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Docket No. 50-255

SEP 1 1972

Consumers Power Company ATIN: Mr. R. C. Youngdahl Senior Vice President 212 West Michigan Avenue Jackson, Michigan 49201

Gentlemen:

The Atomic Energy Commission has issued Amendment No. 3 to Interim Provisional Operating License No. DFR-20 (hereafter known as Provisional Operating License No. DPR-20) issued to the Consumers Power Company for the Palisades Plant. This amended license authorizes Consumers Power Company to continue operating the Palisades Plant at 1320 megawatts thermal in accordance with the Technical Specifications and the Interim Special Technical Specifications. The amended license has been issued pursuant to the Supplemental Initial Decision by the Atomic Safety and Licensing Board, a copy of which is enclosed.

A copy of the amended license, complete with Technical Specifications. and a copy of a related notice, which has been forwarded to the Office of the Federal Register for filing and publication, are enclosed.

Sincerely,

Original Signed by R. C. DeYoung

R. C. DeYoung, Assistant Director for Pressurized Water Reactors Directorate of Licensing

Enclosures:

1. Provisional Operating License No. DPR-20 w/Technical Specifications

2. Federal Register Notice

Supplemental Initial Decision by ASLB

bcc w/encl: HJMcAlduff, ORO

HMueller, GMR/H JAHarris, IS JRBuchanan, ORNL TWLaughlin, DTIE NHGoodrich, ASLBP FKaras, SECY

JSaltzman, OI&A

St. George T. Arnold, ORNL

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cc w/encla: George F. Trowbridge, Esq. Shaw, Pittman, Potts, Trowbridge & Madden 910 17th Street, N. W. Washington, D. C. 20006

Honorable William G. Milliken Governor of Michigan Lansing, Michigan 48914

Maurice R. Reizen, M. D. Director of Public Health Michigan Department of Public Health 3500 North Logan Street Lansing, Michigan 48914

Mr. Herbert C. DeJonge, Director Michigan Department of Commerce Lansing, Michigan 48901

Mr. Ralph A. MacMullan, Director Department of Natural Resources Department of Conservation Lansing, Michigan 48926

Mr. Barry Brown, Director Michigan Department of Labor 300 East Michigan Avenue Lansing, Michigan 48933

Mr. Willis Ward, Chairman Atomic Energy Study Committee State of Michigan Public Service Commission Lansing, Michigan 48901

Mr. William J. Pierce National Conference of Commissioners on Uniform Laws University of Michigan Law School Ann Arbor, Michigan 48103

Mr. Jerry Sarno Covert Township Supervisor Route 1, Box 10 Covert, Michigan 49043

Mr. Donald Hanson, Chairman Board of County Commissioners Van Buren County Decatur, Michigan 49045

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UNITED STATES ATOMIC ENERGY COMMISSION

WASHINGTON, D.C. 20545

CONSUMERS POWER COMPANY

(Palisades Plant)

DOCKET NO. 50-255

PROVISIONAL OPERATING LICENSE

License No. DPR-20 Amendment No. 3

The Atomic Energy Commission (the Commission) having found that:

- a. Construction of the Palisades Plant (the facility) has been substantially completed in conformity with the application, as amended, the provisions of Provisional Construction Permit No. CPPR-25, the provisions of the Atomic Energy Act of 1954, as amended (the Act), and the rules and regulations of the Commission set forth in Title 10, Chapter 1, CFR; and
- b. The facility will operate in conformity with the application, as amended, the provisions of the Act and the Commission's rules and regulations; and
- c. There is reasonable assurance (i) that the activities authorized by this provisional operating license, as amended, can be conducted without endangering the health and safety of the public and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission; and
- d. The Consumers Power Company (the licensee) is technically and financially qualified to engage in the activities authorized by this license, as amended, in accordance with the rules and regulations of the Commission; and
- e. The licensee has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements" of the Commission's regulations; and

- f. The issuance of this amended license will not be inimical to the common defense and security or to the health and safety of the public.
- g. In accordance with the requirements of Appendix D to 10 CFR Part 50, the operating license should be issued subject to conditions for protection of the environment set forth in the Technical Specifications incorporated herein.

Interim Provisional Operating License No. DPR-20, issued to the licensee for operation of the facility, on March 24, 1971, is hereby amended in its entirety to read as follows:

- 1. Provisional Operating License No. DPR-20 applies to the Palisades Plant, a pressurized, light water moderated and cooled reactor, and electric generating equipment (the facility). The facility is located in Covert Township on the Consumers Power site in Van Buren County, Michigan, and is described in the "Final Safety Analysis Report," as supplemented and amended.
- 2. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Consumers Power Company (the licensee):
 - A. Pursuant to Section 104b of the Atomic Energy Act of 1954, as amended (the Act), and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility as a utilization facility at the designated location;
 - B. Pursuant to the Act and 10 CFR Part 70, "Special Nuclear Material," to receive, possess, and use at any one time up to 4000 kilograms of uranium 235 as reactor fuel assemblies and 96 grams of encapsulated plutoniumberyllium in connection with operation of the facility;
 - C. Pursuant to the Act and 10 CFR Part 30, "Rules of General Applicability to Licensing of Byproduct Material," to receive, possess, and use in connection with operation of the facility 1500 curies of Polonium-210 as two sealed sources not to exceed 750 curies each, 10 curies of Cesium-137 as a sealed source, 111 millicuries of Cesium-137 as three sealed sources not to exceed 100 millicuries, 10 millicuries, and 1 millicurie, respectively, and up to 500 millicuries per nuclide of any byproduct material with Atomic Numbers 3 to 83, inclusive, without restriction as to chemical and physical form to a total of 10 curies; and

- D. Pursuent to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear material as may be produced by the operation of the facility.
- 3. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations: 10 CFR Part 20, Section 30.34 of 10 CFR Part 30, Section 40.41 of 10 CFR Part 40, Sections 50.54 and 50.59 of 10 CFR Part 50 and Section 70.32 of 10 CFR Part 70; and is subject to all applicable provisions of the Act and to the rules, regulations and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified below:

A. Maximum Power Levels

The licensee is authorized to operate the facility at steady-state power levels not in excess of 1320 megawatts thermal (60% of the rated power level of the facility).

B. <u>Technical Specifications</u>

The Technical Specifications attached hereto as Appendix A and the Interim Special Technical Specifications attached hereto as Appendix B are hereby incorporated in this license. The licensee shall operate the facility in accordance with the Technical Specifications and the Interim Special Technical Specifications, and may make changes therein only when authorized by the Commission in accordance with the provisions of Section 50.59 of 10 CFR Part 50.

C. Reports

The licensee shall make certain reports in accordance with the requirements of the Tachnical Specifications, and the Interim Special Technical Specifications.

D. Records

The licensee shall keep facility operating records in accordance with the requirements of the Technical Specifications.

4. This license is effective as of the date of issuance and shall expire eighteen months from the date of issuance, unless extended

for a good cause shown, or upon the earlier issuance of a superseding operating license.

FOR THE ATOMIC ENERGY COMMISSION

Original signed by Roger S. Boyd

A. Giambusso, Deputy Director for Reactor Projects Directorate of Licensing

Attachments:

- Appendix A Technical Specifications
- 2. Appendix B Interim
 Special Technical
 Specifications

Date of Issuance: SEP 1 1972

UNITED STATES ATOMIC ENERGY COMMISSION

DOCKET NO. 50-255

CONSUMERS POWER COMPANY (PALISADES PLANT)

NOTICE OF ISSUANCE OF AMENDMENT TO INTERIM PROVISIONAL OPERATING LICENSE

Notice is hereby given that the Atomic Energy Commission (the Commission) has issued Amendment No. 3 to Interim Provisional Operating License No. DPR-20 (hereafter to be known as Provisional Operating License No. DPR-20) to Consumers Power Company (the licensee) which permits operation of the Palisades Plant (the facility) at steady-state power levels of 1320 megawatts thermal (60% of the rated power level of the facility) in accordance with the Technical Specifications and the Interim Special Technical Specifications. The facility is a pressurized water nuclear reactor, and is located at the licensee's site on the eastern shore of Lake Michigan in Covert Township, Van Buren County, Michigan.

A notice of proposed issuance of a provisional operating license for the facility was issued by the Commission on March 10, 1970 (35 F.R. 4310). The notice provided that within 30 days from the date of publication, any person whose interest might be affected by the issuance of the license could file a petition for leave to intervene in accordance with the requirements of 10 CFR Part 2, "Rules of Practice". Petitions for leave to intervene and requests for hearing were filed by a number of persons. The Notice of Hearing issued by the Commission on May 20, 1970, (35 F.R. 7750) ordered a hearing held in

the matter, permitted intervention by petitioners, and appointed a presiding Atomic Safety and Licensing Board (the Board).

On March 24, 1971, pursuant to an Initial Decision by the Board, on a motion by the licensee, the Commission issued Interim Provisional Operating License No. DPR-20 authorizing fuel loading and initial operation limited to one megawatt thermal.

On November 20, 1971, pursuant to an Order by the Board, upon motion of the licensee, the Commission issued Amendment No. 1 to Interim Provisional Operating License No. DPR-20 authorizing operation at power levels not to exceed 440 megawatts thermal, on conditions set forth therein.

A "Supplementary Notice of Hearing on Provisional Operating License Application" was published in the Federal Register on December 3, 1971 (36 F.R. 23082). The notice provided that in addition to the Board's considering issues pertaining to radiological health and safety and the common defense and security specified in the Notice of Hearing published on May 20, 1970, and pursuant to the National Environmental Policy Act of 1969, the Board will also consider any matter in controversy with respect to whether, in accordance with the requirements of Appendix D of 10 CFR Part 50, the operating license should be granted, denied or appropriately conditioned to protect environmental values.

In response to the licensee's request, in accordance with the provisions of paragraph D.2 of Appendix D to 10 CFR Part 50, for an amendment to Interim Provisional Operating License No. DPR-20 authorizing interim operation at power levels not to exceed 1320 megawatts thermal (60% of the facility's

rated power), further evidence was presented to the Board by the applicant and by the Commission's staff concerning environmental impact of such operation.

On March 10, 1972, the Commission issued an Order authorizing the Director of Regulation to make appropriate findings on the issues set forth in 10 CFR §50.57(a) and to issue an amendment (Amendment No. 2) to Interim Provisional Operating License No. DPR-20 permitting operation of the facility at power levels not to exceed 1320 megawatts thermal, subject to the limitations recommended by the Regulatory staff.

On June 29, 1972, the public availability of the Final Environmental Statement prepared by the Commission's Directorate of Licensing was noticed in the FEDERAL REGISTER (37 F.R. 12866).

The hearing was reconvened on August 2, 1972 for the purpose of receiving evidence relevant to operation at 2200 megawatts thermal (100% of rated power level).

On August 17, 1972, the Board issued a Supplemental Initial Decision and Certification of Question to Commission authorizing the Director of Regulation to issue, subject to the ruling on the question certified to the Commission, and in accordance with the provisions of the Decision, an amendment to the Interim Provisional Operating License No. DPR-20 authorizing operation of the facility at power levels not to exceed 60 percent of total rated power of 2200 MWt or 1320 MWt.

The Commission's regulatory staff has inspected the facility and has determined that, for operation as authorized by the amendment, the facility

has been constructed in accordance with the application, as amended, the provisions of Provisional Construction Permit No. DPPR-25, the Atomic Energy Act of 1954, as amended, and the Commission's regulations. The licensee has previously submitted proof of financial protection in satisfaction of the requirements of 10 CFR Part 140.

The Director of Regulation has made the findings set forth in the license, and has concluded that the application, as amended, complies with the requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR Chapter 1, and that the issuance of the license will not be inimical to the common defense and security or to the health and safety of the public.

The license amendment is effective as of the date of issuance and shall expire 18 months from date of issuance.

Copies of (1) the Atomic Safety and Licensing Board's Supplementary

Initial Decision dated August 17, 1972, (2) this Amendment No. 3 to Interim

Provisional Operating License No. DPR-20, with Technical Specifications and

Interim Special Technical Specifications, and (3) the Final Environmental

Statement and other relevant documents are available for public inspection in

the Commission's Public Document Room, 1717 H Street, N. W., Washington, D. C.,

and at the Kalamazoo Public Library, 315 South Rose Street, Kalamazoo, Michigan.

Copies of the amended license, and the Final Environmental Statement may be

obtained upon request addressed to the U. S. Atomic Energy Commission, Washington,

D. C. 20545, Attention: Deputy Director for Reactor Projects, Directorate of Licensing.

Dated at Bethesda, Maryland, this 1 day of SEP , 1972.

FOR THE ATOMIC ENERGY COMMISSION

Original Signed by R. C. DeYoung

R. C. DeYoung, Assistant Director for Pressurized Water Reactors Directorate of Licensing