

June 2, 2005

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

SUBJECT: DETERMINATION OF ACCEPTABILITY AND SUFFICIENCY FOR DOCKETING, PROPOSED REVIEW SCHEDULE, AND OPPORTUNITY FOR A HEARING REGARDING THE APPLICATION FROM NUCLEAR MANAGEMENT COMPANY, LLC FOR RENEWAL OF THE OPERATING LICENSE FOR THE PALISADES NUCLEAR PLANT (TAC NO. MC6433)

Dear Mr. Malone:

By letter dated March 22, 2005, the U.S. Nuclear Regulatory Commission (NRC) received the Nuclear Management Company, LLC (NMC) application for renewal of Operating License No. DPR-20 for the Palisades Nuclear Plant. Subsequently, on May 5, 2005, the NRC received NMC's supplement to the license renewal application for the Palisades Nuclear Plant. Notice of receipt of the application was published in the *Federal Register* on April 12, 2005 (70 FR 19104-19105). The purpose of this letter is to provide the results of the NRC staff's acceptance review of the license renewal application and supplement for the Palisades Nuclear Plant. The acceptance review determines whether or not the application and supplement are sufficiently complete to allow the NRC staff to proceed with its detailed technical review.

The NRC staff has reviewed your request following the guidance in NUREG-1800, "Standard Review Plan for Review of License Renewal Applications for Nuclear Power Plants," and NUREG-1555, "Environmental Standard Review Plan." As a result, the NRC Staff has determined that the application and supplement are complete and are acceptable for docketing, in accordance with 10 CFR 54.19, 54.21, 54.22, 54.23 and 51.53(c). However, the staff's determination does not preclude requests for additional information as the review proceeds.

As noted in your May 5, 2005 letter, NMC understands that this supplement to the application will impact the overall review schedule. As agreed upon with your staff, we established a schedule based on the receipt of the license renewal application supplement. This results in an extended license renewal review schedule of 31.2 months if a hearing is granted.

This letter forwards the staff's safety and environmental review schedule for the subject application (Enclosure 1). The NRC staff will follow established review procedures and the enclosed schedule to complete the safety and environmental reviews required by 10 CFR Parts 54 and 51, respectively. This schedule has been established in accordance with a 31.2 months review plan, which includes time to conduct a hearing should a hearing be requested and granted. Milestones for hearing activities are not included in the enclosed schedule because these dates are established by the Commission and Atomic Safety and Licensing Board.

Daniel J. Malone

-2-

I would like to stress that this is a very ambitious schedule. Nevertheless, the NRC staff will make every effort to meet the goal of this schedule. We request that you inform the staff as early as possible should potential delays arise in your support of the schedule.

Finally, we have also enclosed, for your information, a copy of the notice relating to your application that is being sent to the Office of the *Federal Register* for publication (Enclosure 2). This notice provides the opportunity to request a hearing and to file a petition for leave to intervene.

If you have any questions on this matter, please contact Michael J. Morgan, License Renewal Project Manager for the Palisades Nuclear Plant, by telephone at 301-415-2232 or via electronic mail at [MJM2@nrc.gov](mailto:MJM2@nrc.gov).

Sincerely,

***/RA/ (S. Lee for)***

Pao-Tsin Kuo, Program Director  
License Renewal and Environmental Impacts Program  
Division of Regulatory Improvement Programs  
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosures: As stated

cc w/encls: See next page

Daniel J. Malone

-2-

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If you have any questions on this matter, please contact Michael J. Morgan, License Renewal Project Manager for the Palisades Nuclear Plant, by telephone at 301-415-2232 or via electronic mail at [MJM2@nrc.gov](mailto:MJM2@nrc.gov).

Sincerely,

*/RA/ (S. Lee for)*

Pao-Tsin Kuo, Program Director  
License Renewal and Environmental Impacts Program  
Division of Regulatory Improvement Programs  
Office of Nuclear Reactor Regulation

Docket No. 50-255

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Palisades Nuclear Plant

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Palisades Nuclear Plant

- 2 -

cc:

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DISTRIBUTION:Letter to : D. Malone, Re: Determination of Acceptability and Sufficiency for docketing w/ FRN Notice, Dated: June 2, 2005

**ADAMS Accession No.: ML051530122**

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RLEP RF

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OPA

PALISADES NUCLEAR PLANT  
LICENSE RENEWAL APPLICATION REVIEW SCHEDULE

<b>Milestone</b>	<b>Schedule</b>	<b>Actual</b>
Receive License Renewal Application (LRA)	3/31/05	3/31/05
Federal Register Notice (FRN) Published - Receipt & Availability	4/12/05	4/12/05
Public Information Meeting - LR Process & Safety Review Overview	4/28/05	4/28/05
Receive License Renewal Application Supplement	5/5/05	5/5/05
FRN Published - Acceptability/Opportunity for Hearing	6/5/05	
FRN Published - Intent/Environmental Scoping Meeting	6/24/05	
Public Exit Meeting - Scoping & Screening Methodology Audit	7/1/05	
Public Meeting - Environmental Scoping	7/28/05	
Deadline for Filing Hearing Requests and Petitions for Intervention	8/5/05	
Environmental Scoping Periods Ends	8/22/05	
Public Exit Meeting - AMP/AMR Audit	9/2/05	
Environmental Requests for Additional information (RAIs) - Issued	9/19/05	
Environmental RAIs - Responses Received	10/31/05	
Public Exit Meeting - Scoping & Screening/AMP Inspections	11/25/05	
Safety RAIs - Issued	12/9/05	
Safety RAI - Responses Received	1/9/06	
Draft Supplemental Environmental Impact Statement (SEIS) Issued	2/25/06	
FRN Published - Availability/Comment on draft SEIS	2/27/06	
Public Meeting - draft SEIS	4/7/06	
End of draft SEIS Comment Period	5/10/06	
Safety Evaluation Report (SER) with Open Item(s) - Issued	6/2/06	
ACRS Subcommittee Meeting on SER with Open Item(s)	7/2006	
SER Open Item(s) - Response(s) Received	7/28/06	
SER - Issued	10/31/06	
Final SEIS - Issued	10/13/06	
FRN Published - Availability of Final SEIS	10/20/06	
ACRS Full Committee Meeting on SER	12/2006	
Decision - Director, NRR (license issued, if approved and no hearing is granted - 23.2 months)	3/5/07*	
Commission Decision (if hearing is granted - 31.2 months)	11/5/07*	

\* includes an additional five weeks because the LRA was supplemented five weeks after the receipt of the license renewal application.

UNITED STATES NUCLEAR REGULATORY COMMISSION  
NUCLEAR MANAGEMENT COMPANY, LLC  
PALISADES NUCLEAR PLANT  
NOTICE OF ACCEPTANCE FOR DOCKETING OF THE APPLICATION  
AND NOTICE OF OPPORTUNITY FOR HEARING REGARDING RENEWAL OF  
FACILITY OPERATING LICENSE NO. DPR-20  
FOR AN ADDITIONAL 20-YEAR PERIOD  
DOCKET NO. 50-255

The U.S. Nuclear Regulatory Commission (NRC or the Commission) is considering application for the renewal of Operating License No. DPR-20, which authorizes the Nuclear Management Company, LLC, to operate the Palisades Nuclear Plant at 2530 megawatts thermal. The renewed license would authorize the applicant to operate the Palisades Nuclear Plant, for an additional 20 years beyond the period specified in the current license. The current Operating License for the Palisades Nuclear Plant expires on March 24, 2011.

The Commission's staff has received an application dated March 22, 2005 and a supplement dated May 5, 2005, from Nuclear Management Company, LLC, pursuant to 10 CFR Part 54, to renew the operating license DPR-20 for the Palisades Nuclear Plant. A Notice of Receipt and Availability of the license renewal application, "Nuclear Management Company, LLC; Palisades Nuclear Plant; Notice of Receipt and Availability of Application for Renewal Facility Operating License No. DPR-20 for an Additional 20-Year Period," was published in the *Federal Register* on April 12, 2005.

The Commission's staff has determined that Nuclear Management Company, LLC has submitted sufficient information in accordance with 10 CFR 54.19, 54.21, 54.22, 54.23, and

51.53(c) that is acceptable for docketing. The current Docket No. 50-255 for Operating License No. DPR-20 will be retained. The docketing of the renewal application and supplement does not preclude requesting additional information as the review proceeds, nor does it predict whether the Commission will grant or deny the application.

Before issuance of each requested renewed license, the NRC will have made the findings required by the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. In accordance with 10 CFR 54.29, the NRC will issue a renewed license on the basis of its review if it finds that actions have been identified and have been or will be taken with respect to: (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified as requiring aging management review, and (2) time-limited aging analyses that have been identified as requiring review, such that there is reasonable assurance that the activities authorized by the renewed licenses will continue to be conducted in accordance with the current licensing basis (CLB), and that any changes made to the plant's CLB comply with the Act and the Commission's regulations.

Additionally, in accordance with 10 CFR 51.95(c), the NRC will prepare an environmental impact statement that is a supplement to the Commission's NUREG-1437, "Generic Environmental Impact Statement for License Renewal of Nuclear Power Plants," dated May 1996. Pursuant to 10 CFR 51.26, and as part of the environmental scoping process, the staff intends to hold a public scoping meeting. Detailed information regarding this meeting will be the subject of a separate *Federal Register* notice.

Within 60 days after the date of publication of this *Federal Register* Notice, the requestor/petitioner may file a request for a hearing, 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 with respect to the renewal

of the licenses. 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 2.309, which is available at the Commission's Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland 20852 and is accessible from the Agencywide Documents Access and Management System's (ADAMS) Public Electronic Reading Room on the Internet at <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS should contact the NRC's PDR reference staff at 1-800-397-4209, or by email at [pdr@nrc.gov](mailto:pdr@nrc.gov). If a request for a hearing or a petition for leave to intervene is filed within the 60-day period, the Commission or a presiding officer designated by the Commission or by the Chief Administrative Judge of the Atomic Safety and Licensing Board Panel will rule on the request and/or petition; and the Secretary or the Chief Administrative Judge of the Atomic Safety and Licensing Board will issue a notice of a hearing or an appropriate order. In the event that no request for a hearing or petition for leave to intervene is filed within the 60-day period, the NRC may, upon completion of its evaluations and upon making the findings required under 10 CFR parts 51 and 54, renew the licenses without further notice.

As required by 10 CFR 2.309, 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, taking into consideration the limited scope of matters that may be considered pursuant to 10 CFR parts 51 and 54. The petition must specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) the nature of the requestor's/petitioner's right under Act to be made a party to the proceeding; (2) the nature and extent of the requestor's/petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any decision or order which may be

entered in the proceeding on the requestor's/petitioner's interest. The petition must also set forth the specific contentions which the petitioner/requestor seeks to have litigated at the proceeding.

Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the requestor/petitioner shall provide a brief explanation of the bases of each contention and a concise statement of the alleged facts or the expert opinion that supports the contention on which the requestor/petitioner intends to rely in proving the contention at the hearing. The requestor/petitioner must also provide references to those specific sources and documents of which the requestor/petitioner is aware and on which the requestor/petitioner intends to rely to establish those facts or expert opinion. The requestor/petitioner must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact.<sup>1</sup> Contentions shall be limited to matters within the scope of the action under consideration. The contention must be one that, if proven, would entitle the requestor/petitioner to relief. A requestor/petitioner who fails to satisfy these requirements with respect to at least one contention will not be permitted to participate as a party.

Each contention shall be given a separate numeric or alpha designation within one of the following groups and all like subject-matters shall be grouped together:

1. Technical – primarily concerns issues relating to technical and/or health and safety matters discussed or referenced in the Palisades Nuclear Plant, safety analysis for the application (including issues related to emergency planning and physical security to the extent that such matters are discussed or referenced in

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<sup>1</sup>To the extent that the application contains attachments and supporting documents that are not publicly available because they are asserted to contain safeguards or proprietary information, petitioners desiring access to this information should contact the applicant or applicant's counsel to discuss the need for a protective order.

the application).

2. Environmental – primarily concerns issues relating to matters discussed or referenced in the Environmental Report for the license renewal application
3. Miscellaneous – does not fall into one of the categories outlined above.

As specified in 10 CFR 2.309, if two or more requestors/petitioners seek to co-sponsor a contention or propose substantially the same contention, the requestors/petitioners will be required to jointly designate a representative who shall have the authority to act for the requestors/petitioners with respect to that contention.

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 participate fully in the conduct of the hearing. A request for a hearing or a petition for leave to intervene must be filed by: (1) first class mail addressed to the Office of the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, D.C., 20555-0001, Attention: Rulemaking and Adjudications Staff; (2) courier, express mail, and expedited delivery services: Office of the Secretary, Sixteenth Floor, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852, Attention: Rulemaking and Adjudications Staff; (3) Email addressed to the Office of the Secretary, U.S. Nuclear Regulatory Commission, [HEARINGDOCKET@NRC.GOV](mailto:HEARINGDOCKET@NRC.GOV); or (4) facsimile transmission addressed to the Office of the Secretary, U.S. Nuclear Regulatory Commission, Washington, D.C., Attention: Rulemakings and Adjudications Staff at 301-415-1101, verification number is 301-415-1966. A copy of the request for hearing and petition for leave to intervene must also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, D.C., 20555-0001, and it is requested that copies be transmitted either by means of facsimile transmission to 301-415-3725 or by email to [OGCMailCenter@nrc.gov](mailto:OGCMailCenter@nrc.gov). A copy of the request for hearing and petition for leave to intervene should also be sent to the attorney for

the licensee. Jonathan Rogoff, Esquire, Vice President, Counsel & Secretary, Nuclear Management Company, LLC, 700 First Street, Hudson, WI 54016.

Nontimely requests and/or petitions and contentions will not be entertained absent a determination by the Commission, the presiding officer, or the Atomic Safety and Licensing Board that the petition, request and/or contentions should be granted based on a balancing of the factors specified in 10 CFR 2.309(a)(1)(i)-(viii).

Detailed information about the license renewal process can be found under the Nuclear Reactors icon at <http://www.nrc.gov/reactors/operating/licensing/renewal.html> on the NRC's Web site. Copies of the application and supplement to renew the operating licenses for Palisades Nuclear Plant, are available for public inspection at the Commission's PDR, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland 20852-2738, and at <http://www.nrc.gov/reactors/operating/licensing/renewal/applications.html> the NRC's Web site while the application is under review. The NRC maintains an Agencywide Documents Access and Management System (ADAMS), which provides text and image files of NRC's public documents. These documents may be accessed through the NRC's Public Electronic Reading Room on the Internet at <http://www.nrc.gov/reading-rm/adams.html> under ADAMS accession numbers ML050940434 and ML051300128. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, may contact the NRC Public Document Room (PDR) Reference staff at 1-800-397-4209, 301-415-4737, or by e-mail to [pdr@nrc.gov](mailto:pdr@nrc.gov).

The staff has verified that a copy of the license renewal application and supplement are also available to local residents near the Palisades Nuclear Plant, at the South Haven Memorial Library, 314 Broadway, South Haven, MI 49090.

Dated at Rockville, Maryland, this 2nd day of June 2005.

FOR THE NUCLEAR REGULATORY COMMISSION

*/RA/*

Samson S. Lee, Acting Program Director  
License Renewal and Environmental Impacts Program  
Division of Regulatory Improvement Programs  
Office of Nuclear Reactor Regulation