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NRC STAFF PROPOSES \$25,000 FINE AGAINST CONSUMERS POWER CO. FOR DIESEL GENERATOR VIOLATIONS AT PALISADES NUCLEAR PLANT

The Nuclear Regulatory Commission staff has proposed a \$25,000 fine against Consumers Power Company for violations associated with the maintenance and testing of the emergency diesel generators at the Palisades Nuclear Power Station. The plant is located near Covert, Michigan.

As a result of a routine diesel generator test in July, the utility discovered that the plant's two emergency diesel generators would not supply the maximum anticipated electrical power needs of plant safety systems in the event of a major reactor accident. The two emergency diesel generators are a backup power supply for the plant if it would lose its offsite power supplies.

The utility's investigation and an NRC special inspection determined that the diesel generators' output had degraded as a result of inadequate maintenance in the past, while previous plant modifications had increased the power needs for systems which would be supplied by the diesel generators.

A detailed evaluation, however, determined that there was still adequate margin for the plant to remain within safety limits, even under accident conditions.

The company took prompt and extensive corrective actions following the discovery of the output problem, including restoring full operability to the diesel generators, improving their testing and maintenance programs, and reviewing other safety systems for similar operational problems.

The company was cited for three violations: (1) failure to perform adequate post-maintenance testing to verify that the emergency diesel generators were capable of providing the maximum power needs; (2) failure to perform maintenance procedures recommended by the emergency diesel generator manufacturer; and (3) failure to evaluate the effects of plant modifications on the power requirements for the diesel generators.

Consumers Power has until January 12 to pay the fine or to protest it. If the fine is protested and subsequently imposed by the NRC staff, the utility may request a hearing.

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