

October 18, 1999

Mr. Thomas J. Palmisano
Site Vice President
Palisades Plant
27780 Blue Star Memorial Highway
Covert, Michigan 49403

SUBJECT: PALISADES PLANT - ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT (TAC NO. MA0805)

Dear Mr. Palmisano:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your application for amendment dated January 26, 1998, as supplemented by letters dated April 30, September 14, October 12, and November 9, 1998, and March 1, March 22, March 30, April 7, May 3, June 4, June 11, June 17, July 19, July 30, September 17, and September 30, 1999. The proposed amendment would convert the current Technical Specifications for the Palisades Plant to a set of improved Technical Specifications based on NUREG-1432, Revision 1, "Standard Technical Specifications, Combustion Engineering Plants," dated April 1995, and guidance provided in the Commission's "Final Policy Statement on Technical Specifications Improvements for Nuclear Power Reactors," published on July 22, 1993 (58 FR 39132).

The assessment is being forwarded to the Office of the Federal Register for publication.

Sincerely,

Original signed by:

Robert G. Schaaf, Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosure: Environmental Assessment

cc w/encl: See next page

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DATE	10/5/99		10/5/99		10/5/99	10/7/99	10/8/99

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

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Robert G. Schaaf, Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosure: Environmental Assessment

cc w/encl: See next page

Mr. Thomas J. Palmisano
Consumers Energy Company

Palisades Plant

cc:

Mr. Nathan L. Haskell
Director, Licensing
Palisades Plant
27780 Blue Star Memorial Highway
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U.S. Nuclear Regulatory Commission
Resident Inspector's Office
Palisades Plant
27782 Blue Star Memorial Highway
Covert, Michigan 49043

UNITED STATES NUCLEAR REGULATORY COMMISSIONCONSUMERS ENERGY COMPANYPALISADES PLANTDOCKET NO. 50-255ENVIRONMENTAL ASSESSMENT AND FINDING OFNO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (the Commission) is considering the issuance of an amendment to Facility Operating License No. DPR-20 issued to the Consumers Energy Company (the licensee) for operation of the Palisades Plant, located in Van Buren County, Michigan.

ENVIRONMENTAL ASSESSMENTIdentification of the Proposed Action:

The proposed amendment would replace the current Technical Specifications (CTS) in their entirety with improved TSs (ITS) based on the guidance provided in NUREG-1432, Revision 1, "Standard Technical Specifications, Combustion Engineering Plants," dated April 1995. The proposed action is in accordance with the licensee's application for amendment dated January 26, 1998, as supplemented by letters dated April 30, September 14, October 12, and November 9, 1998, and March 1, March 22, March 30, April 7, May 3, June 4, June 11, June 17, July 19, July 30, September 17, and September 30, 1999.

The Need for the Proposed Action:

It has been recognized that nuclear safety in all plants would benefit from improvement and standardization of technical specifications (TSs). The "NRC Interim Policy Statement on Technical Specification Improvements for Nuclear Power Plants" (52 FR 3788) contained

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proposed criteria for defining the scope of TS. Later, the Commission's "Final Policy Statement on Technical Specifications Improvements for Nuclear Power Reactors" (58 FR 39132) incorporated lessons learned since publication of the interim policy statement and formed the basis for revisions to 10 CFR 50.36, "Technical Specifications." The "Final Rule" (60 FR 36953) codified criteria for determining the content of TSs. Each power reactor vendor owners' group and the NRC staff developed standard TSs (STS). The NRC Committee to Review Generic Requirements reviewed the STS, made note of their safety merits, and indicated its support of conversion by operating plants to the STS. For Palisades, the STS are NUREG-1432, Revision 1, "Standard Technical Specifications, Combustion Engineering Plants," dated April 1995. This document forms the basis for the Palisades ITS conversion.

Description of the Proposed Change

The proposed changes to the CTS are based on NUREG-1432 and on guidance provided by the Commission in its Final Policy Statement. The objective of the changes is to completely rewrite, reformat, and streamline the CTS. Emphasis is placed on human factors principles to improve clarity and understanding of the TSs. The Bases section of the ITS has been significantly expanded to clarify and better explain the purpose and foundation of each specification. In addition to NUREG-1432, portions of the CTS were also used as the basis for the development of the Palisades ITS. Plant-specific issues (e.g., unique design features, requirements, and operating practices) were discussed with the licensee.

The proposed changes from the CTS can be grouped into four general categories. These groupings are characterized as administrative changes, technical changes - relocations, technical changes - more restrictive, and technical changes - less restrictive. These categories are described as follows:

1. Administrative changes are those that involve restructuring, renumbering, rewording, interpretation, and rearranging of requirements and other changes not affecting technical content or substantially revising an operational requirement. The reformatting, renumbering, and rewording processes reflect the attributes of NUREG-1432 and do not involve technical changes to the CTS. The proposed changes include (a) providing the appropriate numbers, etc., for NUREG-1432 bracketed information (information that must be supplied on a plant-specific basis, and which may change from plant to plant), (b) identifying plant-specific wording for system names, etc., and (c) changing NUREG-1432 section wording to conform to existing licensee practices. Such changes are administrative in nature and do not affect initiators of analyzed events or assumed mitigation of accident or transient events.

2. Technical changes - relocations are those changes involving relocation of requirements and surveillances from the CTS to licensee-controlled documents. The relocated requirements do not satisfy or fall within any of the four criteria specified in the Commission's Final Policy Statement and 10 CFR 50.36(c)(2)(ii)(A)-(D), and may be relocated to appropriate licensee-controlled documents.

The licensee's application of the screening criteria is described in Volume 1 of its January 26, 1998, application, "Palisades Plant Request for Conversion to Improved Technical Specifications." The affected structures, systems, components, or variables are not assumed to be initiators of events analyzed in the Updated Final Safety Analysis Report (UFSAR) and are not assumed to mitigate accident or transient events analyzed in the UFSAR. The requirements and surveillances for these affected structures, systems, components, or variables will be relocated from the CTS to administratively controlled documents such as the UFSAR, the Bases, or other licensee-controlled documents. Changes made to these documents will be made pursuant to 10 CFR 50.59 or other appropriate control mechanisms.

3. Technical Changes - more restrictive are those changes that involve more stringent requirements for operation of the facility or eliminate existing flexibility. These more stringent requirements do not result in operation that will alter assumptions relative to mitigation of an accident or transient event. In general, these more restrictive technical changes have been made to achieve consistency, correct discrepancies, and remove ambiguities from the specifications.

4. Technical changes - less restrictive are changes where current requirements are relaxed or eliminated, or new flexibility is provided. The more significant "less restrictive" requirements are justified on a case-by-case basis. When requirements have been shown to provide little or no safety benefit, their removal from the ITS may be appropriate. In most cases, relaxations granted to individual plants on a plant-specific basis were the result of (a) generic NRC actions, (b) new NRC staff positions that have evolved from technological advancements and operating experience, or (c) resolution of comments from the owners groups on the ITS. Generic relaxations contained in NUREG-1432 were reviewed by the NRC staff and found to be acceptable because they are consistent with current licensing practices and NRC regulations. Each less restrictive change in the Palisades conversion was justified by the licensee in a Discussion of Change and reviewed by the NRC staff.

Environmental Impacts of the Proposed Action:

The Commission has completed its evaluation of the proposed conversion of the CTS to the ITS for Palisades. Changes which are administrative in nature have been found to have no effect on the technical content of the TS and are acceptable. The increased clarity and understanding these changes bring to the TS are expected to improve the operators' control of the plant in normal and accident conditions. Relocation of requirements to other licensee-controlled documents does not change the requirements themselves nor does 10 CFR 50.36(c)(2)(ii) mandate that the TSs include these requirements. Further changes to

these requirements may be made by the licensee under 10 CFR 50.59 or other NRC-approved control mechanisms that ensure continued maintenance of adequate requirements. All such relocations have been found to be in conformance with the guidelines of NUREG-1432 and the Final Policy Statement, and are, therefore, acceptable.

Changes involving more restrictive requirements have been found to enhance plant safety and to be acceptable.

Changes involving less restrictive requirements have been reviewed individually. When requirements have been shown to provide little or no safety benefit or to place unnecessary burden on the licensee, their removal from the TSs was justified. In most cases, relaxations previously granted to individual plants on a plant-specific basis were the result of a generic action, or of agreements reached during discussions with the Owners Groups and found to be acceptable for Palisades. Generic relaxations contained in NUREG-1432 have also been reviewed by the NRC staff and have been found to be acceptable.

In summary, the proposed revisions to the CTS have been found to provide control of plant operations such that reasonable assurance will be provided that the health and safety of the public will be adequately protected.

These TS changes will not increase the probability or consequences of accidents, no changes are being made in the types of any effluents that may be released offsite, and there is no significant increase in occupational or public radiation exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed TS amendment.

With regard to potential nonradiological impacts, the proposed amendment involves features located entirely within the restricted area as defined in 10 CFR Part 20 and does not involve any historical sites. It does not affect nonradiological plant effluents and has no other environmental impact. Therefore, there are no significant nonradiological environmental impacts associated with the proposed TS amendment.

Accordingly, the Commission concludes that there are no significant environmental impacts associated with the proposed action.

Alternatives to the Proposed Action:

As an alternative to the proposed action, the staff considered denial of the proposed action (i.e., the "no-action" alternative). Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources:

This action does not involve the use of any resources not previously considered in the Final Environmental Statement for the Palisades Plant.

Agencies and Persons Consulted:

In accordance with its stated policy, on October 4, 1999, the Commission consulted with the State official, Ms. Maryanne Elzerman of the Michigan Department of Environmental Quality, regarding the environmental impact of the proposed action. The State official had no comments.

FINDING OF NO SIGNIFICANT IMPACT

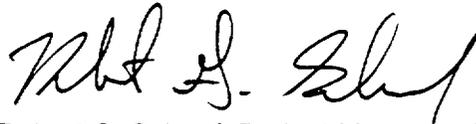
On the basis of the environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's application dated January 26, 1998, as supplemented by letters dated April 30, September 14, October 12, and November 9, 1998, and March 1, March 22, March 30, April 7, May 3, June 4, June 11, June 17, July 19, July 30, September 17, and September 30, 1999, which are available for public inspection at the Commission's Public Document Room, The Gelman Building,

2120 L Street, NW., Washington, DC, and at the local public document room located at the Van Wylen Library, Hope College, Holland, Michigan 49423-3698.

Dated at Rockville, Maryland, this 18th day of October 1999.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "Robert G. Schaaf". The signature is fluid and cursive, with the first name "Robert" being the most prominent.

Robert G. Schaaf, Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

10/11/99

DOCKET NO. 50-255

MEMORANDUM TO: Rules Review and Directives Branch
Division of Freedom of Information and Publications Services
Office of Administration

FROM: Office of Nuclear Reactor Regulation

SUBJECT: *Public side 5*

One signed original of the *Federal Register* Notice identified below is attached for your transmittal to the Office of the Federal Register for publication. Additional conformed copies (5) of the Notice are enclosed for your use.

- Notice of Receipt of Application for Construction Permit(s) and Operating License(s).
- Notice of Receipt of Partial Application for Construction Permit(s) and Facility License(s): Time for submission of Views on Antitrust matters.
- Notice of Consideration of Issuance of Amendment to Facility Operating License. (Call with 30-day insert date).
- Notice of Receipt of Application for Facility License(s); Notice of Availability of Applicant's Environmental Report; and Notice of Consideration of Issuance of Facility License(s) and Notice of Opportunity for Hearing.
- Notice of Availability of NRC Draft/Final Environmental Statement.
- Notice of Limited Work Authorization.
- Notice of Availability of Safety Evaluation Report.
- Notice of Issuance of Construction Permit(s).
- Notice of Issuance of Facility Operating License(s) or Amendment(s).
- Order.
- Exemption.
- Notice of Granting Exemption.
- Environmental Assessment.
- Notice of Preparation of Environmental Assessment.
- Receipt of Petition for Director's Decision Under 10 CFR 2.206.
- Issuance of Final Director's Decision Under 10 CFR 2.206.
- Other: _____

Office of Nuclear Reactor Regulation

Attachment(s): As stated

Contact: *Kleene*
Telephone: *X 1359*

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DATE	<i>10/18/99</i>													

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