



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

December 6, 2000

LICENSEE: Consumers Energy Company

FACILITIES: Palisades Plant

SUBJECT: SUMMARY OF NOVEMBER 9, 2000, MEETING REGARDING
POTENTIAL APPLICATION TO TRANSFER OPERATING AUTHORITY
TO NUCLEAR MANAGEMENT COMPANY, LLC (TAC NO. MB0378)

On November 9, 2000, the Nuclear Regulatory Commission (NRC) met in Rockville, Maryland, with Mr. R. Vincent of Consumers Energy Company (CEC and licensee) and Mr. J. Newman, representing Nuclear Management Company, LLC, regarding the contents of a potential application for a license amendment to transfer operating authority for the Palisades Plant from CEC to NMC. Meeting attendees are listed in Enclosure 1.

Mr. Vincent explained that CEC was in the process of negotiating with NMC regarding an operating services agreement whereby NMC would assume exclusive responsibility for the operation and maintenance of Palisades. Mr. Vincent said an agreement was expected to be reached within a few days and the application would be filed with the NRC within the next two weeks. CEC and NMC anticipate implementing the transfer of operating authority promptly following NRC issuance of the proposed amendment and would like to effect the transfer of applicable CEC employees to NMC before the next refueling outage in the spring of 2001. Meeting this date would require an expedited review by the NRC. Accordingly, Mr. Vincent explained that the purpose of the meeting was to review the content of the draft application to ensure completeness of the final application so as to help ensure a more efficient NRC review process.

Enclosure 2, which served as the meeting agenda, identifies the topics that would be covered by the potential application. [NOTE: Since the application has now been filed with the NRC, Mr. Vincent's summary of these topics during the meeting are not repeated here. Rather, the reader is referred to the letter from Mr. Thomas Palmisano, Site Vice President-Palisades Plant, to the NRC, "Docket Nos. 50-255 and 72-7, Palisades Plant Application For Order And Conforming License Amendment Re: Transfer of Operating Authority," dated November 21, 2000, which is available on the ADAMS Public Library component on the NRC's web site, <http://www.nrc.gov> (the Electronic Reading Room) using ADAMS Accession No. ML003771304. The letter may also be examined, and/or copied for a fee, at the NRC's Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland.]

Regarding the NRC's review schedule, the NRC staff said that the pending license transfer request would likely require at least 6 months to review and process, assuming expediting circumstances exist.

The NRC staff noted that shortening this schedule to accommodate a spring 2001 outage would impact other scheduled NRC workloads and would require substantial justification.

No regulatory decisions or commitments were made during the meeting.

A handwritten signature in cursive script, reading "Darl S. Hood".

Darl S. Hood, Senior Project Manager
Project Directorate III-1
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosures: 1. List of Attendees
2. Transfer Request Topics Covered (Agenda)

cc w/encs: See next page

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No regulatory decisions or commitments were made during the meeting.

/RA/

Darl S. Hood, Senior Project Manager
Project Directorate III-1
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosures: 1. List of Attendees
2. Transfer Request Topics Covered (Agenda)

cc w/encls: See next page

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Palisades Plant

cc:

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Mr. Nathan L. Haskell, Director
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Palisades Plant
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Covert, MI 49043

April 2000

Meeting Attendees
November 9, 2000

NRC

B. Zalcman
C. Craig
R. Wood
S. O'Connor
S. Hom
C. Lyon
R. Pelton
D. Hood

CEC

R. Vincent

NMC

J. Newman

ENCLOSURE 1

CONSUMERS ENERGY/NMC TRANSFER REQUEST TOPICS COVERED

SUMMARY OF REQUEST

BACKGROUND AND DESCRIPTION OF ORGANIZATION(S)

REQUESTED APPROVALS

GENERAL INFORMATION FOR LICENSE TRANSFERS

Name and Address of Successor Licensee

Description of Business of Operating Company

Organization of Management and Operating Company

Technical Qualifications

Statement of Benefits of the Transfer of License

Financial Considerations

Anti-trust Considerations

Restricted Data

No Environmental Impact

CONSUMERS ENERGY/NMC TRANSFER REQUEST

TOPICS COVERED (cont'd)

SPECIFIC INFORMATION

Public Health, Safety and Welfare Considerations

Emergency Planning

Offsite Power

Exclusion Area

Security

Quality Assurance Program

Final Safety Analysis Report

Training

Decommissioning

CORRESPONDENCE

EFFECTIVE DATE

ATTACHMENTS

Summary of Organization

Summary of Changes to Operating License

Revised Operating License

Marked-up Operating License with Proposed Changes

Safety Evaluation

Nuclear Power Plant Operating Services Agreement