

January 15, 2002

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

DOCKET 50-255 - LICENSE DPR-20 - PALISADES PLANT
SQUG OUTLIER RESOLUTION - REVISION OF COMMITMENT

On May 23, 1995, Consumers Power Company submitted a response to Generic Letter 87-02, "Verification of Seismic Adequacy of Mechanical and Electrical Equipment in Operating Reactors, Unresolved Safety Issue (USI) A-46."

Consumers Energy letter dated September 27, 1996, made the commitment that all USI A-46 outliers at Palisades would be dispositioned before the end of the second refueling outage following the receipt of a Palisades-specific Safety Evaluation Report that approves the use of GIP-2 methodology for resolution of USI A-46 at Palisades. The site specific SER was received September 25, 1998, which made the commitment due at the end of the 2001 refueling outage.

By correspondence dated January 9, 2001, the commitment was revised to state that Consumers Energy will disposition all USI A-46 outliers at Palisades before the end of the 2002 refueling outage.

Due to the extended forced outage during 2001 and early 2002, the 2002 refueling outage has been postponed until 2003. Accordingly, Nuclear Management Company is revising its commitment for resolution of all outliers as identified in the following "Summary of Commitments."

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SUMMARY OF COMMITMENTS

This letter contains no new commitments and one revision to an existing commitment:

Existing commitment made January 9, 2001:

Consumers Energy will disposition all USI A-46 outliers at Palisades before the end of the 2002 Refueling Outage.

Revised Commitment:

Nuclear Management Company will disposition all USI A-46 outliers at Palisades before the end of the next refueling outage.

A handwritten signature in black ink, appearing to read "L. Lahti for".

Laurie A. Lahti
Manager, Licensing

CC Administrator, Region III, USNRC
Project Manager, NRR, USNRC
NRC Resident Inspector - Palisades