCO for the loss of one offsite power source, requiring corrective action in 12 hours or applying for a Notice of Enforcement Discretion (NOED). Mr. Vincent said his management was concerned about using the NOED process over the two-year period until they could replace the limiting transformer during the 2002 refueling outage. To alleviate this possibility, Mr. Vincent said he wished to explore whether certain helpful changes would be made to the TS.

Mr. Vincent discussed a potential TS change that would provide up to 24 hours to clear the LCO under certain voltage conditions (e.g., when the weaker offsite source would be inoperable) and with one EDG inoperable. The NRC staff noted that repeatedly entering and exiting the LCO due to expected operating conditions is not consistent with the intent of LCO actions to meet a random failure. The NRC staff pointed out that recent changes in the NOED process should aid in expediting regulatory actions in the event of a loss of an EDG. The NRC staff discussed the benefits and difficulties of the licensee's suggested TS change, if it were

submitted. Without seeing the licensee's justification, the NRC staff was unable to predict whether such a submittal would likely be found to be acceptable. The NRC staff also discussed current NRC efforts to ensure prompt coordination of NRC personnel that receive licensee's requests associated with weather extremes.

During a subsequent discussion in the fall of 2000, Mr. Vincent acknowledged that the summer of 2000 had been cooler than initially anticipated, and that he was no longer concerned for entering the LCO or requesting an NOED. The return of both D.C. Cook units on line also alleviated the grid stability concern. Since TAC MA9273 applied to the summer months of 2000 (which is now past), and since no pending action is associated with this TAC, it is considered to be closed.

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