



Public Service®

December 5, 1988
Fort St. Vrain
Unit No. 1
P-88422

Public Service
Company of Colorado
P.O. Box 840
Denver, CO 80201-0840

R.O. WILLIAMS, JR.
SENIOR VICE PRESIDENT
NUCLEAR OPERATIONS

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555

Attention: Mr. Jose A. Calvo
Director, Project Directorate IV

Docket No. 50-267

SUBJECT: Early Termination of
Fort St. Vrain Operations

REFERENCE: 1) NRC Letter, Heitner to Williams,
dated November 4, 1988 (G-88443)
2) NRC Memorandum, Heitner to Calvo,
dated October 26, 1988 (G-88436)

Dear Mr. Calvo:

The present Facility Operating License for the Fort St. Vrain Nuclear Generating Station, License No. DPR-34, expires at midnight on September 17, 2008. Based on economic considerations associated with the ongoing operating costs of Fort St. Vrain, Public Service Company of Colorado (PSC) has determined that it will be necessary to terminate Fort St. Vrain operations early. While a final date for terminating Fort St. Vrain operations has not been selected at this time, Fort St. Vrain operations will be discontinued on or before June 30, 1990.

In Reference 1), the NRC requested that PSC provide a definitive operating plan for Fort St. Vrain within 30 days. Because of the aforementioned economic considerations, PSC has decided to terminate Fort St. Vrain operations as soon as planning and preparations can be completed for the initiation of an orderly Fort St. Vrain defueling, including the completion of the necessary NRC reviews and receipt of the required NRC approvals for initiation of the defueling process.

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At the meeting on October 13-14, 1988 between representatives of the NRC, PSC and the State of Colorado (see Reference 2), PSC presented two of the possible future Fort St. Vrain operating plan scenarios:

- Operating Fort St. Vrain through Cycle 4 (Segment 9) including a power coastdown period as part of Cycle 4.
- Operating Fort St. Vrain through Cycle 5 (Segment 10) including a power coastdown period as part of Cycle 5 instead of Cycle 4.

Neither of these operating plan scenarios envisioned the procurement of Segment 11 or a sixth fuel operating cycle for Fort St. Vrain.

Based on the estimated time required to complete planning and preparations for the initiation of defueling and decommissioning activities at Fort St. Vrain, PSC has decided not to conduct a fourth Fort St. Vrain refueling outage to load new fuel Segment 10, and the fifth fuel operating cycle is therefore being cancelled. The one currently undefined operating planning premise is the final duration of the current fourth fuel operating cycle, including the power coastdown period. The final duration of the fourth fuel operating cycle will be based upon the time to complete planning and preparations for the initiation of defueling, the reliability of Fort St. Vrain, and the allowable duration of a power coastdown period prior to the end of the fourth fuel operating cycle. Based on these factors, the best current PSC estimate is that the fourth fuel operating cycle will be concluded between December 1989 and June 1990. Therefore, PSC will be terminating Fort St. Vrain operations on or before June 30, 1990.

During the remainder of the fourth fuel operating cycle, PSC intends to pursue and obtain the necessary reviews and approvals from the NRC staff to permit the safe termination of nuclear operations at Fort St. Vrain, and permit the orderly completion of defueling and decommissioning planning activities. PSC has already initiated planning discussions with the NRC staff (see Reference 2) concerning the defueling, decommissioning, and the possible conversion of Fort St. Vrain to an alternate fossil fuel source. PSC plans to make the following submittals to the NRC during 1989 to support these defueling and decommissioning planning activities, and requests that NRC reviews and approval be completed on the indicated schedule:

- PSC will submit the preliminary decommissioning plan for Fort St. Vrain by March 31, 1989 to fulfill the recently issued requirements of 10 CFR 50.75(f).

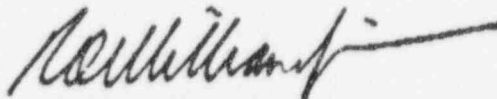
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- Although not specifically required by the regulations, PSC will also submit by March 31, 1989 information concerning PSC's financial plans to support the defueling of Fort St. Vrain as discussed during the October 13-14, 1988 meeting.
- PSC will submit by May 31, 1989 the Fort St. Vrain defueling plan, and associated safety analysis report and required Technical Specification changes to the NRC for approval.
- PSC requests that NRC review and approve the defueling plan, and associated safety analysis report and Technical Specification changes by December 31, 1989 to support the early termination of Fort St. Vrain operations.

As part of the planning process, PSC is reviewing all outstanding NRC requirements and PSC commitments to identify those that should be completed to support the safe, short-term completion of nuclear operations at Fort St. Vrain. PSC is also identifying those PSC commitments and new NRC requirements that are longer term in nature, and whose safety benefits would not be realized, to any significant extent, since Fort St. Vrain operations will be discontinued on or before June 30, 1990. To optimize the utilization of both NRC and PSC resources, work on commitments and new requirements whose safety benefits would largely accrue only if Fort St. Vrain were to be operated beyond June 30, 1990 would be terminated at the present time. PSC plans to submit by January 20, 1989 a definitive listing of proposed changes to current PSC commitments as required to assure the safe termination of Fort St. Vrain operations.

If you should have any questions concerning this matter, please contact Mr. M. H. Holmes at (303) 480-6960.

Very truly yours,



R. O. Williams, Jr.
Senior Vice President
Nuclear Operations

ROW/MHH:brc

cc: (See next page)