June 21, 2001

PRELIMINARY NOTIFICATION OF EVENT OR UNUSUAL OCCURRENCE -- PNO-III-01-019

This preliminary notification constitutes EARLY notice of events of POSSIBLE safety or public interest significance. The information is as initially received without verification or evaluation, and is basically all that is known by the Region III staff on this date.

Facility	**Licensee Emergency Classification**
Palisades	___Notification of Unusual Event
Nuclear Management Co.	___ Alert
Covert, Michigan	___ Site Area Emergency
Docket No. 50-255	___ General Emergency
	_X_ Not Applicable

SUBJECT: SMALL LEAK IN CONTROL ROD DRIVE MECHANISM PRESSURE HOUSING

DESCRIPTION:

At about 3:20 a.m. EDT on June 21, 2001, the licensee identified leakage, described as a fine mist, coming from the lower pressure housing of the No. 21 Control Rod Drive Mechanism (CRDM). The leakage from the housing is about one foot above the flange connecting the CRDM to the reactor vessel head (the leakage location is not similar to other recent CRDM leakage issues).

The plant was shut down on June 20, 2001, to investigate the source of minor leakage from the primary reactor coolant system which had been detected in the containment.

The reactor is being placed in cold shutdown to evaluate the leak and to complete necessary repairs. The cause of the leak is not known at this time.

The resident inspector and licensee staff identified the problem during an inspection of the containment for unidentified leakage. The NRC will continue to monitor the licensee's evaluation and repair activities.

The State of Michigan will be informed. The information in this preliminary notification has been reviewed with licensee management.

The licensee notified the NRC Operations Center of the discovery of the leakage at 6:22 a.m. EDT on June 21, 2001. This information is current as of 10:00 a.m. on June 21, 2001.

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