

February 16, 1990

Docket No. 50-341

DISTRIBUTION

Mr. B. Ralph Sylvia  
Senior Vice President - Nuclear  
Detroit Edison Company  
6400 North Dixie Highway  
Newport, Michigan 48166

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Dear Mr. Sylvia:

SUBJECT: AMENDMENT NO. 50 TO FACILITY OPERATING LICENSE NO. NPF-43:  
(TAC NO. 74553)

The Commission has issued the enclosed Amendment No. 50 to Facility Operating License No. NPF-43 for the Fermi-2 facility. This amendment consists of changes to the Operating License in response to your letter dated July 24, 1989.

The amendment revises the Operating License to reflect the purchase by Detroit Edison Company (DECo) of the Wolverine Power Supply Cooperative, Inc.'s ownership in Fermi-2.

A copy of the Safety Evaluation supporting this amendment and Notice of Issuance are also enclosed.

Sincerely,

Original signed by

John F. Stang, Project Manager  
Project Directorate III-1  
Division of Reactor Projects - III,  
IV, V & Special Projects  
Office of Nuclear Reactor Regulation

Enclosures:

1. Amendment No. 50 to NPF-43
2. Safety Evaluation
3. Notice

cc w/enclosures:  
See next page

LA/PD31:DRSP *MEX*  
PSHUTTLEWORTH  
1/25/90

PM/PD31:DRSP  
JSTANG  
1/25/90

(A)D/PD31:DRSP  
JTHOMAS  
2/8/90

OGC  
*cpw*  
1/30/90

NRR/PITSB  
DNASH  
2/8/90

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FERMI - AMENDMENT



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

February 16, 1990

Docket No. 50-341

Mr. B. Ralph Sylvia  
Senior Vice President - Nuclear  
Operations  
Detroit Edison Company  
6400 North Dixie Highway  
Newport, Michigan 48166

Dear Mr. Sylvia:

SUBJECT: AMENDMENT NO. 50 TO FACILITY OPERATING LICENSE NO. NPF-43:  
(TAC NO. 74553)

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The amendment revises the Operating License to reflect the purchase by Detroit Edison Company (DECo) of the Wolverine Power Supply Cooperative, Inc.'s ownership in Fermi-2.

A copy of the Safety Evaluation supporting this amendment and Notice of Issuance are also enclosed.

Sincerely,

A handwritten signature in cursive script, appearing to read "John F. Stang".

John F. Stang, Project Manager  
Project Directorate III-1  
Division of Reactor Projects - III,  
IV, V & Special Projects  
Office of Nuclear Reactor Regulation

Enclosures:

1. Amendment No. 50 to NPF-43
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cc w/enclosures:

See next page

Mr. B. Ralph Sylvia  
Detroit Edison Company

Fermi-2 Facility

cc:

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Michigan Public Service Commission  
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Nuclear Facilities and Environmental  
Monitoring Section Office  
Division of Radiological Health  
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Lansing, Michigan 48909

Mr. Walt Rogers  
U.S. Nuclear Regulatory Commission  
Resident Inspector's Office  
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Newport, Michigan 48166

Monroe County Office of Civil  
Preparedness  
963 South Raisinville  
Monroe, Michigan 48161

Regional Administrator, Region III  
U.S. Nuclear Regulatory Commission  
799 Roosevelt Road  
Glen Ellyn, Illinois 60137



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

DETROIT EDISON COMPANY

DOCKET NO. 50-341

FERMI-2

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 50  
License No. NPF-43

1. The Nuclear Regulatory Commission (the Commission) has found that:
  - A. The application for amendment by the Detroit Edison Company (the licensee) dated July 24, 1989, 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, Facility Operating License No. NPF-43 is amended by changes to the title, paragraphs 1.A, 1.E., 1.F., footnote, paragraphs 2.A, 2.B.(2), and footnote as shown on the attachment to this license amendment.\*

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3. This license amendment is effective as of February 21, 1990.

FOR THE NUCLEAR REGULATORY COMMISSION

*John O. Thoma*

John O. Thoma, Acting Director  
Project Directorate III-1  
Division of Reactor Projects - III,  
IV, V & Special Projects  
Office of Nuclear Reactor Regulation

Attachment:  
Changes to the Operating  
License

Date of Issuance: February 16, 1990

\*Pages 1 and 2 are attached, for convenience, for the composite license to reflect this change.

ATTACHMENT TO LICENSE AMENDMENT NO. 50

FACILITY OPERATING LICENSE NO. NPF-43

DOCKET NO. 50-341

Replace the following pages of the Operating License No. NPF-43 with the attached pages. The revised pages contain vertical lines indicating the area of change.

REMOVE

1

2

INSERT

1

2



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

DETROIT EDISON COMPANY

DOCKET NO. 50-341

FERMI-2

FACILITY OPERATING LICENSE

License No. NPF-43

1. The Nuclear Regulatory Commission (the Commission) has found that:
  - A. The application for license filed by the Detroit Edison Company and Wolverine Power Supply Cooperative, Incorporated\* (licensees) complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
  - B. Construction of Fermi-2 (the facility) has been substantially completed in conformity with Construction Permit No. CPPR-87 and the application, as amended, the provisions of the Act, and the regulations of the Commission;
  - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission, (except as exempted from compliance in Section 2.D below);
  - 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 Commission's regulations set forth in 10 CFR Chapter I (except as exempted from compliance in Section 2.D. below);
  - E. The Detroit Edison Company is technically qualified to engage in the activities authorized by this license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
  - F. Detroit Edison Company and Wolverine Power Supply Cooperative, Incorporated,\* have satisfied the applicable provisions of 10 CFR Part 140 "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;

\*Effective February 21, 1990, the ownership interest of Wolverine Power Supply Cooperative, Incorporated in Fermi-2 was purchased by the Detroit Edison Company.

- G. The issuance of this 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 and other costs and considering available alternatives, the issuance of this Facility Operating License No. NPF-43, subject to the conditions for protection of the environment set forth in the Environmental Protection Plan attached as Appendix B, is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied; and
  - I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70.
2. Pursuant to approval by the Nuclear Regulatory Commission at a meeting on July 10, 1985, the License for Fuel Loading and Low Power Testing, License No. NPF-33, issued on March 20, 1985, is superseded by Facility Operating License No. NPF-43 hereby issued to Detroit Edison Company and the Wolverine Power Supply Cooperative, Incorporated\* (the licensees) to read as follows:
- A. The license applies to Fermi-2, a boiling water nuclear reactor and associated equipment (the facility), owned by the Detroit Edison Company. The facility is located in Frenchtown Township, Monroe County, Michigan, and is described in the licensee's "Final Safety Analysis Report", as supplemented and amended, and in the licensee's Environmental Report, as supplemented and amended.
  - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
    - (1) The Detroit Edison Company (DECo), pursuant to Section 103 of the Act and 10 CFR Part 50, to possess, use, and operate the facility at the designated location in Monroe County, Michigan, in accordance with the procedures and limitations set forth in this license;
    - (2) Deleted.
    - (3) DECo, pursuant to the Act and 10 CFR Part 70, 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;

\*Effective February 21, 1990, the ownership interest of Wolverine Power Supply Cooperative, Incorporated in Fermi-2 was purchased by the Detroit Edison Company.



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION  
RELATED TO AMENDMENT NO. 50 TO FACILITY OPERATING LICENSE NO. NPF-43  
DETROIT EDISON COMPANY  
FERMI-2  
DOCKET NO. 50-341

1.0 INTRODUCTION

By letter dated July 24, 1989, the Detroit Edison Company (DECo or the licensee) proposed license changes for Fermi-2 to support the proposed purchase by DECo of the interest of Wolverine Power Supply Cooperative, Inc. (Wolverine) in Fermi-2. The requested changes to the license are administrative in nature; modifying the Operating License to reflect the proposed purchase by DECo of Wolverine's interest in Fermi-2. DECo's responsibility for the proper operation and maintenance of Fermi-2 will not change.

2.0 EVALUATION

FINANCIAL QUALIFICATIONS

The proposed action involves the purchase of Wolverine's 11% share in Fermi-2. The staff's concern with the DECo purchase of the Wolverine interest from a financial qualification standpoint is that the purchase not have a negative impact on the availability of funds to support safe plant operation and maintenance. The proposed purchase has been initiated in response to the adverse financial consequences to Wolverine from the long-term debt created by the cost of the Fermi-2 construction. DECo will now be solely responsible for the cost of operation and maintenance. DECo has committed to provide the required financial protection for public liability and property damage claims in accordance with 10 CFR Part 140. DECo will submit proof of financial protection, as required by 10 CFR 140.15, upon revision of the applicable liability insurance policies.

In accordance with the above review, the staff concludes that the proposed purchase will not effect the funds available for the safe operation of Fermi-2. Therefore, the staff's financial qualifications concerning the proposed purchase are satisfied.

ANTI-TRUST CONSIDERATIONS

In its antitrust review of nuclear power plant licensees and prospective licensees, the staff is concerned with activities by licensees and prospective licensees that may create or maintain inconsistencies with the antitrust laws. This focus is the staff's concern during the construction permit review and

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any subsequent antitrust reviews. However, non-construction permit antitrust reviews are not de novo reviews, in that they are focused on changed activity since the construction permit review. As required by Section 105c of the Atomic Energy Act of 1954, as amended, the staff conducts a formal antitrust operating license review only when "significant changes" have occurred in the licensee's activities since the construction permit or previous antitrust review. The staff has extended this "significant change" concept of conducting antitrust reviews to licensing amendments involving new owners or new operators of a particular nuclear facility in question.

In its review of the instant amendment request, the staff considered the fact that no new owner or operator of Fermi-2 would result from the proposed action. Moreover, Northern Michigan Electric Cooperative and Wolverine underwent a combined antitrust review by both the Department of Justice and the staff in 1977 when they purchased 20 percent of Fermi-2 and an antitrust operating license "significant change" review by the staff in 1981 (the cooperatives later merged into Wolverine). The construction permit review concluded that the addition of the two cooperatives as owners of Fermi-2 would not create or maintain a situation inconsistent with the antitrust laws. On October 30, 1981, the Director of the Office of Nuclear Reactor Regulation concluded in his operating license antitrust finding that there had been no significant changes (since the construction permit review) in the licensees' activities that would tend to create or maintain a situation inconsistent with the antitrust laws.

The staff has no information that would indicate that Wolverine was in any way adversely influenced by DECo in making its decision to abandon its ownership participation in Fermi-2. On the contrary, it appears that Wolverine decided to sell its ownership share in Fermi-2 (back to DECo) because of adverse financial pressures associated with its long-term debt directly created by its ownership participation in Fermi-2.

As a result of the fact that, 1) there will be no new owner or operator of Fermi-2 [DECo's current responsibility for the proper operation and maintenance of Fermi-2 will not change.] and 2) both Wolverine and DECo have already undergone antitrust reviews, the staff concludes that DECo's purchase of Wolverine's 11 percent ownership share in Fermi-2 does not represent a "significant change" and consequently, the amendment does not require a formal antitrust review by the staff.

Based on the above, the staff finds the proposed amendment acceptable from an antitrust standpoint.

The purchase of Wolverine's interest in Fermi-2 by DECo has been evaluated by the staff. Based on the above evaluation, the staff finds the proposed purchase acceptable from both financial qualification and antitrust requirements.

### 3.0 ENVIRONMENTAL CONSIDERATION

Pursuant to 10 CFR 51.21, 51.32, and 51.35, an environmental assessment and finding of no significant impact was published in the Federal Register on February 14, 1990 (55 FR 5313).

Accordingly, based upon the environmental assessment, the Commission has determined that issuance of this amendment will not have a significant effect on the quality of the human environment.

### 4.0 CONCLUSION

We have concluded, based on the considerations discussed above, that (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public.

Principal Contributor: John Stang

Date: February 16, 1990

UNITED STATES NUCLEAR REGULATORY COMMISSIONDETROIT EDISON COMPANYDOCKET NO. 50-341NOTICE OF ISSUANCE OF AMENDMENT TOFACILITY OPERATING LICENSE

The U.S. Nuclear Regulatory Commission (Commission) has issued Amendment No. 50 to Facility Operating License No. NPF-43 issued to Detroit Edison Company, which revised the Operating License for operation of the Fermi-2 facility located in Monroe County, Michigan.

The amendment is effective as of the date of issuance.

The amendment revised the Operating License to reflect the purchase by Detroit Edison Company (DECo) of the Wolverine Power Supply Cooperative, Inc.'s ownership in Fermi-2.

The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment.

Notice of Consideration of Issuance of Amendment and Opportunity for Hearing in connection with this action was published in the FEDERAL REGISTER on November 1, 1989 (54 FR 46145). No request for a hearing or petition for leave to intervene was filed following this notice.

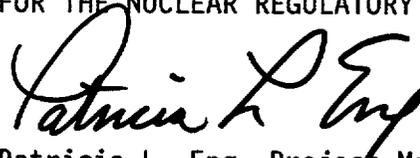
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The Commission has prepared an Environmental Assessment related to the action and has determined not to prepare an environmental impact statement. Based upon the environmental assessment, the Commission has concluded that the issuance of this amendment will not have a significant effect on the quality of the human environment.

For further details with respect to the action see (1) the application for amendment dated July 14, 1989, (2) Amendment No. 50 to License No. NPF-43, and (3) the Commission's related Safety Evaluation and Environmental Assessment. All of these items are available for public inspection at the Commission's Public Document Room, 2120 L Street, N.W., Washington D.C., and at the Monroe County Library System, 3700 South Custer Road, Monroe Michigan 48161. A copy of items (2) and (3) may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Division of Reactor Projects III, IV, V & Special Projects.

Dated at Rockville, Maryland this 16th day of February, 1990.

FOR THE NUCLEAR REGULATORY COMMISSION



Patricia L. Eng, Project Manager  
Project Directorate III-1  
Division of Reactor Projects - III,  
IV, V & Special Projects  
Office of Nuclear Reactor Regulation