

Mr. Lee Liu
 Chairman of the Board, President
 and Chief Executive Officer
 IES Utilities Inc.
 Post Office Box 351
 Cedar Rapids, IA 52406-0351

February 20, 1998

SUBJECT: NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TO FACILITY OPERATING LICENSE, PROPOSED NO SIGNIFICANT HAZARDS CONSIDERATION AND OPPORTUNITY FOR HEARING - DUANE ARNOLD ENERGY CENTER (TAC NO. MA0781)

Dear Mr. Liu:

Enclosed is a copy of the subject notice that relates to IES Utilities' application for amendment for Duane Arnold Energy Center dated February 3, 1998.

The proposed amendment would revise the definitions of Cold Condition and Cold Shutdown and add a new section, 3.17, Vessel Hydrostatic Pressure and Leak Testing, to the Technical Specifications to specifically allow reactor vessel hydrostatic pressure testing to be performed during plant shutdown.

The notice has been forwarded to the Office of the Federal Register for publication.

Sincerely,

ORIGINAL SIGNE BY: J. Hickman for
 Richard J. Laufer, Project Manager
 Project Directorate III-3
 Division of Reactor Projects - III/IV
 Office of Nuclear Reactor Regulation

Docket No. 50-331

Enclosure: Notice

cc w/encl: See next page

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

February 20, 1998

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Sincerely,

A handwritten signature in black ink, appearing to read "Richard J. Laufer".

Richard J. Laufer, Project Manager
Project Directorate III-3
Division of Reactor Projects - III/IV
Office of Nuclear Reactor Regulation

Docket No. 50-331

Enclosure: Notice

cc w/encl: See next page

Lee Liu
IES Utilities Inc.

Duane Arnold Energy Center

cc:

Jack Newman, Esquire
Kathleen H. Shea, Esquire
Morgan, Lewis, & Bockius
1800 M Street, NW.
Washington, DC 20036-5869

Chairman, Linn County
Board of Supervisors
Cedar Rapids, IA 52406

IES Utilities Inc.
ATTN: Gary Van Middlesworth
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John F. Franz, Jr.
Vice President, Nuclear
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Manager of Regulatory Performance
Duane Arnold Energy Center
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U.S. Nuclear Regulatory Commission
Resident Inspector's Office
Rural Route #1
Palo, IA 52324

Regional Administrator, RIII
U.S. Nuclear Regulatory Commission
801 Warrenville Road
Lisle, IL 60532-4531

Parween Baig
Utilities Division
Iowa Department of Commerce
Lucas Office Building, 5th floor
Des Moines, IA 50319

UNITED STATES NUCLEAR REGULATORY COMMISSIONIES UTILITIES INC.CENTRAL IOWA POWER COOPERATIVECORN BELT POWER COOPERATIVEDOCKET NO. 50-331NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TOFACILITY OPERATING LICENSEPROPOSED NO SIGNIFICANT HAZARDSCONSIDERATION DETERMINATION, 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-49 issued to IES Utilities Inc., Central Iowa Power Cooperative, and Corn Belt Power Cooperative (the licensee) for operation of the Duane Arnold Energy Center, located in Linn County, Iowa.

The proposed amendment would revise the definitions of Cold Condition and Cold Shutdown and add a new section, 3.17, Vessel Hydrostatic Pressure and Leak Testing, to the Technical Specifications to specifically allow reactor vessel hydrostatic pressure testing to be performed during plant shutdown.

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.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment

would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

- 1) The proposed amendment will not involve a significant increase in the probability or consequences of an accident previously evaluated. Under this proposed change the secondary containment, secondary containment automatic isolation valves, and standby gas treatment systems would be required to be operable during the performance of hydrostatic and leak testing and would be capable of handling any airborne radioactivity or steam leaks that could occur. The required pressure testing conditions provide adequate assurance that the consequences of a steam leak will be conservatively bounded by the consequences of the postulated main steam line break outside of primary containment. The proposed change will not result in a significant change in the stored energy in the reactor vessel during the performance of the testing.
- 2) The proposed amendment will not create the possibility of a new or different kind of accident from any accident previously evaluated. The proposed change will not alter the way hydrostatic pressure and leak testing is performed or significantly change the temperatures and pressures achieved to perform the test.
- 3) The proposed amendment will not involve a significant reduction in a margin of safety. The proposed changes and additions result in increased system operability requirements above those that currently exist during the performance of hydrostatic and leak testing and are consistent with the requirements of NUREG 1433 Rev. 1, and the DAEC submittal for Improved Technical Specifications. The incremental increase in stored energy in the vessel during testing will be conservatively bounded by the consequences of the postulated main steam line break outside of primary containment. Therefore, this change does not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice period such that failure to act in a timely way would result, for example, in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received. Should the Commission take this action, it will publish in the FEDERAL REGISTER a notice of issuance and provide for opportunity for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and should cite the publication date and page number of this FEDERAL REGISTER notice. Written comments may also be delivered to Room 6D22, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. Federal workdays. Copies of written comments received may be examined at the NRC Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC.

The filing of requests for hearing and petitions for leave to intervene is discussed below.

By ^{March 30, 1998}, 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 Cedar Rapids Public Library, 500 First Street, SE., Cedar Rapids, Iowa 52401. 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 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.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

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 close of business on 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 Jack Newman, Al Gutterman, Morgan, Lewis & Brockius, 1800 M Street, NW., Washington, DC 20036-5869, attorney for the licensee.

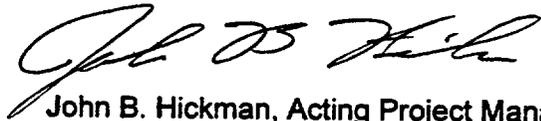
Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment dated February 3, 1998, which is 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 Cedar Rapids Public Library, 500 First Street, SE., Cedar Rapids, Iowa 52401.

Dated at Rockville, Maryland, this 20th day of February 1998.

FOR THE NUCLEAR REGULATORY COMMISSION



John B. Hickman, Acting Project Manager
Project Directorate III-3
Division of Reactor Projects - III/IV
Office of Nuclear Reactor Regulation