



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

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

June 26, 2012

EA-11-214  
EA-11-243

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

**SUBJECT: REQUEST FOR INFORMATION ON SAFETY CULTURE ISSUES AT  
PALISADES NUCLEAR PLANT**

Dear Mr. Vitale:

The purpose of this letter is to request information to permit the Nuclear Regulatory Commission (NRC) to fully understand the breadth and depth of actions being taken by Entergy Nuclear Operations and Palisades Nuclear Plant to improve safety culture at your site and corporate office. The NRC defines safety culture as the core values and behaviors resulting from a collective commitment by leaders and individuals to emphasize safety over competing goals to ensure protection of people and the environment. Our observations and inspections of your activities, in conjunction with the results of your recent safety culture assessment, have shown that strong action by you and your staff is needed to address indications of weaknesses in your safety culture.

The NRC identified issues associated with the safety culture at the Palisades Nuclear Plant during an NRC Special Inspection Team inspection (SIT) to evaluate the circumstances surrounding the loss of a train of direct current power on September 25, 2011. The SIT documented in Inspection Report 05000255/2011014 (Agencywide Document Access and Management System (ADAMS) Accession Number ML113330802) a preliminary Yellow or a finding of substantial safety significance. The SIT also determined that a possible cause for the September 25, 2011, event was that the Palisades organization had not established safety policies which reinforced that nuclear safety was the overriding priority. At the SIT exit, you verbally committed to performing an independent assessment of the safety culture. During the regulatory conference on January 11, 2012, you acknowledged that degraded safety culture principles contributed to site performance deficiencies in 2011. You also acknowledged the issues required prompt action; indicated that several corrective actions had been implemented, and stated that a safety culture assessment was being conducted.

In addition, in our annual assessment letter for 2011, dated March 5, 2012, (ADAMS ML12065A147) we identified three substantive cross-cutting issues (SCCIs) in the area of Human Performance with cross-cutting themes in the aspects of Conservative Assumptions (H.1(b)), Documentation/Procedures (H.2(c)), and Oversight (H.4(c)). These areas and aspects are attributes of your safety culture. You have put an action plan together to address these SCCI's. We are currently reviewing these issues as part of our baseline inspection program.

On January 25, 2012, the NRC issued a Confirmatory Order (ADAMS Accession Number ML12026A383) to codify the results of a successful Alternate Dispute Resolution session during which Entergy made several commitments to address issues involving control room personnel. Order Item 5 required Entergy to conduct a safety culture assessment of the Palisades Operations Department. Entergy opted to include the Operations Department assessment in a site-wide safety culture assessment.

In April 2012, the safety culture assessor briefed Palisades management and Palisades employees on the results of the assessment. The NRC resident inspection staff attended the briefings. Subsequent to the briefings, Entergy received the final report on safety culture. The NRC resident staff reviewed the assessment but did not obtain a copy of the report. Our preliminary review of the assessment results, in conjunction with NRC observations from 2011, indicate weaknesses in the safety culture at Palisades that should be addressed through corrective actions. We understand that you have taken some immediate actions to address safety culture issues and are finalizing a comprehensive plan to address the issues.

The NRC conducts periodic and continuous assessments of your plant through our oversight process as described in Inspection Manual Chapter 0305 (ADAMS ML102730571). Based on the information we have collected through our recent inspections, we have concluded you continue to operate safely. However, in order to ensure we fully understand the breadth and depth of the assessment results and corrective actions, we need the results of your safety culture assessment.

We request that you submit a copy of the summary of the results of the safety culture assessment to the NRC within 20 days of the date of this letter. The documented results of your evaluation should include sufficient information for the NRC to determine: (a) the department(s) or organization(s) that have a demonstrated or perceived safety culture weakness, (b) the corrective actions (both planned and completed) that address any perceived weaknesses in the safety culture, including the safety conscious work environment; (c) the interim actions in place or planned to mitigate the effects of the safety culture weaknesses, (d) that the organization or individual conducting the safety culture assessment was qualified and independent of the plant; (e) that the safety culture assessment was of sufficient depth and scope to evaluate the work environment; (f) if your safety culture assessment identified any compliance issues with NRC regulatory requirements or commitments, the corrective actions taken or planned, and the corrective action document that addressed the issues; (g) if interviews of individuals were conducted as part of your safety culture assessment, the basis for determining that the number and cross section of individuals interviewed, as well as why the scope of the interview was appropriate to obtain the information necessary to evaluate the safety culture, including the safety conscious work environment; and (h) the assessment of the safety culture at your corporate offices.

In addition, we believe that a public meeting on the safety culture assessment and your subsequent actions would be beneficial to ensure a full understanding by the NRC, your staff, and the public. Therefore, within 30 days of the date of this letter, please contact Mr. John Giessner, Chief, Division of Reactor Projects, Branch 4, at (630) 829-9619, to determine a mutually agreed upon date for a public meeting to discuss your plans for addressing assessment results. The public meeting should be held within 60 days of the date of this letter.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and your response (if any), 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 ADAMS. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/readingrm/adams.html> (the Public Electronic Reading Room). In addition, the NRC's recent safety culture policy statement and background can be found at <http://www.nrc.gov/about-nrc/regulatory/enforcement/safety-culture.html#policy>.

Because your response will be placed and made available electronically for public inspection in the NRC Public Document Room or from the PARS component of ADAMS, to the extent possible it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your withholding claim (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

If you have any additional questions regarding these matters, please contact Mr. John Giessner, Chief, Division of Reactor Projects, Branch 4, at (630) 829-9619.

Sincerely,

*/RA/*

Gary L. Shear, Acting Director  
Division of Reactor Projects

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Sincerely,

*/RA/*

Gary L. Shear, Acting Director  
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Letter to A. Vitale from G. Shear dated June 26, 2012.

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