Mr. Christopher J. Schwarz  
Vice President, Operations  
Entergy Nuclear Operations, Inc.  
Palisades Nuclear Plant  
27780 Blue Star Memorial Highway  
Covert, MI 49043-9530  

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN – PALISADES NUCLEAR PLANT  

Dear Mr. Schwarz:  

On August 20, 2009, the NRC staff completed its performance review of Palisades Nuclear Plant. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from July 1, 2008, through June 30, 2009. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.  

This performance review and enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only--Security Information" will include the security cornerstone review and resultant inspection plan.  

Plant performance for the most recent quarter at Palisades Nuclear Plant was within the Regulatory Response column of the NRC's Action Matrix, based on one inspection finding in the Occupational Radiation Safety cornerstone being classified as having low to moderate safety significance (White). This White finding, from the fourth quarter of 2008, involved failure to recognize and assess the impact of radiological hazards in the work place. On August 12, we were notified by your staff of your readiness for the NRC to conduct a supplemental inspection to review the actions taken to address this White finding. We started our supplemental inspection (95001) in response to this White finding on August 31, 2009. This is an addition to the reactor oversight process (ROP) baseline inspections at your facility.
In addition, we have identified a substantive cross-cutting issue (SCCI) in the area of human performance (HP) with a cross-cutting theme in the aspect of planning (H.3(a)). During this assessment period, there were 12 findings documented with cross-cutting aspects in the HP area. Four of the findings shared a common cross-cutting aspect of H.3(a) and were from different cornerstones. We have a concern with your progress in addressing this issue; specifically, you were late in identifying the cross-cutting trend.

In the 2008 End-of-Cycle assessment, we advised you of a SCCI in the area of HP with a cross-cutting theme in the aspect of documentation/procedures (H.2(c)). During this period, the number of findings with the same cross-cutting aspect of H.2(c) was reduced. However, the root cause was not completed until recently. Additionally, although you have initiated new, comprehensive measures to address this issue, many of these corrective actions have not yet been implemented, nor has enough data been gathered to gauge their effectiveness. As a result, the SCCI will remain open.

The SCCI will remain open until all cross-cutting themes have been cleared in the area of HP. To clear each theme, we will assess whether your corrective actions have resulted in a positive sustainable improvement in the area and will consider the number of findings in the theme.

Because you have a substantive cross-cutting issue in the area of HP with the same cross-cutting aspect of H.2(c) for two consecutive assessment cycles, we are requesting you provide a response at a public meeting with your actions undertaken, those actions planned to address the concern, and a current assessment of performance. Additionally, you requested a public meeting to discuss this substantive cross-cutting issue. The meeting is scheduled for September 24 at the Region 3 office. The meeting notice was posted on August 24, 2009 (ADAMS ML092330952).

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through December 31, 2010. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last 9 months of the inspection plan are tentative and may be revised at the End-of-Cycle review.

In accordance with 10 CFR 2.390 of the NRC’s “Rules of Practice,” a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC’s document system (ADAMS). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html (the Public Electronic Reading Room).
If circumstances arise which cause us to change the inspection plan, we will contact you to discuss the change as soon as possible. Please contact John (Jack) B. Giessner at 630-829-9619 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/
K. Steven West, Director
Division of Reactor Projects

Docket No. 50-255; 72-007
License No. DPR-20

Enclosure: Palisades Inspection/Activity Plan

cc w/encl: Senior Vice President
Vice President Oversight
Senior Manager, Nuclear Safety & Licensing
Senior Vice President and COO
Assistant General Counsel
Manager, Licensing
W. DiProfio
W. Russell
G. Randolph
Supervisor, Covert Township
Office of the Governor
T. Strong, Chief, State Liaison Officer
Michigan Department of Environmental Quality
Michigan Office of the Attorney General
Mayor of Bangor
City Manager of Bangor
Mayor of Hartford
City Manager of Hartford
Mayor of South Haven
City Manager of South Haven
Administrator, Allegan County
Allegan County Sheriff
Allegan County Emergency Management Coordinator
County Coordinator
Berrien County Sheriff
Director, Berrien County Emergency Management Agency
Chairman, Van Buren County Board
Van Buren County Sheriff
Director, Van Buren County Emergency Management Agency
Mayor of Watervliet
Mayor of Coloma
G. Mortensen, INPO
Letter to C. Schwarz from K. Steven West dated September 1, 2009

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN – PALISADES NUCLEAR PLANT

DISTRIBUTION:
Susan Bagley
RidsNrrDoriLpl3-1
RidsNrrPMPalisades Resource
RidsNrrDirslpob Resource
Cynthia Pederson
Steven Orth
Jared Heck
Allan Barker
DRPIII
DRSIII
Patricia Buckley
Tammy Tomczak
ROPreports Resource
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Michigan Office of the Attorney General
Mayor of Bangor
City Manager of Bangor
Mayor of Hartford
City Manager of Hartford
Mayor of South Haven
City Manager of South Haven
Administrator, Allegan County
Allegan County Sheriff
Allegan County Emergency Management Coordinator
County Coordinator
Berrien County Sheriff
Director, Berrien County Emergency Management Agency
Chairman, Van Buren County Board
Van Buren County Sheriff
Director, Van Buren County Emergency Management Agency
Mayor of Watervliet
Mayor of Coloma
G. Mortensen, INPO
See Previous Concurrences

DOCUMENT NAME: G:\Branch TSS\ALL MOC\midcycle 2008 to 2009/Mid-cycle letters/Palisades 2009 MOC Letter.doc

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This report does not include INPO and OUTAGE activities. This report shows only on-site and announced inspection procedures.
## Inspection Activity Plan

**Palisades**  
**Inspection / Activity Plan**  
**09/01/2009 - 12/31/2010**

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