



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

CONSUMERS POWER COMPANY
MIDLAND PLANT, UNITS 1 AND 2
DOCKET NOS. 50-329 AND 50-330

ORDER EXTENDING CONSTRUCTION COMPLETION DATES

Consumers Power company is the holder of Construction Permits Nos. CPPR-81 and CPPR-82, issued by the Atomic Energy Commission* on December 15, 1972, for construction of the Midland Plant, Units 1 and 2, which is presently under construction at the licensee's site in Midland County, Michigan.

On August 29, 1977, Consumers Power Company filed a request for an extension of the completion dates because construction has been delayed due to:

1. Reevaluation of construction time due to changing project scope and industry experience,
2. Switching the completion sequence of Unit 1 and Unit 2,
3. Adverse financial conditions prevailing in 1974 and 1975, and
4. Initial mobilization of the architect-engineer after issuance of the construction permit.

This action involves no significant hazards consideration; good cause has been shown for delay; and the extension is for a reasonable period, the bases for which are set forth in an NRC staff evaluation dated November 17, 1978.

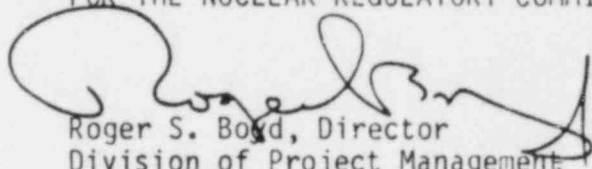
*Effective January 19, 1975, the Atomic Energy Commission became the Nuclear Regulatory Commission, and Permits in effects on that day were continued under the authority of the Nuclear Regulatory Commission.

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A negative declaration and an environmental impact appraisal have been prepared and are available, as are the above stated documents, for public inspection at the Commission's Public Document Room, 1717 H Street, N. W., Washington, D. C. 20555, and at the Grace Dow Memorial Library, 1710 W. St. Andrews Road, Midland, Michigan 48640.

IT IS HEREBY ORDERED THAT the latest completion dates for Construction Permits Nos. CPPR-81 and CPPR-82 are extended from December 1, 1978, and December 1, 1979, to October 1, 1982, and October 1, 1981 for Units 1 and 2, respectively.

FOR THE NUCLEAR REGULATORY COMMISSION



Roger S. Boyd, Director
Division of Project Management
Office of Nuclear Reactor Regulation

Date of Issuance:
November 17, 1978

EVALUATION OF A REQUEST FOR AN
EXTENSION OF CONSTRUCTION PERMITS
CPPR-81 and CPPR-82 FOR
MIDLAND PLANT UNITS 1 AND 2

A. Introduction

Construction Permits CPPR-81 and CPPR-82 were issued on December 15, 1972, and were further amended on May 23, 1973, for construction of Midland Plant Units 1 and 2 in Midland Township, Midland County, Michigan. The permittee, Consumers Power Company, requested in its letter of August 29, 1977 that Construction Permit CPPR-81 be amended to change the earliest and latest dates for completion of Midland Plant Unit 1 from December 1, 1977 and December 1, 1978 to October 1, 1981 and October 1, 1982. The permittee also requested that Construction Permit CPPR-82 be amended to change the earliest and latest dates for completion of Midland Plant Unit 2 from December 1, 1978 and December 1, 1979 to October 1, 1980 and October 1, 1981.

The permittee's letter of August 29, 1977 forwarded a "General Information" volume, stating that the delay in the original construction schedules is due to delaying factors beyond the permittee's control and stating the reasons for the delay. The permittee also provided additional information in response to our requests during meetings dated March 21 and 22, 1978, May 2, 1978, August 31, 1978 and November 6, 1978. The delaying factors are stated to be:

1. Reevaluation of Construction Time Due to Changing Project Scope and Industry Experience

Project scope changed principally because of changed design and construction criteria for safety-related systems and structures. Experience from the industry indicated that more time was needed to design and construct Midland Plant, Units 1 and 2.

2. Switching Unit Completion Sequence

Midland Plant Unit 2 was rescheduled to be completed one year ahead of Midland Plant Unit 1 because of the engineering complexities of Unit 1 (which is the combined electric and process steam unit) and the earlier need for Unit 2 (which is the all electric unit) due to projected electrical load demand and the projected need for process steam.

3. Adverse Financial Conditions

Adverse financial conditions affecting the utility industry in 1974 and 1975 required adjustment of construction and engineering activities for Midland Plant Units 1 and 2 to match projected available financing.

4. Mobilization of the Architect - Engineer

Mobilization of the architect - engineer was rescheduled to begin after issuance of the Construction Permits to limit costs which could not have been recovered at a different site.

B. Good Cause and Reasonable Time

The NRC staff finds that the delaying factors cited above as reasons for the construction delay were unforeseen. The staff also finds that these factors constitute good cause for the requested extension. Based upon the estimate of the time required to perform the remaining work by the Office of Inspection and Enforcement and by the Caseload Forecast Panel, we believe the permittee's earliest estimate of the time to complete construction of the remaining work is not unreasonable, though slightly optimistic based on the past history of labor productivity. However, we concur that the construction permit extension request reflects a reasonable estimate of the time required to complete the remaining work, plus a reasonable allowance for additional delays which might result from the same or similar delaying factors cited above. However, in the event of unusual difficulties in correcting the settlement of certain structures recently discovered to be occurring at the site, this estimate may have to be revised.

In regard to the remaining work the NRC staff notes the following factors to be considered:

1. Many significant items of construction remain to be performed (e.g., the completion of the piping systems and the installation of the the safety-related electrical cables);

2. Almost none of the system and preoperational testing has been initiated;
and
3. Similar facilities have experienced long delays in the resolution
of technical problems associated with major systems.

While it is difficult to assess the potential impact of these factors, we conclude that the requested extension of the construction permits, barring unusual difficulties due to structural settlement recently observed at the site, provides sufficient margin for the permittee's estimate of the completion dates.

C. Significant Hazards Consideration

The staff finds that because the request is only for additional time to complete construction of a facility whose general design and design criteria have already been reviewed and approved, neither the probability nor the consequences of postulated accidents previously considered will be increased, nor will any safety margins associated with this facility be decreased. Accordingly, no significant hazards consideration is involved in granting the request and prior public notice of this action is not required.

D. Conclusions and Recommendations

For the reasons stated herein, the NRC staff concludes that the latest completion date for Construction Permit CPPR-81 should be extended from December 1, 1977, to October 1, 1982 and that Construction Permit CPPR-82 should be extended from December 1, 1979 to October 1, 1981.

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