

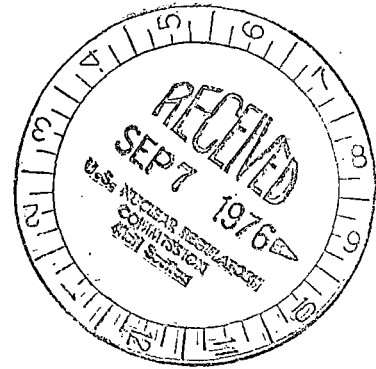


**Consumers  
Power  
Company**

General Offices: 212 West Michigan Avenue, Jackson, Michigan 49201 • Area Code 517 788-0550

September 3, 1976

Mr B. C. Rusche  
Director, Nuclear Reactor Regulation  
US Nuclear Regulatory Commission  
Washington, DC 20555




DOCKET 50-255, LICENSE DPR-20 -  
PALISADES PLANT

On August 4, 1976 Consumers Power Company transmitted a proposed change to the Palisades Plant Technical Specifications. As the proposed change affected limits associated with the amount of heat that could be discharged from the closed-cycle cooling system into Lake Michigan during the months of August and September 1976, we confirmed that the parties specified in the Palisades Plant Settlement Agreement between Consumers Power Company and Michigan Steelhead and Salmon Fisherman's Association, et al, had been notified as required by that Agreement.

On August 5, 1976 representatives of Consumers Power Company met with members of your staff to discuss this proposed change. At that time, Consumers Power Company informed the members of your staff that we did not yet know Interveners' position on the proposed change. Your staff informed us that if the Interveners objected to the change, the Nuclear Regulatory Commission would offer them an opportunity to request a hearing on this matter prior to allowing Consumers Power Company to institute the change. It has been our past experience that in such a situation, the Nuclear Regulatory Commission would provide the Interveners 30 days in which to determine whether they wish to request such a hearing. Subsequently, by letters dated August 19, 1976, Mr Myron M. Cherry informed you and Consumers Power Company that the Interveners did not agree to this change.

As a significant portion of the expected benefits (both test data and economic) of this proposed change would accrue in August and early September 1976, a 30-day time period granted to Interveners to determine whether they wished to request a hearing would effectively preclude Consumers Power Company from utilizing the requested change. We, therefore, withdraw our August 4, 1976 proposed Technical Specifications change. We are presently evaluating whether a similar change would be of benefit during the warm weather months of 1977 and are also evaluating the possibility of other changes to those portions of the Technical Specifications which were imposed pursuant to the Intervener Agreement.

This evaluation will depend on the results which we obtained in late August 1976 from operation of the turbine at higher back pressures as well as the results of partial dilution flow testing. The purpose of this operation and testing was an attempt to determine whether the plant power output could be increased by diverting some dilution flow to the condenser while still meeting Technical Specifications limits. As noted in the Licensee Event Report submitted August 31, 1976 the 5°F  $\Delta T$  limit was exceeded briefly during this testing.

  
Ralph B. Sewell  
Nuclear Licensing Administrator

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