November 3, 2004

Mr. Daniel J. Malone
Site Vice President
Palisades Nuclear Plant
Nuclear Management Company, LLC
27780 Blue Star Memorial Highway
Covert, MI 49043-9530

SUBJECT: PALISADES NUCLEAR POWER PLANT - VERBAL AUTHORIZATION OF RELIEF FROM ASME SECTION XI CODE REQUIREMENTS FOR REPAIR OF REACTOR PRESSURE VESSEL HEAD PENETRATIONS (TAC NO. MC3931)

Dear Mr. Malone:

By letter dated August 2, 2004, as supplemented by letters dated August 19, October 4, and October 28, 2004, Nuclear Management Company, LLC (NMC) requested relief from certain sections of the American Society of Mechanical Engineers (ASME) Boiler and Pressure Vessel Code, Section XI, 1989 Edition. The two relief requests pertain to the repair of the control rod drive (CRD) nozzles and incore instrumentation (ICI) nozzles on the reactor vessel closure head (RVCH). NMC inspected the RVCH, CRD nozzle penetrations, and ICI nozzle penetrations during the fall 2004 refueling outage at the Palisades Nuclear Power Plant (PNPP), in accordance with U.S. Nuclear Regulatory Commission (NRC) Order, EA-03-009. NMC submitted this request in the event that a RVCH nozzle penetration requires repair at the PNPP.

The two relief requests that were submitted are as follows:

Relief Request Number 1 - Alternate Repair Technique for Reactor Vessel Head Penetrations

NMC is requesting relief from ASME Section XI, 1989 Edition, IWA-4120, pursuant to Chapter 10 of the *Code Of Federal Regulations* (10 CFR) 50.55a(a)(3)(i), because the alternative provides an acceptable level of quality and safety. NMC requests relief to use an ambient temperature temper bead method of repair as an alternative to the requirements of the 1989 Edition of ASME Section III, NB-4453, NB-4622, NB-5245, and NB-5330. NMC proposes to use filler material, Alloy 52 AWS Class ERNiCrFe-7/UNS No. 06052, which is endorsed by Code Case 2142-1, "F-Number Grouping for Ni-Cr-Fe, Classification UNC N06052 Filler Material," for the weld repair.

Relief Request Number 2 - Flaw Characterization of Remnant Weld

NMC is requesting relief from ASME Section XI, IWA-3300(b), IWB-3142.4, and IWB-3420, pursuant to 10 CFR 50.55a(a)(3)(i). The above sections would require characterization of a flaw existing in the remnant of the J-groove weld that will be left on the RVCH if a CRD or ICI nozzle must be partially removed.

In supplement letter dated October 28, 2004, NMC determined that a license amendment is necessary to modify the cool down limits specified in Technical Specification (TS) Limiting Condition for Operation (LCO) 3.4.3 “PCS Pressure and Temperature (P/T) Limits” to support these repairs.

To facilitate the repair in accordance with its construction schedule, the licensee requested verbal authorization of the relief requests. In a telephone conversation with Laurie Lahti (et al.) on October 28, 2004, the NRC staff verbally authorized the use of Relief Request Number 1 and Relief Request Number 2 as stated above. The NRC staff stated that the verbal authorization is contingent upon the licensee’s commitment to submit a license amendment to change TS LCO 3.4.3. The license amendment change will revise the cool down curves to bound the TS with the fracture mechanics analysis supporting the relief requests in order for the plant to remain in compliance with 10 CFR 50.55a. In addition, PNPP will maintain primary coolant system temperature control such that there will be no deliberate temperature change outside of the established operating control band of # 110 EF prior to the approval of the above license amendment and final relief request. The issuance of the final relief request will be contingent upon the approval of the license amendment change.

Sincerely,

/RA/

L. Raghavan, Chief, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-255

cc: See next page

Palisades Plant

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