

SAFEGUARDS INFORMATION



UNITED STATES NUCLEAR REGULATORY COMMISSION

Region III
2443 Warrenville Road, Suite 210
Lisle, Illinois 60532-4352

October 26, 2006

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

**SUBJECT: PALISADES NUCLEAR PLANT - NRC INSPECTION REPORT
05000255/2006011**

Dear Mr. Harden:

On September 26, 2006, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection at your Palisades Nuclear Plant. The enclosed inspection report documents the inspection results, which were discussed on September 26, 2006, with you and other members of your staff.

The inspection examined activities conducted under your license as they relate to security and compliance with the Commission's rules and regulations and with the conditions of your license. The (inspector/inspectors) reviewed selected procedures and records, observed activities, and interviewed personnel.

No findings of significance were identified.

In accordance with 10 CFR 2.390 and the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system, ADAMS, which is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

Enclosure Contains Safeguards Information. When Separated from enclosure, this cover document is DECONTROLLED.

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**Safeguards information
determination made by:**
Name/Title Barry C. Westreich,
Chief
Organization NSIR/DNS/SOS
Basis 2/25/02 NRC Order
Signature /RA/
Date 5/12/06

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P. Harden

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In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. This practice will ensure that your response will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system, ADAMS. If Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

Sincerely,



Christine A. Lipa, Chief
Reactor Projects Branch 4
Division of Reactor Projects

Docket No. 50-255
License No. DPR-20

Enclosure: NRC Inspection Report 05000255/2006011 (**SAFEGUARDS INFORMATION**)

cc w/encl; w/SAFEGUARDS INFORMATION
W. Clark, NMC/Security Manager

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P. Harden

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Sincerely,

/RA/

C. Lipa, Chief
Reactor Projects Branch 4
Division of Reactor Projects

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cc w/encl; w/SAFEGUARDS INFORMATION

W. Clark, NMC/Security Manager

Distribution w/o encl:

J. Caldwell, RA
G. Grant, DRA
C. Pederson, DRS
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Distribution w/encl; w/SAFEGUARDS INFORMATION:

J. Ellegood, Senior Resident Inspector
B. Westreich, NSIR
B. Clayton, NRR

OFFICE	Region III			
NAME	CLipa <i>CL</i>			
DATE	10/26/06			

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