

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED:

**Nuclear Management Company, LLC
Palisades Plant
27780 Blue Star Highway
Covert, MI 49043**

2. NRC/REGIONAL OFFICE

**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, IL 60532-4352**

REPORT 2006-001

3. DOCKET NUMBER(S)
03015263

4. LICENSEE NUMBER(S)
21-08606-08

5. DATE(S) OF INSPECTION
February 21, 2006

LICENSEE:

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, NUREG-1600, to exercise discretion, were satisfied.

_____ Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

- 4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

(Violations and Corrective Actions)

Licensee's Statement of Corrective Actions for Item 4, above.

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

Title	Printed Name	Signature	Date
LICENSEE'S REPRESENTATIVE			
NRC INSPECTOR	Robert P. Hays		2/21/06

Docket File Information
**SAFETY INSPECTION REPORT
AND COMPLIANCE INSPECTION**

1. LICENSEE Nuclear Management Company, LLC REPORT NUMBER(S) 2006-001		2. NRC/REGIONAL OFFICE Region III	
3. DOCKET NUMBER(S) 03015263		4. LICENSE NUMBER(S) 21-08606-08	5. DATE(S) OF INSPECTION February 21, 2006
6. INSPECTION PROCEDURES USED 87126		7. INSPECTION FOCUS AREAS 03.01 - 03.07	

SUPPLEMENTAL INSPECTION INFORMATION

1. PROGRAM CODE(S) 03225	2. PRIORITY K-5	3. LICENSEE CONTACT Terry Brown, RSO	4. TELEPHONE NUMBER 269/764-2000, x. 3075
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<input checked="" type="checkbox"/> Main Office Inspection	Next Inspection Date: February 2011
<input type="checkbox"/> Field Office	
<input type="checkbox"/> Temporary Job Site	

PROGRAM SCOPE

The licensee is authorized for any byproduct material with Atomic Nos. 1 through 83, inclusive as contamination in or on reactor equipment, components and samples with activities not to exceed one thousand times 10 CFR Part 20 Appendix C limits for each radionuclide. Total possession not to exceed $R/10^3$ and is less than or equal to 1; where R is the sum of the ratios of the quantity of each radionuclide to the applicable value in 10 CFR Part 20 Appendix C. The license authorizes repair, modification, maintenance, inspection, testing, and decontamination of reactor equipment and components and analysis of reactor samples. Licensed material is authorized to be used by or under the supervision, and in the physical presence of, any individual who has been trained in accordance with the letter and application dated August 23, 2000. Licensed activities have involved decontamination of reactor components and equipment at one temporary job site which at the licensee's NDT lab located in Jackson, MI. Each decontamination work order is accompanied by a work instruction procedure that provides all details pertaining to each decontamination work order performed. Only low-level radioactive waste/contamination is generated at the temporary job site and shipped as limited quantity activities back to the Palisades Plant by plant personnel.

Performance Observations

During the inspection, the licensee's RSO and other staff demonstrated/discussed: (1) survey meter availability and use; (2) signage (3) storage; (4) radioactivity spectral analysis to ensure that license limits are not exceeded; (5) staff training; (6) dosimetry; (7) annual radiation safety program reviews (8) contamination control; and (9) operating/transportation procedures.