



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

TERA

Docket Nos.: 50-329/330



Mr. J. D. Selby
Consumers Power Company
212 West Michigan Avenue
Jackson, Michigan 49201

Dear Mr. Selby:

This is in response to your letter of January 16, 1981 to Chairman Ahearne regarding licensing schedules for the Midland Plant, Units 1 and 2. In that letter you note (1) your strong disagreement with the staff's assumption of a hearing duration of only four months when projecting target schedules for plants such as the Midland Plant considered likely to experience a heavily contested hearing; and (2) that the NRC schedule for Midland in the NRC Status Report dated November 21, 1980 to Congressman Beville reflects a decrease in the duration between issuance of the supplemental safety evaluation report (SSER) to issuance of the operating license (OL) from the target schedules developed in April 1980. As a result you believe assignment of a higher review priority to the Midland Plant, and advancement of the scheduled date for issuance of the Midland SER so as to correct what you consider to be an unrealistic post-SSER duration is justified.

The NRC's target schedules in the NRC Status Report dated November 21, 1980 for plants like Midland which are expected to have a heavily contested OL hearing were developed using standard assumptions stated in Attachment 4 of that report of nine months from SSER to decision by the Atomic Safety and Licensing Board. An earlier target schedule for forty plants presented in testimony for the House Appropriations Subcommittee in April 1980 had assumed an average hearing duration of five months if hearings were expected. Another difference between the April and November schedule results from the fact that the November target schedules for the heavily contested plants provide three months between decision and OL issuance as a result of the Commission's policy regarding the immediate effectiveness rule.

However, since the hearing process in the past has proven to be longer in duration than we projected, the staff has re-examined the assumptions used in developing the target schedules for contested cases, for facilities with expected completion dates in CY 1981 and 1982. While the target schedules previously developed differentiated between moderate and heavily contested hearings, the application of the standard assumptions did not always realistically project the duration of the hearing and appeal process. The results of the staff re-examination indicate that the span, between the date when the staff's completed review is documented (e.g., issue the latest SER supplement) and the date when the hearing starts, should be increased from the previously assumed 1-2 months to 2-6 months. The magnitude of this increase was determined

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on a case-by-case basis primarily to account, more realistically, for the pre-hearing process. The results of the case-by-case review indicate that, for most plants, approximately two months should be added to the time span between the end of the hearing and the issuance of the Licensing Board decision. In addition, the time span for the review process by the Appeal Board and the Commission for most of the plants, regarding the effectiveness of the Licensing Board's initial decision, was increased one month to reflect the actual times allotted by the rules of practice. A similar re-examination of target schedules for facilities with construction completion dates beyond CY 1982 is in progress by the staff. Adjustments to target schedules will be made as necessary based on these re-examinations for all plants. Based on the results of our re-examination of the facilities with construction completion dates beyond CY 1982, Midland 2 may become an impacted plant. Upon completion of our re-examination of the facilities with construction completion dates beyond CY 1982, I will provide you with the results and a description of the effect on Midland 2.

I certainly share your concern for the adverse consequences which can be associated with delays in OL issuance, and our goal in developing target schedules is to avoid or minimize such delay. Our success depends, in large measure, upon establishment of realistic schedules and proper prioritization for all plants as well as other priority work items.

Because of our need to prioritize review schedules using consistent assumptions, all target schedules are based upon NRC estimates of construction completion. A review of the November Status Report would indicate that Midland Plant, Unit 2 is preceded by 30 plants for which NRC estimates of construction completion predate those for Midland. However, in spite of this, we have and continue to expend significant NRR and consultant resources in support of the on-going proceeding regarding soils settlement matters.

Obviously, the full resumption of the Midland review at this time with present staff resources would have a significant impact upon higher priority efforts by NRR. It was for this reason that on June 13, 1980 and August 25, 1980 we discussed alternative review techniques such as the Independent Design Review concept employed on Palo Verde. My offer to try such techniques on Midland remains in effect and your recent outline for the first such meeting on Midland is presently being reviewed. It is our objective to maintain our review schedules such that operating licenses can be issued without resulting in undue delays beyond completion of construction.

While your letter of December 10, 1980 states your belief that the Midland application is ready for post-TMI review, I notice, (1) that your application has not responded to our letter of October 31, 1980 which establishes NUREG-0737, rather than NUREG-0694, as the basis for further licensing of post-TMI requirements; and (2) your post-TMI response to NUREG-0694 provided by Amendment 83 contains numerous references to information which will be provided by a later amendment and also reflects several exceptions to approved requirements. While the implementation schedule specified by NUREG-0737 does not require submittal of responses at this time, your current information in Amendment 83 does not provide for the conduct of a meaningful review. Your attention to these matters will assist in our timely completion of the Midland review, once fully resumed.

Original Signed by

H. R. Denton

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

FROM: Consumers Power Company J. D. Selby		ACTION CONTROL	DATES	CONTROL NO.
TO: ChairmanAhearne		COMPL DEADLINE	2/20/81	10077
DESCRIPTION <input type="checkbox"/> LETTER <input type="checkbox"/> MEMO <input type="checkbox"/> REPORT <input type="checkbox"/> OTHER		ACKNOWLEDGMENT		DATE OF DOCUMENT
Urges Commission give higher priority to review of the <u>Midland</u> licensing schedule		INTERIM REPLY		1/16/81
SPECIAL INSTRUCTIONS OR REMARKS		FINAL REPLY		PREPARE FOR SIGNATURE OF:
<p style="text-align: center;"><i>Priority 1/27</i></p>		FILE LOCATION		<input type="checkbox"/> CHAIRMAN <input type="checkbox"/> EXECUTIVE DIRECTOR OTHER: <u>Denton</u>
CLASSIFIED DATA		SECY-81-0090		
DOCUMENT/COPY NO.	CLASSIFICATION			
NUMBER OF PAGES	CATEGORY			
POSTAL REGISTRY NO.	<input type="checkbox"/> NSI <input type="checkbox"/> RD <input type="checkbox"/> FRD			
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Denton	1/23/81	Dircks Case	ASSIGNED TO:	DATE
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<i>J. D. Selby</i>		Rehm 1. PPAS	5. Snyder	
		Shapar 2. Hanauer	6. Vollmer	
		3. Ross		
JCAE NOTIFICATION RECOMMENDED:		<input type="checkbox"/> YES <input type="checkbox"/> NO		

NRC FORM 232
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EXECUTIVE DIRECTOR FOR OPERATIONS

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PRINCIPAL CORRESPONDENCE CONTROL

81-0090

No. 80-2290 Logging Date 1/22/81

NRC SECRETARIAT

TO: Commissioner _____ Date _____
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 Public Affairs _____ Secretary _____
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 _____ Policy Evaluation _____

Incoming: J. D. Selby
 From: Consumers Power Company

To: Ahearne Date 1/16/81

Subject: concern with re to the content & potential impact of the NRC ~~xxx~~ status report dtd 11/21 to Congressman Beville

- XXX Prepare reply for signature of:
- Chairman _____
 - Commissioner _____
 - EDO, GC, CL, SOL, PA, SECY, IA, PE
 - Signature block omitted _____
 - _____
 - Return original of incoming with response

- For direct reply*
- For appropriate action
- For information

Suspense: Feb 13

Remarks: Cpys to: Docket, RF

Rec'd Off. 1/23/81
 Date: 1/23/81
 Time: 1:00

For the Commission: billie

*Send three (3) copies of reply to Secy Correspondence and Records Branch