

November 21, 2001

Mr. Douglas E. Cooper  
Site Vice President  
Palisades Plant  
27780 Blue Star Memorial Highway  
Covert, MI 49043-9530

SUBJECT: SITE-SPECIFIC WORKSHEETS FOR USE IN THE NUCLEAR REGULATORY  
COMMISSION'S SIGNIFICANCE DETERMINATION PROCESS  
(TAC NO. MA6544)

Dear Mr. Cooper:

Enclosed please find the Risk-Informed Inspection Notebook which incorporates the updated Significance Determination Process (SDP) Phase 2 Worksheets that inspectors will be using to characterize and risk-inform inspection findings. This document is one of the key implementation tools of the reactor safety SDP in the reactor oversight process.

The 1999 Pilot Plant review effort clearly indicated that significant site-specific design and risk information was not captured in the Phase 2 worksheets forwarded to you last spring. Subsequently a site visit was conducted by the NRC to verify and update plant equipment configuration data and to collect site-specific risk information from your staff. The enclosed document reflects the results of this visit.

The enclosed Phase 2 Worksheets have incorporated much of the information we obtained during our site visits. The staff encourages further licensee comments where it is identified that the Worksheets give inaccurately low significance determinations. Any comments should be provided to the NRC's Document Control Desk, with a copy to the Chief, Probabilistic Safety Assessment Branch, Nuclear Reactor Regulation. We will continue to assess SDP accuracy and update the document based on continuing experience.

D. Cooper

- 2 -

While the enclosed Phase 2 Worksheets have been verified by our staff to include the site-specific data, we will continue to assess its accuracy throughout implementation and update the document based on comments by our inspectors and your staff.

Sincerely,

***/RA/***

Darl S. Hood, Senior Project Manager, Section 1  
Project Directorate III  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosure: Risk-Informed Inspection Notebook

cc w/o encl: See next page

D. Cooper

- 2 -

While the enclosed Phase 2 Worksheets have been verified by our staff to include the site-specific data, we will continue to assess its accuracy throughout implementation and update the document based on comments by our inspectors and your staff.

Sincerely,

***/RA/***

Darl S. Hood, Senior Project Manager, Section 1  
Project Directorate III  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosure: Risk-Informed Inspection Notebook

cc w/o encl: See next page

DISTRIBUTION w/enclosure  
PDIII-1 Reading  
WReckley  
DHood (hard copy)  
RBouling  
OGC  
ACRS  
MSykes  
AVegel, RIII

DISTRIBUTION w/o enclosure  
PUBLIC

| OFFICE | PDIII-1/PM | PDIII-1/LA | PDIII-1/SC(A) |
|--------|------------|------------|---------------|
| NAME   | DHood      | RBouling   | WReckley      |
| DATE   | 11/15/01   | 11/15/01   | 11/19/01      |

ADAMS Accession No. ML013190409 (Package)/ ML013190365  
OFFICIAL RECORD COPY

Palisades Plant

cc w/o encl:

Mr. Robert A. Fenech, Senior Vice President  
Nuclear, Fossil, and Hydro Operations  
Consumers Energy Company  
212 West Michigan Avenue  
Jackson, MI 49201

Arunas T. Udryns, Esquire  
Consumers Energy Company  
212 West Michigan Avenue  
Jackson, MI 49201

Regional Administrator, Region III  
U.S. Nuclear Regulatory Commission  
801 Warrenville Road  
Lisle, IL 60532-4351

Supervisor  
Covert Township  
P. O. Box 35  
Covert, MI 49043

Office of the Governor  
P. O. Box 30013  
Lansing, MI 48909

U.S. Nuclear Regulatory Commission  
Resident Inspector's Office  
Palisades Plant  
27782 Blue Star Memorial Highway  
Covert, MI 49043

Drinking Water and Radiological  
Protection Division  
Michigan Department of  
Environmental Quality  
3423 N. Martin Luther King Jr Blvd  
P. O. Box 30630 CPH Mailroom  
Lansing, MI 48909-8130

Michigan Department of Attorney General  
Special Litigation Division  
630 Law Building  
P.O. Box 30212  
Lansing, MI 48909

Mr. Roy A. Anderson  
Executive Vice President and  
Chief Nuclear Officer  
Nuclear Management Company, LLC  
700 First Street  
Hudson, WI 54016

Laurie A. Lahti  
Manager - Licensing  
Nuclear Management Company, LLC  
27780 Blue Star Memorial Highway  
Covert, MI 49043

Steven T. Wawro  
Nuclear Asset Director  
Consumers Energy Company  
Palisades Plant  
27780 Blue Star Memorial Highway  
Covert, MI 49043

Mr. John Paul Cowan  
Senior Vice President  
Palisades Plant  
Nuclear Management Company, LLC  
27780 Blue Star Memorial Highway  
Covert, MI 49043

October 2001