



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

July 13, 1999

*See
Reports*

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

SUBJECT: PALISADES PLANT - DRAFT SAFETY EVALUATION REGARDING THE
PROPOSED CONVERSION TO IMPROVED STANDARD TECHNICAL
SPECIFICATIONS (TAC NO. MA0805)

Dear Mr. Haskell:

Enclosure 1 provides the draft Safety Evaluation (SE) on your proposed conversion of the current Technical Specifications (CTS) for the Palisades Plant to the Improved Technical Specifications (ITS). The ITS are based on the CTS, NUREG-1432, "Standard Technical Specifications, Combustion Engineering Plants," (STS) Revision 1, dated April 1995, and on guidance provided in the Commission's "Final Policy Statement on Technical Specifications Improvements for Nuclear Power Reactors," published on July 22, 1993 (58 FR 39132).

The enclosed draft SE, including tables attached to the SE that list the changes to the CTS, is based on the staff's review of Consumers Energy Company's application dated January 26, 1998, as supplemented by letters dated 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, and June 17, 1999. These letters provided supplemental information and responses to the staff's requests for additional information (RAIs) dated July 27, August 21, August 24, and December 4, 1998, and January 29, and March 17, 1999. Staff questions were also provided in a meeting summary dated January 26, 1999.

The enclosed draft SE is being provided for your review to verify its accuracy and to prepare certified ITS for Palisades to be submitted to the NRC for issuance in the conversion amendment. Beyond-scope issues (BYS) are addressed in Section III.G of the draft SE. Several issues remain under review by the staff and are identified in the draft SE.

In order to facilitate issuance of the conversion amendment in accordance with the schedule documented in our letter dated April 7, 1999, you are requested to provide your comments on the draft SE by July 30, 1999, and certified ITS and associated Bases by August 6, 1999. We recognize that the time provided for your review is less than indicated in the agreed upon schedule and appreciate your efforts in meeting this milestone. We note, however, that you have indicated in telephone communications with the staff that you intend to submit a change to your proposed ITS specifications for the service water and component cooling water systems. The proposed changes are intended to accommodate differences in the Palisades design as compared to the standard plant on which the STS are based. This will represent a unique difference from the STS that will require detailed staff review. As such, the staff considers the schedule for issuance of the ITS to be indeterminate pending receipt of your proposed changes to these specifications.

NRC FILE CENTER COPY

DF01/

190061

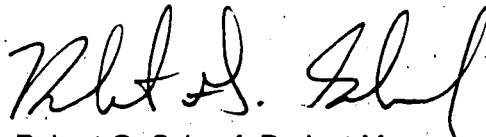
9907190187 990713
PDR ADOCK 05000255
PDR

After the staff has reviewed your comments on the draft, changes will be incorporated as appropriate in the SE prior to issuing the certified ITS and the final SE in the conversion amendment. The conclusions of the NRC staff in the enclosed draft SE are not valid until the final SE is issued.

You indicated in your letter dated April 30, 1998, that you intend to implement the ITS in the second quarter of 2000. You are requested to specify in your response to this letter a fixed date by which you will implement the ITS. You are also requested to submit a license condition for the first performance of new and revised surveillance requirements for the ITS to be related to the implementation of the ITS. An example license condition for the new and revised surveillance requirements is provided in Enclosure 2.

Please feel free to contact me at (301) 415-1312 or Mary Lynn Reardon of the Technical Specifications Branch at (301) 415-1177 if you have any questions.

Sincerely,



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

Docket No. 50-255

Enclosures: 1. Draft Safety Evaluation
2. Example License Condition

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. Udryns, Esquire
Consumers Energy Company
212 West Michigan Avenue
Jackson, Michigan 49201

Regional Administrator, Region III
U.S. Nuclear Regulatory Commission
801 Warrenville Road
Lisle, Illinois 60532-4351

Jerry Sarno, Supervisor
Covert Township
P. O. Box 35
Covert, Michigan 49043

Office of the Governor
P. O. Box 30013
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

July 13, 199

After the staff has reviewed your comments on the draft, changes will be incorporated as appropriate in the SE prior to issuing the certified ITS and the final SE in the conversion amendment. The conclusions of the NRC staff in the enclosed draft SE are not valid until the final SE is issued.

You indicated in your letter dated April 30, 1998, that you intend to implement the ITS in the second quarter of 2000. You are requested to specify in your response to this letter a fixed date by which you will implement the ITS. You are also requested to submit a license condition for the first performance of new and revised surveillance requirements for the ITS to be related to the implementation of the ITS. An example license condition for the new and revised surveillance requirements is provided in Enclosure 2.

Please feel free to contact me at (301) 415-1312 or Mary Lynn Reardon of the Technical Specifications Branch at (301) 415-1177 if you have any questions.

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.

Enclosures: 1. Draft Safety Evaluation
2. Example License Condition

cc w/encl: See next page.

DISTRIBUTION:

Docket File (50-255)

PUBLIC

w/o Enclosure 1:

PDIII-1 r/f

C. Thomas/C. Craig

R. Schaaf

L. Berry

OGC

W. Beckner

ACRS

A. Vogel, RIII

DOCUMENT NAME: G:\PDIII-1\PALISADE\Ltra0805draft.wpd

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	PM:PD3-1	E	LA:PD4-1	E	BC:TSB	WDB		SC:PD3-1	
NAME	RGSchaaf: <i>RGS</i>		LBerry <i>cfba</i>		WBeckner			CCraig <i>CC</i>	
DATE	7 / 13 /99		7 / 13 /99		7 / 13 /99			7 / 13 /99	

w/ comments OFFICIAL RECORD COPY

N. L. Haskell

- 2 -

July 13, 199

After the staff has reviewed your comments on the draft, changes will be incorporated as appropriate in the SE prior to issuing the certified ITS and the final SE in the conversion amendment. The conclusions of the NRC staff in the enclosed draft SE are not valid until the final SE is issued.

You indicated in your letter dated April 30, 1998, that you intend to implement the ITS in the second quarter of 2000. You are requested to specify in your response to this letter a fixed date by which you will implement the ITS. You are also requested to submit a license condition for the first performance of new and revised surveillance requirements for the ITS to be related to the implementation of the ITS. An example license condition for the new and revised surveillance requirements is provided in Enclosure 2.

Please feel free to contact me at (301) 415-1312 or Mary Lynn Reardon of the Technical Specifications Branch at (301) 415-1177 if you have any questions.

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

Enclosures: 1. Draft Safety Evaluation
2. Example License Condition

cc w/encl: See next page

DISTRIBUTION:

Docket File (50-255)

PUBLIC

w/o Enclosure 1:

PDIII-1 r/f

C. Thomas/C. Craig

R. Schaaf

L. Berry

OGC

W. Beckner

ACRS

A. Vogel, RIII

DOCUMENT NAME: G:\PDIII-1\PALISADE\Ltra0805draft.wpd

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	PM:PD3-1	E	LA:PD4-1	E	BC:TSB	WDS		SC:PD3-1	
NAME	RGSchaaf: <i>RGS</i>		LBerry <i>cfb</i>		WBeckner			CCraig <i>CC</i>	
DATE	7 / 13 /99		7 / 13 /99		7 / 13 /99			7 / 13 /99	

w/ comments OFFICIAL RECORD COPY