

assemblies was significantly lower than the resident Westinghouse fuel. Using the Baker-Just equation, the local cladding oxidation of the demonstration assemblies was less than 5%. Also, the maximum hydrogen generation was unchanged with the inclusion of four demonstration assemblies. Therefore, the coolable geometry was maintained following a loss-of-coolant accident (LOCA).

Paragraph I.A.5 of Appendix K to 10 CFR part 50 states that the rates of energy release, hydrogen concentration, and cladding oxidation from the metal-water reaction shall be calculated using the Baker-Just equation. Since the Baker-Just equation presumes the use of zircaloy clad fuel, strict application of the rule would not permit use of the equation for advanced zirconium-based alloys for determining acceptable fuel performance. The underlying intent of this portion of the Appendix, however, is to ensure that analysis of fuel response to LOCAs is conservatively calculated. Due to the similarities in the composition of the advanced zirconium-based alloys and Zircaloy/ZIRLO, the application of the Baker-Just equation in the analysis of advanced zirconium-based clad fuel will conservatively bound all post-LOCA scenarios. Thus, the underlying purpose of the rule will be met. Thus, special circumstances exist to grant an exemption from Appendix K to 10 CFR part 50 that would allow the licensee to apply the Baker-Just equation to advanced zirconium-based alloys. Only LOCA methods approved by NRC were used to perform the calculations which demonstrated adequate safety performance of ECCS systems. These include: (1) RSG LOCA-B&W LOCA evaluation model, (BAW 10168, Rev. 3), (2) RELAP5/MOD2-B&W code, (BAW 10164, Rev. 3), (3) the BEACH implementation of RELAP 5, (BAW-10166, Rev. 4), and (4) REFLOD3B (BAW-10171-PA, Rev. 3). The licensee documented calculations which demonstrate that existing North Anna calculations based on the current fuel design conservatively bound the LOCA performance of the demonstration assemblies as calculated by NRC-approved methods. Results of comparative LOCA calculations with the same plant operating parameters demonstrated that the LOCA calculational methods used are acceptable for the demonstration assemblies at North Anna. As such, the licensee has achieved the underlying purpose of 10 CFR 50.46 and 10 CFR part 50, Appendix K. The underlying purpose of 10 CFR 50.44 is to ensure

that means are provided for the control of hydrogen gas that may be generated following a postulated LOCA accident. The licensee has provided means for controlling hydrogen gas and has previously considered the potential for hydrogen gas generation stemming from a metal-water reaction. The small number of fuel rods in the four demonstration assemblies containing advanced zirconium-based claddings in conjunction with the chemical similarity of the advanced claddings to zircaloy and ZIRLO ensures that previous calculations of hydrogen production resulting from a metal-water reaction would not be significantly changed. As such, the licensee has achieved the underlying purpose of 10 CFR 50.44.

The four demonstration assemblies that will be placed in the NPS-1 reactor during Cycles 13, 14, and 15, or in NPS-2 under constraints previously described, meet the same design bases as the fuel in the reactor during previous cycles. No safety limits or setpoints have been altered as a result of the use of the four demonstration assemblies. The demonstration assemblies will be placed in core locations that will not experience limiting power peaking during the aforementioned operating cycles. The advanced claddings have been tested for corrosion resistance, tensile and burst strength, and creep characteristics. The results indicate that the advanced claddings are safe for reactor service.

IV

For the foregoing reasons, the NRC staff has concluded that the use of the four demonstration assemblies in the NPS-1 reactor during Cycles 13, 14, and 15, or in NPS-2 under constraints previously described, will not present an undue risk to public health and safety and is consistent with the common defense and security. The NRC staff has determined that there are special circumstances present as specified in 10 CFR 50.12(a)(2)(ii) such that application of 10 CFR 50.46, 10 CFR Part 50, Appendix K, and 10 CFR 50.44 to only apply to zircaloy or ZIRLO is not necessary in order to achieve the underlying purpose of these regulations.

Accordingly, the Commission has determined that pursuant to 10 CFR 50.12, an exemption is authorized by law and will not endanger life or property or common defense and security and is otherwise in the public interest, and hereby grants Virginia Electric and Power Company an exemption from the requirements of 10 CFR 50.44, 10 CFR 50.46, and Appendix K to 10 CFR Part 50 in that explicit

consideration of the advanced zirconium-based clad fuel present within the four demonstration assemblies is not required in order to be in compliance with these regulations. This exemption applies only to the four demonstration assemblies for the three total operating cycles for which these assemblies will be in the NPS-1 and NPS-2 reactor cores under the constraints stated in Section II above.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this exemption will have no significant impact on the quality of the human environment (62 FR 23504).

This exemption is effective upon issuance.

Dated at Rockville, Maryland this 9th day of May 1997.

For the Nuclear Regulatory Commission.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 97-12737 Filed 5-14-97; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 50-305]

Wisconsin Public Service Company; Wisconsin Power and Light Company; Madison Gas and Electric Company; Notice of Consideration of Issuance of Amendment To Facility Operating License, Proposed No Significant Hazards Consideration Determination, and Opportunity for a Hearing

The United States Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License No. DPR-43 issued to Wisconsin Public Service Corporation, Wisconsin Power and Light Company, and Madison Gas and Electric Company (the licensee), for operation of the Kewaunee Nuclear Power Plant, located in Kewaunee County, Wisconsin.

The proposed amendment would change the main steam isolation valve (MSIV) closure time assumption referenced in the Basis for Technical Specification (TS) 4.7.

Before issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in 10 CFR

50.92, this means that operation of the facility in accordance with the proposed amendment would not: (1) Involve a significant increase in the probability or consequences of an accident previously evaluated; (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed changes were reviewed in accordance with the provisions of 10 CFR 50.92 to determine that no significant hazards exist. The proposed changes will not:

1. Involve a significant increase in the probability or consequences of an accident previously evaluated.

The closure time for the (MSIVs) is not an accident initiator. The surveillance requirement for the MSIVs will remain unchanged. Therefore, this change will not increase the probability of occurrence of an accident previously evaluated.

The main steam line break (MSLB) accident analysis has many conservative input assumptions. The 10 second MSIV closure value is overly conservative. This value can be reduced to a value greater than or equal to the value required by TS 4.7 and will still be a conservative value with regard to actual closure times expected. Changing the analysis input assumptions will result in less severe analytical consequences, but does not change the underlying accident progression. Therefore, this change will not increase the consequences of an accident previously analyzed.

2. Create the possibility of a new or different kind of accident from any accident previously evaluated.

This change revises a specified analysis assumption for MSIV closure in the Basis for TS 4.7. Changing the closure time allowed for analysis purposes will not create a new or different kind of accident from any accident previously evaluated.

3. Involve a significant reduction in the margin of safety.

The MSLB accident analysis employs several conservative input assumptions. The revised assumption for the MSIVs is conservative with respect to actual valve performance. The surveillance test results for the MSIVs over the past 10 years, a total of 53 tests, revealed that the MSIVs close within 3–4 seconds, with them closing between 4–5 seconds on only 4 occasions. The surveillance tests are performed during intermediate or hot shutdown conditions to test in an environment most similar to accident conditions. There is negligible flow through the main steam lines during this test. Since the valves are tested at a condition with negligible flow, during an accident the valves would close more quickly as the valve disc enters the flow stream. In the past 10 years, one MSIV failed to meet its timing test on one occasion, and the other MSIV failed to meet its timing test on two occasions. The cause of two of the three failures was

attributed to sticking limit switches, which were valve indication problems, not valve performance problems. The cause of the remaining failure was not explicitly identified. The MSIVs have been very reliable in meeting their timing tests. Using a closure assumption less than 10 seconds will continue to provide conservatism in the MSLB accident analysis, as long as the value chosen meets the value required by TS 4.7.

Any future MSLB analyses implementing the less conservative MSIV closure assumption must continue to meet the acceptance criteria required by Kewaunee's Updated Safety Analysis Report (USAR), and thereby, demonstrate that adequate margin of safety is maintained.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice period such that failure to act in a timely way would result, for example, in preventing startup of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received. Should the Commission take this action, it will publish, in the **Federal Register**, a notice of issuance and provide for opportunity for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Rules Review and Directives Branch, Division of Freedom of Information and Publications Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and should cite the publication date and page number of this **Federal Register** notice. Written comments may also be delivered to Room 6D22, Two White Flint North, 11545 Rockville Pike, Rockville, MD, from 7:30 a.m. to 4:15 p.m. on Federal workdays. Copies of written comments received may be examined at the NRC

Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC.

The filing of requests for hearing and petitions for leave to intervene is discussed below.

By June 16, 1997, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for a hearing and a petition for leave to intervene. Requests for a hearing and a petition for leave to intervene shall be filed in accordance with the Commission's, "Rules of Practice for Domestic Licensing Proceedings," in 10 CFR part 2. Interested persons should consult a current copy of 10 CFR 2.714, which is available at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the University of Wisconsin, Cofrin Library, 2420 Nicolet Drive, Green Bay, WI. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition; and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) The nature of the petitioner's right under the Act to be made party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the Board up to 15 days prior to the first prehearing conference scheduled in the proceeding, but such an amended

petition must satisfy the specificity requirements described above.

Not later than 15 days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter. Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner shall provide a brief explanation of the bases of the contention and a concise statement of the alleged facts or expert opinion which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner must also provide references to those specific sources and documents of which the petitioner is aware and on which the petitioner intends to rely to establish those facts or expert opinion. The petitioner must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner to relief. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission,

Washington, DC 20555, Attention: Docketing and Services Branch, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, by the above date. Where petitions are filed during the last 10 days of the notice period, it is requested that the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at 1-800-248-5100 (in Missouri, 1-800-342-6700). The Western Union operator should be given Datagram Identification Number N1023 and the following message addressed to Gail H. Marcus: petitioner's name and telephone number, date petition was mailed, plant name, and publication date and page number of this **Federal Register** notice. A copy of the petition should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and to Bradley D. Jackson, Esq., Foley and Lardner, P.O. Box 1497, Madison, WI 53701-1497, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment dated May 2, 1997, which is available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the University of Wisconsin, Cofrin Library, 2420 Nicolet Drive, Green Bay, WI.

Dated at Rockville, Maryland, this 8th day of May 1997.

For the Nuclear Regulatory Commission.

Richard J. Laufer,

Project Manager, Project Directorate III-3, Division of Reactor Projects III/IV, Office of Nuclear Reactor Regulation.

[FR Doc. 97-12735 Filed 5-14-97; 8:45 am]

BILLING CODE 7590-01-P

ACTION: Notice of interest rates and assumptions.

SUMMARY: This notice informs the public of the interest rates and assumptions to be used under certain Pension Benefit Guaranty Corporation regulations. These rates and assumptions are published elsewhere (or are derivable from rates published elsewhere), but are collected and published in this notice for the convenience of the public. Interest rates are also published on the PBGC's home page (<http://www.pbgc.gov>).

DATES: The interest rate for determining the variable-rate premium under part 4006 applies to premium payment years beginning in May 1997. The interest assumptions for performing multiemployer plan valuations following mass withdrawal under part 4281 apply to valuation dates occurring in June 1997.

FOR FURTHER INFORMATION CONTACT: Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005, 202-326-4024 (202-326-4179 for TTY and TDD).

SUPPLEMENTARY INFORMATION:

Variable-Rate Premiums

Section 4006(a)(3)(E)(iii)(II) of the Employee Retirement Income Security Act of 1974 and § 4006.4(b)(1) of the PBGC's regulation on Premium Rates (29 CFR part 4006) prescribe use of an assumed interest rate in determining a single-employer plan's variable-rate premium. The rate is a specified percentage (currently 80 percent) of the annual yield on 30-year Treasury securities for the month preceding the beginning of the plan year for which premiums are being paid (the "premium payment year"). The yield figure is reported in Federal Reserve Statistical Releases G.13 and H.15.

The assumed interest rate to be used in determining variable-rate premiums for premium payment years beginning in May 1997 (i.e., 80 percent of the yield figure for April 1997) is 5.67 percent. The following table lists the assumed interest rates to be used in determining variable-rate premiums for premium payment years beginning between June 1996 and May 1997.

For premium payment years beginning in:	The required interest rate is:
June 1996	5.54
July 1996	5.65
August 1996	5.62
September 1996	5.47
October 1996	5.62

PENSION BENEFIT GUARANTY CORPORATION

Interest Assumption for Determining Variable-Rate Premium; Interest Assumptions for Multiemployer Plan Valuations Following Mass Withdrawal

AGENCY: Pension Benefit Guaranty Corporation.