



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D. C. 20555

February 21, 1991

*Docket
file*

Docket No. 50-255

Mr. Gerald B. Slade
Plant General Manager
Palisades Nuclear Plant
27780 Blue Star Memorial Highway
Covert, Michigan 49043

Dear Mr. Slade:

SUBJECT: ISSUANCE OF FULL-TERM OPERATING LICENSE DPR-20 - PALISADES PLANT
(TAC NO. 11218)

In response to your application dated January 22, 1974, for conversion of your provisional operating license to a full-term license, the Commission has issued the enclosed Facility Operating License No. DPR-20 to operate the Palisades Plant, at steady-state reactor core power levels not in excess of 2530 Megawatts (thermal), in accordance with the provisions of the license and the Technical Specifications.

Palisades Plant has operated since March 24, 1971, under Provisional Operating License No. DPR-20. Facility Operating License No. DPR-20 supersedes Provisional Operating License No. DPR-20 in its entirety. All orders issued under the provisional operating license remain in effect under Facility Operating License No. DPR-20.

We are reformatting the license, as necessary, to achieve consistency with the language used in contemporary licenses. Certain requirements have been deleted from the license itself because they are already in the Technical Specifications or they are no longer applicable. The license changes have been discussed with your staff.

A number of exemptions are included in the license since certain aspects of the plant design required granting of exemptions from the rules or regulations. These exemptions are currently a part of Provisional Operating License No. DPR-20.

The Technical Specifications contained in Appendix A are not being reissued. The numbering system for future amendments to the new Facility Operating License No. DPR-20 will continue where Provisional Operating License No. DPR-20 left off when it was in effect.

Indemnity Agreement No. B-40, dated January 20, 1970, remains in effect.

The staff's safety evaluation supporting issuance of the full-term operating license has been issued as NUREG-1424 and was provided to you by letter dated November 21, 1990. In an environmental assessment dated October 22, 1990, as noticed in the Federal Register on October 30, 1990, the staff concluded that a supplement to the Final Addendum to the Final Environmental Statement, issued in February 1978, was not necessary.

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Mr. Gerald B. Slade

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This matter was presented to the Advisory Committee on Reactor Safeguards (ACRS) and was discussed during the December 5 and 6, 1990, ACRS meeting. The ACRS provided concurrence on the license conversion by letter to Chairman Kenneth M. Carr, from Carlyle Michaelson, Chairman, ACRS, dated December 11, 1990.

A copy of the notice being forwarded to the Federal Register for publication is also enclosed.

Sincerely,



Bruce A. Boger, Director
Division of Reactor Projects III/IV/V
Office of Nuclear Reactor Regulation

Enclosures:

1. Facility Operating License No. DPR-20
2. Notice of issuance

cc w/enclosures:
See next page

Mr. Gerald B. Slade

-2-

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/s/

Bruce A. Boger, Director
Division of Reactor Projects III/IV/V
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PALISADES LICENSE ISSUANCE 11218

Mr. Gerald B. Slade
Consumers Power Company

Palisades Plant

cc:

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

CONSUMERS POWER COMPANY

DOCKET NO. 50-255

PALISADES PLANT

FACILITY OPERATING LICENSE

License No. DPR-20

1. The Nuclear Regulatory Commission (the Commission or the NRC) has found that:
 - A. The application for a license filed by Consumers Power Company (the licensee) 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 the Palisades Plant (the facility) has been completed in conformity with Provisional Construction Permit No. CPPR-25 and the application, as amended, the provisions of the Act, and the regulations of the Commission, and has been operating under a provisional operating license since March 24, 1971;
 - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and 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 Facility 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. Consumers Power Company is technically qualified to engage in the activities authorized by this license, as amended, in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
 - F. Consumers Power Company has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
 - 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;

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- H. The issuance of this license 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. Provisional Operating License No. DPR-20, dated March 24, 1971 as amended, is superseded in its entirety by Facility Operating License No. DPR-20 hereby issued to Consumers Power Company (the licensee or CPCo) to read as follows:
- A. This license applies to the Palisades Plant, a pressurized light water moderated and cooled reactor and electrical generating equipment (the facility). The facility is located in Van Buren County, Michigan, and is described in the licensee's Updated 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) CPCo, pursuant to Section 104b of the Atomic Energy Act of 1954, as amended, and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," to possess, use and operate the facility at the designated location in Van Buren County, Michigan, in accordance with the procedures and limitations set forth in this license;
 - (2) CPCo, 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 Updated Final Safety Analysis Report, as supplemented and amended;
 - (3) CPCo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
 - (4) CPCo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
 - (5) CPCo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operations of the facility.

- C. This license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I 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 or incorporated below:

(1) Maximum Power Level

The licensee is authorized to operate the facility at steady-state reactor core power levels not in excess of 2530 Megawatts thermal (100 percent rated power) in accordance with the conditions specified herein.

(2) Technical Specifications and Environmental Protection Plan

The Technical Specifications contained in Appendix A, as revised through Amendment No. 137, and the Environmental Protection Plan contained in Appendix B are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

- D. The facility has been granted certain exemptions from the requirements of Section III.G of Appendix R to 10 CFR Part 50, "Fire Protection Program for Nuclear Power Facilities Operating Prior to January 1, 1979." This section relates to fire protection features for ensuring the systems and associated circuits used to achieve and maintain safe shutdown are free of fire damage. These exemptions were granted and sent to the licensee in letters dated February 8, 1983, July 12, 1985, and July 23, 1985.

In addition, the facility has been granted certain exemptions from Appendix J to 10 CFR Part 50, "Primary Reactor Containment Leakage Testing for Water Cooled Power Reactors." This section contains leakage test requirements, schedules and acceptance criteria for tests of the leak-tight integrity of the primary reactor containment and systems and components which penetrate the containment. These exemptions were granted and sent to the licensee in a letter dated December 6, 1989.

These exemptions, granted pursuant to 10 CFR 50.12, are authorized by law, will not present an undue risk to the public health and safety, and are consistent with the common defense and security. With these exemptions, the facility will operate, to the extent authorized herein, in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission.

E. Physical Protection

The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans, including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Palisades Plant Physical Security Plan," through Revisions 25, dated June 4, 1990, approved June 13, 1990; "Palisades Plant Suitability Training and Qualification Plan," through Revision 9, dated November 22, 1989, approved December 18, 1989; and "Palisades Plant Safeguards Contingency Plan," through Revision 2, dated September 30, 1988, approved November 8, 1988. Changes made in accordance with 10 CFR 73.55 shall be implemented in accordance with the schedule set forth therein.

- F. Except as otherwise provided in the Technical Specifications or Environmental Protection Plan, the licensee shall report any violations of the requirements contained in Section 2.C of this license in the following manner: initial notification shall be made within 24 hours to the NRC Operations Center via the Emergency Notification System with written follow-up within 30 days in accordance with the procedures described in 10 CFR 50.73(b), (c), and (e).
- G. The licensee shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.
- H. This license is effective as of the date of issuance and shall expire at midnight on March 14, 2007.

FOR THE NUCLEAR REGULATORY COMMISSION



Thomas E. Murley, Director
Office of Nuclear Reactor Regulation

Attachments:

1. Appendix A - Technical Specifications
2. Appendix B - Environmental Protection Plan

Date of Issuance: February 21, 1991

UNITED STATES NUCLEAR REGULATORY COMMISSIONCONSUMERS POWER COMPANYDOCKET NO. 50-255NOTICE OF ISSUANCE OF FACILITY OPERATING LICENSE NO. DPR-20

The U. S. Nuclear Regulatory Commission (the Commission) has issued Facility Operating License No. DPR-20 to Consumers Power Company, authorizing operation of the Palisades Nuclear Plant (Palisades) at steady-state reactor core power levels not in excess of 2530 Megawatts (thermal), in accordance with the provisions of the license and the Technical Specifications.

Palisades is a pressurized water reactor located in Van Buren County, Michigan. The Palisades reactor has operated since March 24, 1971, under Provisional Operating License No. DPR-20. Facility Operating License No. DPR-20 supersedes Provisional Operating License No. DPR-20 in its entirety.

Notice of Consideration of Conversion of Provisional Operating License to Full-Term Operating License and Opportunity for Hearing was published in the FEDERAL REGISTER on December 18, 1974 (39 FR 43753). The full-term operating license was not issued previously, pending completion of the reviews under the Systematic Evaluation Program (NUREG-0820, October 1982, and Supplement 1, November 1983), and by the Advisory Committee on Reactor Safeguards. The Final Addendum to the Final Environmental Statement (FES) related to the conversion to a full-term operating license was issued in February 1978. A Notice of Availability of the Final Addendum to the FES was published in the FEDERAL REGISTER on February 9, 1978 (43 FR 5603). Because the Final Addendum and the FES were issued a number of years ago, the staff performed an environmental assessment to determine if an FES supplement was necessary. This assessment, dated October 22, 1990, concluded that an FES supplement was not necessary.

This conclusion was noticed in the FEDERAL REGISTER on October 30, 1990 (55 FR 45695).

The application for the full-term operating license complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations in 10 CFR Chapter I as set forth in the license.

The Commission has determined that the issuance of this license will not result in any environmental impacts other than those evaluated in the Final Environmental Statement and Final Addendum to the FES, since the activity authorized by the license is encompassed by the overall action evaluated in the Final Environmental Statement and Final Addendum.

Facility Operating License No. DPR-20 is effective as of its date of issuance and shall expire March 14, 2007.

For further information concerning this action see: (1) the licensee's application for a full-term operating license dated January 22, 1974, (2) the Final Environmental Statement (June 1972) and Final Addendum (February 1978), (3) the Commission's Environmental Assessment, dated, October 22, 1990, (4) Facility Operating License No. DPR-20, and (5) the Safety Evaluation Report (NUREG-1424) dated November 1990, all of which are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, N.W., Washington, D.C., 20555 and at the Local Public Document Room, Van Zoeren Public Library, Hope College, Holland, Michigan 49423.

A copy of Facility Operating License No. DPR-20 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. Copies of the Safety Evaluation Report (NUREG-1424) may be purchased through the U. S.

Government Printing Office, Post Office Box 37082, Washington, D.C. 20013-7082.
Copies may also be purchased from the National Technical Information Service,
U. S. Department of Commerce, 5285 Port Royal Road, Springfield, Virginia
22161. A copy is available for inspection and/or copying for a fee in the NRC
Public Document Room, the Gelman Building, 2120 L Street, N.W., Washington,
D.C. 20555.

FOR THE NUCLEAR REGULATORY COMMISSION



Bruce A. Boger, Director
Division of Reactor Projects III/IV/V
Office of Nuclear Reactor Regulation

Dated at Rockville, Maryland this 21st day of February 1991.