



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

ENCLOSURE 1

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

EVALUATION OF THE PALISADES PLANT

120-DAY RESPONSE TO SUPPLEMENT NO. 1 OF

GENERIC LETTER 87-02

DOCKET NO. 50-255

BACKGROUND

By letter dated September 21, 1992, the Consumers Power Company (CPCo), the licensee, submitted its response to Supplement No. 1 to Generic Letter 87-02 (GL 87-02), "Verification of Seismic Adequacy of Mechanical and Electrical Equipment in Operating Reactors, Unresolved Safety Issue (USI) A-46," dated May 22, 1992, for the Palisades Plant. In Supplement No. 1 to GL 87-02, the staff requested that the licensee submit the following information within 120 days of the issue date of the supplement:

1. A statement whether you commit to use both the Seismic Qualification Utility Group (SQUG) commitments and the implementation guidance provided in the Generic Implementation Procedure, Revision 2 (GIP-2) as supplemented by the staff's Supplemental Safety Evaluation Report No. 2 (SSER No. 2) for the resolution of USI A-46. In this case, any deviation from GIP-2, as supplemented by the SSER No. 2, must be identified, justified, and documented. If you do not make such a commitment, you must provide your alternative for responding to GL 87-02.
2. A plant-specific schedule for the implementation of the GIP and submission of a report to the staff that summarizes the results of the USI A-46 review, if you are committing to implement GIP-2. This schedule shall be such that each affected plant will complete its implementation and submit the summary report within three years after the issuance of the SSER No. 2, unless otherwise justified.
3. The detailed information as to what procedures and criteria were used to generate the in-structure response spectra to be used for USI A-46 as requested in the SSER No. 2. The licensee's in-structure response spectra are considered acceptable for USI A-46 unless the staff indicates otherwise during a 60-day review period.

In addition, the staff requested in SSER No. 2 that the licensee inform the staff, in the 120-day response, if it intends to change its licensing basis to reflect a commitment to the USI A-46 (GIP-2) methodology for verifying the seismic adequacy of mechanical and electrical equipment, prior to receipt of the staff's plant-specific safety evaluation resolving USI A-46. This report provides the staff's evaluation of the licensee's response.

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EVALUATION

With regard to Item 1, the licensee stated that, "Specifically, Consumers Power Company hereby commits to the SQUG commitments set forth in the GIP in their entirety, including the clarifications, interpretations, and exceptions identified in SSER-2 as clarified by the August 21, 1992, SQUG letter responding to SSER-2." The licensee also stated that it "... generally will be guided by the remaining (non-commitment) sections of the GIP, i.e., GIP implementation guidance, which comprises suggested methods for implementing the applicable commitments."

The licensee's response is unclear as to whether or not the licensee intends to implement both the SQUG commitments and the implementation guidance. In accepting GIP-2 as a method for resolving USI A-46, it was the staff's understanding that the SQUG members who chose to implement GIP-2 would essentially use the entire procedure, including the SQUG commitments, which contain the general programmatic objectives and goals, and the implementation guidance, which contains the specific criteria and procedures to be used for the resolution of USI A-46. This understanding was the basis for the staff's position, which was stated in SSER No. 2, that if the licensee commits to use GIP-2 for the implementation of USI A-46, it must commit to both the SQUG commitments and the use of the entire implementation guidance provided in GIP-2, unless otherwise justified to the staff. In order to allow some flexibility in implementing GIP-2, the staff acknowledged in the supplement to GL 87-02 that SQUG members who commit to GIP-2 (both the SQUG commitments and the implementation guidance) may deviate from it provided that such deviations are identified, documented, and justified. However, it was also indicated in SSER No. 2 that if a licensee uses methods that deviate from the criteria and procedures described in the SQUG commitments and in the implementation guidance of GIP-2 without prior NRC approval, the staff may find the use of such methods unacceptable with regard to satisfying the provisions of GL 87-02.

In light of the above, the staff interprets the licensee's response to Supplement No. 1 to GL 87-02 as a commitment to the entire GIP-2 including both the SQUG commitments and the implementation guidance and, therefore, considers it acceptable. If the staff's interpretation is incorrect, then in accordance with Supplement No. 1 to GL 87-02, the licensee should provide for staff review, as soon as practicable prior to implementation, its alternative criteria and procedures for responding to GL 87-02.

In addition, Enclosure 2 provides the staff's response, dated October 2, 1992, to the August 21, 1992, SQUG letter. The staff does not concur with all of the SQUG's clarifications and positions stated in that letter, and thus, the licensee should not use the August 21, 1992, letter as guidance in responding to Supplement No. 1 to GL 87-02. The licensee should refer to Enclosure 2 for the staff's position on the SQUG letter.

With regard to Item 2, the licensee stated that it will submit a summary report to the NRC summarizing the results of the USI A-46 program at the Palisades Plant by May of 1995. This submittal date is within the three year response period requested by the staff and is, therefore, acceptable.

With regard to Item 3, the staff has also reviewed your response regarding in-structure response spectra to assess the acceptability of the response to Items II.4.2.3 and II.4.2.4 of the Supplemental Safety Evaluation No. 2 (SSER No. 2).

In its submittal CPCo states that, for defining seismic demand, it will use the options provided in the GIP for "realistic median-centered", and "conservative design" in-structure response spectra, as appropriate, depending on the building, the location of equipment in the building, and equipment characteristics.

Since Palisades is identified as a Category 2 (SEP) plant in Generic Letter 87-02, Supplement No. 1, we conclude that the response is adequate and acceptable. In addition it was the staff's understanding during an earlier audit, that Palisades might have more than one set of in-structure response spectra in the licensing basis documents. If this is the case, the more conservative set of spectra must be used to qualify for the definition of "conservative design" in-structure response spectra for the resolution of USI A-46 issues at Palisades. If CPCo intends to use the option of developing or using "median-centered" in-structure response spectra, the licensee is requested to inform the NRC staff of the approximate date by which such information will become available.

The licensee indicated that it intends to change its licensing basis methodology, via 10 CFR 50.59, for verifying the seismic adequacy of new, replacement, and existing electrical and mechanical equipment prior to receipt of a final plant-specific SE resolving USI A-46. The staff recognizes that the licensee may revise its licensing basis in accordance with 10 CFR 50.59 to reflect the acceptability of the USI A-46 (GIP) methodology for verifying the seismic adequacy of electrical and mechanical equipment covered by the GIP. However, if the licensee does not commit to implement both the SQUG commitments and the implementation guidance, and the licensee has not committed to any acceptable alternative criteria and procedures, then the staff does not believe that it is feasible, at this time, for the licensee to change its licensing basis in the manner described.

CONCLUSIONS

The staff interprets the licensee's response to Supplement No. 1 to GL 87-02 as a commitment to the entire GIP-2 including both the SQUG commitments and the implementation guidance and, therefore, considers it acceptable. If the licensee does not commit to implement the entire GIP-2, then in accordance with Supplement No. 1 to GL 87-02, the licensee should provide for staff review, as soon as practicable prior to implementation, its alternative criteria and procedures for responding to GL 87-02. Additionally, the licensee should not merely follow the August 21, 1992, SQUG letter for implementing GIP-2, but should refer to Enclosure 2 for the staff's response to the SQUG letter.

The implementation schedule proposed by the licensee is within the three year response period requested by the staff in Supplement No. 1 to GL 87-02 and is, therefore, acceptable.

The staff finds your response regarding in-structure response spectra adequate and acceptable.

The staff recognizes that the licensee may revise its licensing basis in accordance with 10 CFR 50.59 to reflect the acceptability of the USI A-46 (GIP) methodology for verifying the seismic adequacy of electrical and mechanical equipment covered by the GIP. However, if the licensee does not commit to implement both the SQUG commitments and the implementation guidance, and the licensee has not committed to any acceptable alternative criteria and procedures, then the staff does not believe that it is feasible, at this time, for the licensee to change its licensing basis in the manner described.