

April 17, 2003

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

PALISADES NUCLEAR PLANT
DOCKET 50-255
LICENSE No. DPR-20
2002 ANNUAL NON-RADIOLOGICAL ENVIRONMENTAL OPERATING REPORT

Nuclear Management Company, LLC (NMC), is providing the Palisades Nuclear Plant Annual Non-Radiological Environmental Operating Report for 2002. This report was prepared in accordance with section 5.4.1 of Appendix B, Environmental Protection Plan (Non-Radiological), of the Palisades Nuclear Plant Facility Operating License. The attached report describes the implementation of the Environmental Protection Plan from January 1, 2002 through December 31, 2002.

SUMMARY OF COMMITMENTS

This letter contains no new commitments and no revisions to existing commitments.



Douglas E. Cooper
Site Vice-President, Palisades

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

Enclosure
Attachment

ENCLOSURE

**NUCLEAR MANAGEMENT COMPANY, LLC
PALISADES NUCLEAR PLANT
DOCKET 50-255**

**PALISADES NUCLEAR PLANT
2002 ANNUAL NON-RADIOLOGICAL ENVIRONMENTAL OPERATING REPORT**

2 Pages Follow

PALISADES NUCLEAR PLANT 2002 ANNUAL NON-RADIOLOGICAL ENVIRONMENTAL OPERATING REPORT

1.0 BACKGROUND

Appendix B of the Facility Operating License, DPR-20, for the Palisades Nuclear Plant, requires Nuclear Management Company, LLC (NMC), to submit an annual environmental operating report to the Nuclear Regulatory Commission (NRC) prior to May 1 each year. This report describes the implementation of the Environmental Protection Plan during the previous year. The period covered by this report is January 1, 2002, through December 31, 2002.

The Palisades Nuclear Plant operated for 8188.5 hours during 2002, which produced a net total of 6,369,371 Mwh. This represents 90.3% of the net capacity, per the Design Electric Rating of 805 MW.

2.0 ENVIRONMENTAL IMPACT EVALUATIONS

Several revisions to procedures and modifications to the facility were evaluated during 2002 per Palisades Administrative Procedure 4.22, "Non-Radiological Environmental Operating Program." Eleven procedures or modifications to the facility were reviewed by the Consumers Energy Company Environmental and Technical Services Department for determination of impact on the environment. Two projects required approval from government agencies.

The plant vehicle barrier system was modified to add a series of steel piles on the south property line and warning buoys in Lake Michigan for the security exclusion zone. This project was permitted by the United States Department of the Army, Detroit District, Corps of Engineers, permit number 95-056-044-4, under the authority of Section 10 of the 1899 River and Harbor Act (33 U.S.C. 403) and the Michigan Department of Environmental Quality (MDEQ), permit number 02-80-0046-P, under the provisions of the Natural Resources and Environmental Protection Act 451, PA 1994, Part 301 Inland Lakes and Streams, and Part 353 Sand Dune Protection and Management.

Tree removal and tree trimming along the south side of the plant switchyard required approval from MDEQ, permit no. 02-80-0015-P, Part 353 Sand Dune Protection. An extension to the Van Buren County Soil Erosion and Sedimentation Control Agency, permit 07-1-045, for the construction of a Dry Fuel Storage Facility also occurred.

There were no changes, tests, or experiments that involved an unreviewed environmental question, nor did these projects involve a change to the Environmental Protection Plan (EPP).

3.0 ADDITIONAL ACTIVITIES AUTHORIZED UNDER NPDES

No activities occurred during 2002.

4.0 UNUSUAL ENVIRONMENTAL EVENTS

No unusual environmental events occurred during 2002.

5.0 ENVIRONMENTAL MONITORING

Documentation of the effect of the cooling tower operation on meteorological variables was required for two years following the conversion from the once-through cooling system to the cooling towers. The cooling towers have been in operation for 28 years, and during 2002, meteorological monitoring and other activities related to the cooling towers were not required.

Herbicides were not applied to the transmission line or exit corridor during 2002. Other areas on the Palisades property were treated for vegetative management by Rose Exterminator Company. The application of herbicides is documented in the Enclosure.

ATTACHMENT

**NUCLEAR MANAGEMENT COMPANY, LLC
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**2002 ANNUAL NON-RADIOLOGICAL ENVIRONMENTAL OPERATING REPORT
HERBICIDE TREATMENTS**

1 page follows

HERBICIDE TREATMENTS

Company: Bio-Serv Corp. D.B.A., Rose Exterminator Company
1025 Huntly Rd.
Niles, Michigan 49120

Date of Treatment: 4/15/02, 4/16/02, 4/17/02, 4/18/02, 8/2/02

Commercial Name: Karmex DF herbicide and OUST herbicide

Chemical Name: Karmex DF (Diuron) Manufactured by Griffin

OUST (Sulfonmeturon Methyl) Manufactured by Dupont

Concentration of Active Ingredient in Field Use Mix: 10 lbs. Karmex, 5 oz. OUST in 100 gallons water (early spring)

Diluting Substance: Water

Rate of Application: 10 lbs. Karmex, 5 oz. OUST in 100 gallons water per acre

Total Amount Used: 1,250 gallons

Method of Application: Boom sprayer for parking lots, hand sprayer for all other areas

Frequency of Application: Once per year in the springtime, then as needed

Location: Along and near roadways, fence lines, walkways, parking lots, containment areas, substations, cooling towers, protected area and microwave zones

Purpose of Treatment: Control of weed species