

DMB

APR 14 1986

50-329/330

MEMORANDUM FOR: Frank J. Maraglia, Jr., Director, Division of PWR
Licensing-B, NRR

FROM: Charles E. Norelius, Director, Division of Reactor
Projects, Region III

SUBJECT: RECOMMENDATION FOR NOTIFICATION OF LICENSING BOARD
PROPOSED CONVERSION OF MIDLAND TO NATURAL GAS

In accordance with present NRC procedures regarding Board Notifications, the following information is being provided as constituting new information relevant and material to the Midland OM/OL proceedings.

On April 7, 1986, Consumers Power Company notified the NRC that it was seeking approval from the Michigan Public Service Commission to convert the Midland Nuclear Power Station to be fueled by natural gas. The conversion proposal includes, as the initial phase, the construction of 8 natural gas combustion turbines. The exhaust heat from the turbines would heat a boiler providing steam to the already existing low pressure turbines for Midland Unit 1. (The high pressure turbine would not be used.) The licensee said this phase would be completed in 1990 at a cost of \$435 million. The combination of the gas turbines and the low pressure steam turbines would generate 730 megawatts of electricity. Unit 1 could be expanded by 435 megawatts with additional turbines. A further expansion could involve the conversion of Unit 2. The utility said the natural gas conversion was the least costly of the alternatives examined, including completion of the plant's nuclear units, conversion to coal, or abandonment.

If you have any questions or desire further information regarding this matter, please call Ross Landsman of my staff (FTS 388-5587).

"Original Signed by C.E. Norelius"

Charles E. Norelius, Director
Division of Reactor Projects

See Attached List For Distribution

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