



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, IL 60532-4352

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~

August 3, 2010

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

SUBJECT: PALISADES NUCLEAR PLANT
NRC SECURITY BASELINE INSPECTION REPORT 05000255/2010404

Dear Mr. Schwarz:

On July 1, 2010, the U. S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Palisades Nuclear Plant. The inspection covered one or more of the key attributes of the security cornerstone of the NRC's Reactor Oversight Process. The enclosed inspection report documents the inspection results, which were discussed on July 19, 2010, with Mr. T. Kirwin 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 reviewed selected procedures and records, observed activities, and interviewed personnel.

This report documents a finding of very low security significance (i.e., Green as determined by the Physical Protection Significance Determination Process). The deficiency was promptly corrected or compensated for, and the plant was in compliance with applicable physical protection and security requirements within the scope of this inspection before the inspector left the site. The NRC is treating this violation as a Non-Cited Violation (NCV) consistent with Section VI.A.1 of the NRC Enforcement Policy because of the very low security significance of the violation and because it was entered into your corrective action program. If you contest this NCV, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN.: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator Region III; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at the Palisades Nuclear Plant.

The finding was Self-Revealed.

Enclosure contains Sensitive Unclassified Non-Safeguards Information. When separated from enclosure, this transmittal document is decontrolled.
--

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~

C. Schwarz

-2-

In accordance with 10 CFR 2.390 of 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 System (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). 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.

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. Otherwise, mark your entire response "Security-Related Information-Withhold Under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

/RA by D. Funk for/

Eric Duncan, Chief
Plant Support Branch
Division of Reactor Safety

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

Nonpublic Enclosure: Inspection Report 05000255/2010404;
w/Attachment: Supplemental Information

cc w/encl: S. Coker, NSIR/DSO/DDSO/ST
C. Johnson, NSIR
J. Trapp, Region I
M. Ernstes, RII
M. Shannon, RIV
T. Strong, State Liaison Officer, State of Michigan

cc w/o encl: Distribution via ListServ

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~

C. Schwarz

-2-

In accordance with 10 CFR 2.390 of 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 System (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). 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.

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. Otherwise, mark your entire response "Security-Related Information-Withhold Under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,
/RA by D. Funk for/

Eric Duncan, Chief
Plant Support Branch
Division of Reactor Safety

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

Nonpublic Enclosure: Inspection Report 05000255/2010404;
w/Attachment: Supplemental Information

cc w/encl: S. Coker, NSIR/DSO/DDSO/ST
C. Johnson, NSIR
J. Trapp, Region I
M. Ernstes, RII
M. Shannon, RIV
T. Strong, State Liaison Officer, State of Michigan

cc w/o encl: Distribution via ListServ

DISTRIBUTION:
See next page

DOCUMENT NAME: G:\DRS\Work in Progress\PAL 2010 404 DRS OUO - Cover Letter.docx

☐ Publicly Available

☐ Non-Publicly Available

☐ Sensitive

☐ Non-Sensitive

To receive a copy of this document, indicate in the concurrence box "C" = Copy without attach/encl "E" = Copy with attach/encl "N" = No copy

OFFICE	RIII		RIII		RIII		
NAME	GHansen:co		DFunk		EDuncan DF for		
DATE	08/03/10		08/03/10		08/03/10		

OFFICIAL RECORD COPY

~~OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION~~

Letter to Mr. Chris J. Schwarz from Mr. Eric R. Duncan, dated August 3, 2010.

SUBJECT: PALISADES NUCLEAR PLANT
NRC SECURITY BASELINE INSPECTION REPORT 05000255/2010404

DISTRIBUTION:

Susan Bagley
RidsNrrPMPalisades
RidsNrrDorLpl3-1 Resource
RidsNrrDirslrib Resource
Steven Reynolds
Steven Orth
Jared Heck
Allan Barker
Carole Ariano
Linda Linn
DRPIII
DRSIII
Patricia Buckley
Tammy Tomczak
[ROPreports Resource](#)