

August 1, 1989

Docket No. 50-341

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

Dear Mr. Sylvia:

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SUBJECT: REQUEST FOR EXEMPTION FROM 10 CFR 74.13 - FERMI-2 TAC NO. 73623

By letter (NRC-89-0118) dated June 6, 1989, you requested relief from 10 CFR 74.13(a)(1) which requires that you perform and complete a material balance report (NRC Form 742) and physical inventory listing (NRC Form 742C) on September 30 of this year. Your exemption request requested that we permit the physical inventory to be performed in early September prior to commencement of fuel handling and to permit completion of NRC Form 742C based on a book inventory. You also stated that the book inventory would be based on the location of individual fuel assemblies on September 30, 1989.

You also state that that 10 CFR 70.51(d) requires that a physical inventory be performed every 12 months, and that literal interpretation of 10 CFR 74.13(a)(1) requires a physical inventory twice a year.

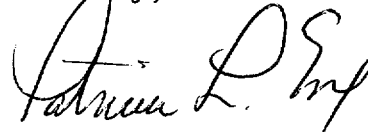
10 CFR 74.13(a)(1) states that the Commission may permit a licensee to submit the subject reports at times other than those specified in the regulation when there is good cause. We agree that performance of a physical inventory on September 30, 1989 would adversely affect your refueling outage schedule and that performance of the physical inventory either prior to or after refueling is acceptable.

Consequently, relief from 10 CFR 74.13(a)(1) is not required and you shall perform the material balance and physical inventory defined in 10 CFR 74.13(a)(1) at the beginning of your Fall 1989 refueling outage and submit the associated reports within 30 days of inventory completion.

Use of a book inventory for completion of Form 742 and Form 742C is acceptable. A correlation between the book inventory and physical inventory should be made at the conclusion of the physical inventory.

Should you have any further questions, please contact me at (301) 492-1322.

Sincerely,



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

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Mr. B. Ralph Sylvia
Detroit Edison Company

Fermi-2 Facility

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