

June 1, 2006

Paul A. Harden
Site Vice President
Nuclear Management Company, LLC
27780 Blue Star Memorial Highway
Covert, MI 49043-9530

SUBJECT: SAFETY EVALUATION REPORT WITH CONFIRMATORY ITEM RELATED
TO THE LICENSE RENEWAL OF PALISADES NUCLEAR PLANT

Dear Mr. Harden:

By letter dated March 22, 2005, Nuclear Management Company, LLC (NMC or the applicant) submitted an application to the U.S. Nuclear Regulatory Commission (NRC) for the renewal of the Palisades Nuclear Plant (PNP) operating license for up to an additional 20 years. The license renewal application (LRA) was submitted pursuant to Title 10 of the *Code of Federal Regulations* Part 54, "Requirements for Renewal of Operating Licenses for Nuclear Power Plants." The NRC (staff) determined that the LRA was complete and acceptable for docketing on June 8, 2005.

The staff has reviewed the PNP LRA and has developed the enclosed "Safety Evaluation Report With a Confirmatory Item related to the License Renewal of the Palisades Nuclear Plant," herein after referred to as the Safety Evaluation Report (SER). This SER reflects the status of the staff's review of the LRA, requests for additional information (RAIs), the applicant's responses to the NRC staff's RAIs and other questions related to the LRA through April 26, 2006, unless otherwise noted. Issuance of the enclosed SER is an important milestone for both the applicant and the staff.

The staff has identified one confirmatory item in its review that must be resolved before it can make a final determination on the application. This confirmatory item is identified in Section 1.6 of the SER, along with an explanation of the information required to satisfactorily resolve the issue. In order to resolve this item, the staff needs the additional information, as identified in the SER.

In accordance with the schedule for completing the review of the PNP LRA, the applicant is requested to review the enclosed SER, verify its accuracy, and provide comments to the NRC staff by July 28, 2006. The NRC staff plans to review the current content and format of the SER for further improvement while incorporating the applicant's comments. A complete and revised SER will then be issued by October 31, 2006.

P. Harden

-2-

The staff is committed to completing the review of the PNP SER in a timely manner. If you have any questions regarding this matter, please contact the license renewal project manager, Juan Ayala, at 301-415-4063 or by e-mail at JXA3@nrc.gov.

Sincerely,

/RA PTKuo for/

Frank Gillespie, Director
Division of License Renewal
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosure:
As stated

cc w/encl: See next page

P. Harden

-2-

The staff is committed to completing the review of the PNP SER in a timely manner. If you have any questions regarding this matter, please contact the license renewal project manager, Juan Ayala, at 301-415-4063 or by e-mail at JXA3@nrc.gov.

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Palisades Nuclear Plant

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Palisades Nuclear Plant

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Letter to Paul A. Harden from Frank Gillespie dated June 1, 2006

SUBJECT: SAFETY EVALUATION REPORT WITH CONFIRMATORY ITEMS RELATED
TO THE LICENSE RENEWAL OF PALISADES NUCLEAR PLANT

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