Docket No. 50-255

Mr. David Bixel Nuclear Licensing Administrator Consumers Power Company 212 West Michigan Avenue Jackson, Michigan 49201

JAN 19 1979

Dear Mr. Bixel:

By letter dated January 3, 1979, you submitted the steam generator replacement program and schedule for the Palisades Plant. While your submittal was in the form of an information report, you requested NRC review and approval of the program if required. We have concluded that the steam generator replacement program you propose to undertake at Palisades requires our review and approval.

Enclosed is a "Notice of Proposed Issuance of Amendment to Provisional Operating License," relating to this matter, which we have filed with the Office of the Federal Register for publication. Please note that the information submitted on January 3, 1979, and all subsequent submittals should be provided under oath or affirmation in accordance with the Commission's rules. Moreover, the above submittal and all future submittals on this matter should be served on the appropriate local official.

Sincerely.

Original signed by Denais L. Siemann

Dennis L. Ziemann, Chief Operating Reactors Branch #2 Division of Operating Reactors

DISTRIBUTION Enclosure: Docket(50-255) Notice of Proposed Issuance NRC PDR OI&E(5) DDavis Local PDR BJones (4) GWilliams, DSE cc w/enclosure: (P-202) ORB#2 RDG BScharf(15) See next page NRR RDG DBrinkman TERA BHarless **JRBuchanan VStello BGrimes** DEisenhut ACRS(16) CMiles, OPA **HSmith** 7902060043 RSilver | **OELD**

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cc M. I. Miller, Esquire Isham, Lincoln & Beale Suite 4200 One First National Plaza Chicago, Illinois 60670

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Mr. William R. Rustem (2) Office of the Governor Room 1 - Capitol Building Lansing, Michigan 48913

Director, Technical Assessment Division Office of Radiation Programs (AW-459) US EPA Crystal Mall #2 Arlington, Virginia 20460 U. S. Environmental Protection Agency Federal Activities Branch Region V Office ATTN: EIS COORDINATOR 230 South Dearborn Street Chicago, Illinois 60604

UNITED STATES NUCLEAR REGULATORY COMMISSION

DOCKET NO. 50-255

CONSUMERS POWER COMPANY

NOTICE OF PROPOSED ISSUANCE OF AMENDMENT TO PROVISIONAL OPERATING LICENSE

The U. S. Nuclear Regulatory Commission (the Commission) has received from the Consumers Power Company (the licensee) a request dated January 3, 1979, for any Commission review and approval required to replace the steam generators at the Palisades Plant (the facility) located in Covert Township, Van Buren County, Michigan. Such replacement will entail the issuance of an amendment to Provisional Operating License No. DPR-20.

Accordingly, notice is hereby given that the Commission has under consideration an amendment to this license which would authorize the licensee to remove the steam generators now in use in the facility, to replace such steam generators with new steam generators and to return the facility to operation using the new steam generators.

The Commission will not issue the amendment: (1) until the completion of a Safety Evaluation on the licensee's request by its Office of Nuclear Reactor Regulation and the completion of any environmental review which may be required by the Commission's regulations in 10 CFR Part 51; and (2) unless favorable findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's rules and regulations have been made.

By February 28, 1979, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written petition for leave to intervene. Requests for a hearing and petitions for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR § 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) the nature of the petitoner's right under the Act to be made a party to the proceeding; (2) the nature and extent of the petitoner's property, financial, or other interest in the proceeding; and (3) the possible effect

of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend his petition, but such an amended petition must satisfy the specificity requirements described above.

Not later than fifteen (15) days prior to the first prehearing conference scheduled in the proceeding, the petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter, and the bases for each contention set forth with reasonable specificity. A petitoner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party. Contentions shall be limited to the matters within the scope of the amendment under consideration. A petition that sets forth contentions relating only to matters outside the scope of the amendment under consideration will be denied. Persons whose petitions are denied for such reason, and persons whose contentions are denied as outside the scope of the amendment under consideration, may file requests with respect to such matters with the Director of the Office of Nuclear Reactor Regulation in accordance with 10 CFR 2.206.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

A request for a hearing or a petition for leave to intervene shall be filed with the Secretary of the Commission, United States Nuclear Regulatory Commission, Washington, D. C. 20555, Attention: Docketing and Service Section, or may be derivered to the Commission's Public Document Room, 1717 H Street, N. W., Washington, D. C. by the above date. Where petitions are filed during the last ten (10) days of the notice period, it is requested that the petitioner or representative for the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at (800) 325-6000 (in Missouri (800) 342-6700). The Western Union operator should be given Datagram Identification Number 3737 and the following message addressed to Dennis L. Ziemann: (petitioner's name and telephone number); (date petition was mailed); (plant name); and (publication date and page number of this FEDERAL REGISTER notice). A copy of the petition should also be sent to the Executive Legal Director, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555, and to M. I. Miller, Esquire, Isham, Lincoln & Beale, Suite 4200, One First National Plaza, Chicago, Illinois 60670, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer, or the Atomic Safety and Licensing Board designated to rule on the petition and/or request, that the petitioner has made a substantial showing of good cause for the granting of a late petition and/or request. That determination will be based upon a balancing of the factors specified in 10 CFR § 2.714 (a)(i)-(v) and § 2.714(d).

As part of its authority to regulate the conduct of the hearing, if one is held, the presiding Atomic Safety and Licensing Board may, in accordance with 10 CFR Part 2, Appendix A, upon request of a party or on its own initiative, consider a particular issue or issues, encompassed within the amendment under consideration, separately from and prior to other issues; and may issue a separate initial decision thereupon, if deemed appropriate, which shall be dispositive of such issue(s) in the absence of appeal or Commission or Appeal Board review, before hearing on and consideration of the remaining issues in the proceeding.

For further details pertinent to these matters, see the licensee's letter dated January 3, 1979, and the enclosed Steam Generator Repair Report, in addition to other material that may be submitted by the

licensee in support of this action, all of which are or will be available for public inspection at the NRC's Public Document Room, 1717 H Street, N. W., Washington, D. C., and at the Kalamazoo Public Library, 315 South Rose Street, Kalamazoo, Michigan 49006.

Dated at Bethesda, Maryland, this 19th day of January, 1979.

FOR THE NUCLEAR REGULATORY COMMISSION

Dennis L. Ziemann, Chief

Operating Reactors Branch #2 Division of Operating Reactors