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

March 4, 2009

Mr. Christopher J. Schwarz
Site Vice President
Entergy Nuclear Operations, Inc.
Palisades Nuclear Plant
27780 Blue Star Memorial Highway
Covert, MI 49043-9530

SUBJECT: ANNUAL ASSESSMENT LETTER - PALISADES NUCLEAR PLANT (5000255/2009001)

Dear Mr. Schwarz:

On February 10, 2009, the NRC staff completed its performance review of Palisades Nuclear Plant. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2008. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only – Security Information" will include the security cornerstone review and resultant inspection plan.

Overall, Palisades Nuclear Plant operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter at Palisades was within the Regulatory Response column of the NRC's Action Matrix based on one inspection finding in the Occupational Radiation Safety cornerstone being classified as having low to moderate safety significance (White). This White finding, from the fourth quarter of 2008, involved failure to recognize and assess the impact of radiological hazards in the work place. Therefore, we plan to conduct a supplemental inspection (95001) in addition to reactor oversight process (ROP) baseline inspections at your facility. Please notify us of your readiness to conduct the supplemental inspection.

In our end-of-cycle assessment letter dated March 3, 2008, and mid-cycle assessment letter dated September 2, 2008, we advised you of a substantive cross-cutting issue in the area of Human Performance (HP) with a cross-cutting theme in the aspect of error prevention techniques (H.4(a)). You have instituted actions to improve performance in this area. Based on your performance, we have gained confidence in your use of error prevention techniques during this assessment period. The theme of error prevention techniques is considered closed.

However, the NRC has identified a new substantive cross-cutting theme of documentation/procedures (H.2(c)) in the area of HP. During this assessment period, there were 17 findings documented with cross-cutting aspects in the HP area. Six of the findings shared a common cross-cutting aspect of H.2(c). In addition, these findings were from four different cornerstones. Therefore, a new substantive cross-cutting theme in the aspect of H.2(c) will be opened and the substantive cross-cutting issue will be open until the NRC gains confidence in your efforts and progress in addressing this aspect of human performance.

The enclosed inspection plan details the inspections, less those related to security, scheduled through June 30, 2010. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last 9 months of the inspection plan are tentative and may be revised at the mid-cycle review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made 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). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact John (Jack) Giessner at 630-829-9619 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Cynthia D. Pederson, Director
Division of Reactor Projects

Docket No. 50-255; 72-007
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Letter to C. Schwarz from C. Pederson dated March 4, 2009

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Vice President Oversight
Senior Manager, Nuclear Safety & Licensing
Senior Vice President and COO
Assistant General Counsel
Manager, Licensing
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G. Randolph
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T. Strong, Chief, State Liaison Officer
Michigan Department of Environmental Quality
Michigan Office of the Attorney General
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City Manager of Bangor
Mayor of Hartford
City Manager of Hartford
Mayor of South Haven
City Manager of South Haven
Administrator, Allegan County
Allegan County Sheriff
Allegan County Emergency Management Coordinator
County Coordinator
Berrien County Sheriff
Director, Berrien County Emergency
Management Agency
Chairman, Van Buren County Board
Van Buren County Sheriff
Director, Van Buren County Emergency
Management Agency
Mayor of Watervliet
Mayor of Coloma
G. Mortensen, INPO

Palisades

Inspection / Activity Plan

03/01/2009 - 06/30/2010

Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
		BI ENG	**- INSERVICE INSPECTION & TI-172 REVISION 1**	**1**
03/23/2009	04/17/2009	IP 2515/172	Reactor Coolant System Dissimiliar Metal Butt Welds	
03/23/2009	04/17/2009	IP 7111108P	Inservice Inspection Activities - PWR	
		BI RP	**- RADIATION PROTECTION BASELINE INSPECTION**	**2**
03/30/2009	04/03/2009	IP 7112101	Access Control to Radiologically Significant Areas	
03/30/2009	04/03/2009	IP 7112102	ALARA Planning and Controls	
		FY 09	**- PALISADES INIT PREP 05/09**	**3**
05/04/2009	05/08/2009	W90208	OL - INITIAL EXAM - MAY/JUNE 2009 - PALI	
		FY 09	**- PALISADES INIT EXAM 05/09**	**3**
05/25/2009	06/05/2009	W90208	OL - INITIAL EXAM - MAY/JUNE 2009 - PALI	
		BI RP	**- RADIATION PROTECTION BASELINE INSPECTION**	**1**
06/15/2009	06/19/2009	IP 7112101	Access Control to Radiologically Significant Areas	
06/15/2009	06/19/2009	IP 7112102	ALARA Planning and Controls	
		BI RP	**- RADIATION PROTECTION BASELINE INSPECTION**	**1**
08/24/2009	08/28/2009	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment	
08/24/2009	08/28/2009	IP 71151-BI01	Reactor Coolant System Activity	
08/24/2009	08/28/2009	IP 71151-OR01	Occupational Exposure Control Effectiveness	
08/24/2009	08/28/2009	IP 71151-PR01	RETS/ODCM Radiological Effluent	
		BI EP	**- EP ROUTINE INSPECTION / PI VERIFICATION**	**1**
10/19/2009	10/23/2009	IP 2515/175	Emergency Response Organization, Drill/Exercise Performance Indicator, Program Review	
10/19/2009	10/23/2009	IP 7111402	Alert and Notification System Testing	
10/19/2009	10/23/2009	IP 7111403	Emergency Response Organization Augmentation Testing	
10/19/2009	10/23/2009	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
10/19/2009	10/23/2009	IP 71151-EP01	Drill/Exercise Performance	
10/19/2009	10/23/2009	IP 71151-EP02	ERO Drill Participation	
10/19/2009	10/23/2009	IP 71151-EP03	Alert & Notification System	
		BI ENG	**- ENGINEERING MODIFICATIONS / 50.59 INSP.**	**3**
11/02/2009	11/20/2009	IP 7111117T	Evaluations of Changes, Tests, or Experiments and Permanent Plant Modifications	
		BI RP	**- RADIATION PROTECTION BASELINE INSPECTION**	**1**
12/14/2009	12/18/2009	IP 2515/173	Review of the Implementation of the Industry Ground Water Protection Voluntary Initiative	
12/14/2009	12/18/2009	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems	
		PI&R	**- BIENNIAL PROBLEM IDENTIFICATION AND RESO**	**4**
01/11/2010	01/29/2010	IP 71152B	Identification and Resolution of Problems	
		BI OL	**- LIC. OPERATOR REQUAL. PROGRAM EVALUATION**	**2**
02/08/2010	02/12/2010	IP 7111111B	Licensed Operator Requalification Program	

Palisades

Inspection / Activity Plan

03/01/2009 - 06/30/2010

Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
		BI EP	**- EP EXERCISE INSPECTION/PI VERIFICATION**	**4**
03/01/2010	03/05/2010	IP 7111401	Exercise Evaluation	
03/01/2010	03/05/2010	IP 71151-EP01	Drill/Exercise Performance	
03/01/2010	03/05/2010	IP 71151-EP02	ERO Drill Participation	
03/01/2010	03/05/2010	IP 71151-EP03	Alert & Notification System	
		BI RP	**- RADIATION PROTECTION BASELINE INSPECTION**	**1**
03/08/2010	03/12/2010	IP 7112202	Radioactive Material Processing and Transportation	
		BI ENG	**- TRIENNIAL FIRE PROTECTION INSPECTION**	**3**
03/29/2010	04/16/2010	IP 7111105T	Fire Protection [Triennial]	
		RI ENG	**- TRIENNIAL FIRE INS INFOR GATHERING TRIP**	**3**
03/15/2010	03/19/2010	IP 7111105T	Fire Protection [Triennial]	
		BI ENG	**- TRIENNIAL HEAT SINK INSPECTION**	**1**
05/24/2010	05/28/2010	IP 7111107T	Heat Sink Performance	
		BI RP	**- RADIATION PROTECTION BASELINE INSPECTION**	**1**
05/24/2010	05/28/2010	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control Program	

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Cynthia D. Pederson, Director
Division of Reactor Projects

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