

A CMS Energy Company

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U.S. Nuclear Regulatory Commission
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**DOCKET 50-255 - LICENSE DPR-20 - PALISADES PLANT -
PRELIMINARY THERMAL ANNEALING REPORT - WITHDRAWAL OF
REQUEST TO REVIEW**

At a meeting on June 6, 1995, Consumers Energy Company discussed with the Staff our plan to anneal the Palisades Reactor Vessel during the outage scheduled for the middle of 1998. In support of that effort we planned to submit the final Thermal Annealing Report (TAR) in November 1996 after the results of the Marble Hill Reactor annealing demonstration had been evaluated. To permit NRC review of the TAR to begin before the Marble Hill results were known, from October 12, 1995 through April 29, 1996, we made nine submittals of sections of the Preliminary TAR.

Meanwhile on April 4, 1996, and subsequently in six submittals in response to staff questions, we docketed updated information in regard to the Palisades Reactor Vessel Fluence Analysis. That information provided the basis for a 25 percent reduction in reactor vessel fluence from the previously accepted value.

On December 20, 1996, the Staff issued an Interim SER which approves an 8 percent reduction in the calculated fluence and states that the Staff review effort would continue to consider the acceptability of the other 17 percent. The SER further states that the Staff acceptance of the 8 percent reduction results in the Palisades Reactor Vessel reaching the screening criterion in 2003 instead of the previously determined 1999.

In view of the above, Consumers Energy Company no longer plans to anneal the Palisades' Reactor Vessel in 1998 and does not plan to submit a final TAR. Consumers Energy Company has stopped the Reactor Vessel Annealing Project until

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1999 when the decision to anneal will be re-evaluated and the effects of deregulation on the market are better understood. Therefore, we hereby withdraw our request for further staff review of the Palisades Reactor Vessel Preliminary TAR.

SUMMARY OF COMMITMENTS

This letter contains no new commitments and no revisions to existing commitments.



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