



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

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

September 28, 2015

Mr. Otto Gustafson
Regulatory Assurance and Performance
Improvement Director
Entergy Nuclear Operations, Inc.
Palisades Nuclear Plant
27780 Blue Star Memorial Highway
Covert, MI 49043

**SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 03015263/2015001(DNMS) AND
NOTICE OF VIOLATION – ENTERGY NUCLEAR OPERATIONS, INC.,
PALISADES NUCLEAR PLANT**

Dear Mr. Gustafson:

On May 14, 2015, with continuing in-office review through September 16, 2015, inspectors from the U.S. Nuclear Regulatory Commission (NRC) conducted a routine inspection at your facility in Covert, Michigan. The purpose of the inspection was to review activities performed under your NRC license to ensure that activities were being performed in accordance with NRC requirements. The in-office review included receipt and review of information that was unavailable during the onsite inspection, including actions to ensure that the NRC license contains the name of the individual serving as the Radiation Safety Officer. Messrs. John Cassidy and Robert Gattone of the NRC Region III office conducted a preliminary telephonic exit meeting on August 25, 2015, to discuss the inspection findings with you and other members of your staff. On September 16, 2015, Mr. Gattone conducted a final exit meeting with Mr. Michael Ginzel of your staff.

During this inspection, the NRC staff examined activities conducted under your license related to public health and safety. Additionally, the staff examined your compliance with the Commission's rules and regulations as well as the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of this inspection, the NRC has determined that one Severity Level IV violation of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violation concerned the licensee's failure to have the individual listed in Condition 12 on your NRC License No. 21-08606-08 to perform the duties and functions of Radiation Safety Officer (RSO) for your licensed activities. Specifically, that individual left your organization in May 2011, and you did not amend the license to list the new individual appointed to perform the duties and functions of RSO on the license. The NRC determined during its in-office review that the individual that was appointed to perform the duties and functions of RSO following the previous RSO's departure was technically qualified to perform the duties and functions of RSO. The violation is cited in

the enclosed Notice of Violation (Notice). The NRC is citing the violation in the enclosed Notice because the inspectors identified the violation.

During the preliminary exit meeting, a member of your staff disputed the Severity Level of this violation. The NRC considered the position of this staff member during its in-office review and is citing the violation at Severity Level IV for the following reasons: (1) it is an example of a Severity Level IV violation in Section 6.3.d.8. of the NRC Enforcement Policy; (2) the NRC considers violations involving failure to have or identify a new RSO on a materials license to be a base Severity Level IV violation because it is a regulatory oversight concern; and (3) previous, similar violations have also been categorized at Severity Level IV.

The inspectors determined that the root cause of the violation was that the Covert, Michigan facility was the only facility within the Entergy Nuclear Power fleet that had a Part 30 license. Consequently, the licensee failed to appreciate the distinct licensing differences for this facility and failed to submit a license amendment request to change Condition 12 of the license incident to the RSO change. As corrective actions to restore compliance and to prevent recurrence, on June 4, 2015, the licensee requested the NRC to amend its license to revise Condition 12 of the license to change the name of the RSO. On August 20, 2015, the NRC issued Amendment Number 15 of the license to change the name of the RSO in Condition 12.

In addition, the inspectors identified a minor violation of 10 CFR 30.36(d) involving the licensee's failure to provide notification to the NRC in writing within 60 days of when no principal activities under the license had been conducted for a period of 24 months. In accordance with the NRC Enforcement Policy, the minor violation is not cited in the Notice. As corrective actions, on June 4, 2015, the licensee requested the NRC to amend the license to authorize standby pending license termination. On August 20, 2015, the NRC issued Amendment Number 15 of the license to limit authorized activities to possession and storage only until termination of the license.

The NRC has concluded that information regarding the reason for the cited violation, the corrective actions taken to correct the violation and prevent recurrence, and the date when full compliance was achieved is already adequately addressed on the docket in this letter. Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made publicly available without redaction.

O. Gustafson

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Please feel free to contact Mr. Gattone of my staff if you have any questions regarding this inspection. Mr. Gattone can be reached at 630-829-9823.

Sincerely,

/RA/

Aaron T. McCraw, Chief
Materials Inspection Branch
Division of Nuclear Materials Safety

Docket No. 030-15263
License No. 21-08606-08

Enclosure:
Notice of Violation

cc w/encl: Michael Ginzel, RSO
State of Michigan

O. Gustafson

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Docket No. 030-15263
License No. 21-08606-08

Enclosure:
Notice of Violation

cc w/encl: Michael Ginzel, RSO
State of Michigan

DISTRIBUTION w/encl:

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OFFICE	RIII-DNMS	RIII-DNMS	RIII-ORA	RIII-EICS	RIII-DNMS
NAME	RGattone:ps	JCassidy	JHeck	RSkokowski	AMcCraw
DATE	09/23/15	09/23/15	09/24/15	09/27/15	09/28/15

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

Entergy Nuclear Operations, Inc.
Covert, Michigan

License No. 21-08606-08
Docket No. 030-15263

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted from May 14, 2015, with continuing in-office review through September 16, 2015, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Condition 12 of NRC License No. 21-08606-08, Amendment No. 14, authorizes a specifically named individual to fulfill the duties of the Radiation Safety Officer (RSO) for the license.

Contrary to the above, between May 11, 2013, and June 4, 2015, the named individual, specifically authorized by Condition 12 of the license to fulfill the duties and responsibilities as RSO, was no longer employed by the licensee and did not fulfill the duties and responsibilities of the RSO. Specifically, the RSO had left the employ of the licensee on May 10, 2013; since that time, the licensee had not notified the NRC nor submitted an amendment request to name the new individual who was performing the duties and responsibilities of the RSO, and who was determined by the NRC to be technically qualified, on the license.

This is a Severity Level IV violation (Section 6.3.d.8).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was achieved, is already adequately addressed on the docket in the letter transmitting this Notice of Violation (Notice). However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation, IR 03015263/2015001(DNMS)" and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region III, within 30 days of the date of the letter transmitting this Notice.

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made publicly available without redaction.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 28th day of September, 2015.

Enclosure