

September 21, 1999

Mr. Nathan L. Haskell
Director, Licensing
Palisades Plant
27780 Blue Star Memorial Highway
Covert, MI 49403

SUBJECT: PALISADES PLANT - NOTICE OF CONSIDERATION OF ISSUANCE OF
AMENDMENT TO FACILITY OPERATING LICENSE AND OPPORTUNITY FOR
A HEARING (TAC NO. MA0805)

Dear Mr. Haskell:

Enclosed is a copy of the subject notice that relates to your application for amendment dated January 26, 1998, as supplemented 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, and July 30, 1999, in which you proposed to convert the current Technical Specifications (TSs) for the Palisades Plant to a set of improved TSs based on NUREG-1432, "Standard Technical Specifications, Combustion Engineering Plants," Revision 1, dated April 1995.

This notice has been 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: Notice

cc w/encl: See next page

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

September 21, 1999

Mr. Nathan L. Haskell
Director, Licensing
Palisades Plant
27780 Blue Star Memorial Highway
Covert, MI 49403

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Sincerely,

A handwritten signature in black ink, appearing to read "Robert G. Schaaf", is written over a horizontal line.

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: Notice

cc w/encl: See next page

Mr. Nathan L. Haskell
Consumers Energy Company

Palisades Plant

cc:

Mr. Thomas J. Palmisano
Site Vice President
Palisades Plant
27780 Blue Star Memorial Highway
Covert, Michigan 49043

Mr. Robert A. Fenech, Sr Vice Pres
Nuclear, Fossil, and Hydro Operations
Consumers Energy Company
212 West Michigan Avenue
Jackson, Michigan 49201

Arunas T. Udrys, Esquire
Consumers Energy Company
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Covert, Michigan 49043

Office of the Governor
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Lansing, Michigan 48909

U.S. Nuclear Regulatory Commission
Resident Inspector's Office
Palisades Plant
27782 Blue Star Memorial Highway
Covert, Michigan 49043

Drinking Water and Radiological
Protection Division
Michigan Department of
Environmental Quality
3423 N. Martin Luther King Jr Blvd
P. O. Box 30630 CPH Mailroom
Lansing, Michigan 48909-8130

Michigan Department of Attorney
General
Special Litigation Division
630 Law Building
P.O. Box 30212
Lansing, Michigan 48909

UNITED STATES NUCLEAR REGULATORY COMMISSIONCONSUMERS ENERGY COMPANYDOCKET NO. 50-255NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TO
FACILITY OPERATING LICENSE AND OPPORTUNITY FOR A HEARING

The U.S. Nuclear Regulatory Commission (the Commission) is considering 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.

The proposed amendment would represent a full conversion from the current Technical Specifications (CTS) to a set of improved Technical Specifications (ITS) based on the Improved Standard Technical Specifications (ISTS) in NUREG-1432, "Standard Technical Specifications, Combustion Engineering Plants," Revision 1, dated April 1995. The ISTS in NUREG-1432 have been developed through working groups composed of both NRC staff members and industry representatives, and have been endorsed by the NRC staff as part of an industry-wide initiative to standardize and improve the technical specifications for nuclear power plants. As part of this submittal, the licensee has applied the criteria contained in the Commission's "Final Policy Statement on Technical Specification Improvements for Nuclear Power Reactors" (Final Policy Statement), published in the FEDERAL REGISTER on July 22, 1993 (58 FR 39132), to the CTS, and, using NUREG-1432 as a basis, developed a proposed set of ITS for Palisades. The criteria in the Final Policy Statement were subsequently added to 10 CFR 50.36, "Technical Specifications," in a rule change that was published in the FEDERAL REGISTER on July 19, 1995 (60 FR 36953) and became effective on August 18, 1995.

The licensee has categorized the proposed changes to the CTS into four general groupings. These groupings are characterized as administrative changes, relocated changes, more restrictive changes, and less restrictive changes.

Administrative changes are those that involve restructuring, renumbering, rewording, interpretation, and complex rearranging of requirements and other changes not affecting technical content or substantially revising an operating 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 impact initiators of analyzed events or assumed mitigation of accident or transient events.

Relocated changes are those involving relocation of requirements and surveillances for structures, systems, components, or variables that do not meet the criteria for inclusion in technical specifications. Relocated changes are those CTS requirements that do not satisfy or fall within any of the four criteria specified in the Final Policy Statement and may be relocated to appropriate licensee-controlled documents.

The licensee's application of the screening criteria is described in its January 26, 1998, application. The affected structures, systems, components, or variables are not assumed to be initiators of analyzed events and are not assumed to mitigate accident or transient events. 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 Final Safety Analysis Report (FSAR), the ITS Bases, the Operating Requirements Manual (ORM), or other licensee-controlled documents. Changes made to these documents will be

made pursuant to 10 CFR 50.59 or other appropriate and acceptable change control mechanisms, and may be made without prior NRC review and approval. In addition, the affected structures, systems, components, or variables are addressed in existing surveillance procedures that are also subject to 10 CFR 50.59. These proposed changes will not impose or eliminate any requirements.

More restrictive changes are those involving more stringent requirements compared to the CTS for operation of the facility. These more stringent requirements do not result in operation that will alter assumptions relative to the mitigation of an accident or transient event. The more restrictive requirements will not alter the operation of process variables, structures, systems, and components described in the safety analyses. For each requirement in the CTS that is more restrictive than the corresponding requirement in NUREG-1432 that the licensee proposes to retain in the ITS, the licensee has provided an explanation of why it has concluded that retaining the more restrictive requirement is desirable to ensure safe operation of the facility because of specific design features of the plant.

Less restrictive changes are those where CTS requirements are relaxed or eliminated, or new plant operational 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 technical specifications may be appropriate. In most cases, relaxations previously 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 Owners Groups' comments on the ISTS. 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. The licensee's design information will be reviewed to determine if the specific design and licensing bases are consistent with the technical bases for

the model requirements in NUREG-1432, thus providing a basis for the ITS, or if relaxation of the requirements in the CTS is warranted based on the justifications provided by the licensee.

These administrative, relocated, more restrictive, and less restrictive changes to the requirements of the CTS do not result in operations that will alter assumptions relative to mitigation of an analyzed accident or transient event.

In addition to the proposed changes solely involving the conversion, there are also changes proposed that are different from the requirements in both the CTS and the ISTS. These proposed beyond-scope issues to the ITS conversion are as follows:

1. ITS 3.0.3 and related specifications that specify time to reach MODE 4: The CTS do not include an equivalent classification to ISTS MODE 4. To maintain consistency with the ISTS, the licensee proposed a definition for MODE 4 and a time limit to reach the new MODE 4. The proposed time limit is greater than the time limit in the ISTS.

2. ITS 3.3.1: The frequency of the channel functional test associated with certain reactor protective system and engineered safety features instrumentation was proposed to be increased from 31 to 92 days.

3. ITS 3.4.1: The CTS require restoration of reactor inlet temperature within 30 minutes if the temperature limit is exceeded. The proposed ITS would require the primary coolant system (PCS) cold leg temperature (equivalent to the CTS reactor inlet temperature) and additional specified parameters to be restored to within the specified limits within 2 hours.

4. ITS 3.4.1: The proposed ITS surveillance requirement regarding verification of PCS total flow rate differs from the ISTS by allowing additional methods of flow measurement other than the "precision heat balance" specified in the ISTS to be used.

5. ITS 3.4.6: The proposed ITS actions for PCS loops while in MODE 4 contain several wording deviations from the ISTS.

6. ITS 3.4.10: The proposed ITS applicability modes for pressurizer safety valves differ from both the ISTS and the CTS.

7. ITS 3.4.14: The proposed ITS requirements for isolation valves in high pressure lines with an inoperable pressure isolation valve differ from both the ISTS and the CTS.

8. ITS 3.5.3: The CTS does not contain any ECCS requirements when the reactor is not critical. The proposed ITS requirements differ from those in the ISTS.

9. ITS 3.6.6, 3.7.5, 3.7.7, and 3.7.8: The proposed requirements for the containment cooling, auxiliary feedwater, component cooling water, and service water systems differ from both the CTS and ISTS. The proposed specifications would permit one or more trains of these systems to be inoperable, provided the systems are capable of providing at least 100 percent of the required flow or cooling capacity. This approach is similar to ISTS 3.5.2.

10. ITS 3.7.12: The proposed applicability requirements for the fuel handling area ventilation system differ from both the CTS and ISTS.

11. ITS 3.8.4: The proposed action requirements for DC electrical sources differ from both the CTS and ISTS.

Before issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

By October 21, 1999, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility 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 request for a hearing and a petition for leave to intervene. Requests for a hearing and a petition 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.

Interested persons should consult a current copy of 10 CFR 2.714 which is available 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. 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 petitioner's right under the Act to be made a party to the proceeding; (2) the nature and extent of the petitioner'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 the petition without requesting leave of the Board up to 15 days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than 15 days prior to the first prehearing conference scheduled in the proceeding, a 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. Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In

addition, the petitioner shall provide a brief explanation of the bases of the contention and a concise statement of the alleged facts or expert opinion which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner must also provide references to those specific sources and documents of which the petitioner is aware and on which the petitioner intends to rely to establish those facts or expert opinion. Petitioner must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner to relief. A petitioner 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.

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 must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications Staff, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, by the above date. A copy of the petition should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and to Mr. Arunas T. Udryns, Esquire, Consumers Energy Company, 212 West Michigan Avenue, Jackson, Michigan 49201, 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

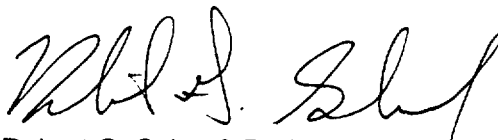
Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

If a request for a hearing is received, the Commission's staff may issue the amendment after it completes its technical review and prior to the completion of any required hearing if it publishes a further notice for public comment of its proposed finding of no significant hazards consideration in accordance with 10 CFR 50.91 and 50.92.

For further details with respect to this action, see the application for amendment dated January 26, 1998, as supplemented 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, and July 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 15th day of September, 1999.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read 'Robert G. Schaaf', is written over a horizontal line.

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

7/16/89

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: *Revised*

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 () 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: _____

DOCKET NO. *50-255*

Attachment(s): As stated

Contact: *Kleene 1389*

Telephone:

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