



UNITED STATES
 NUCLEAR REGULATORY COMMISSION
 REGION III
 799 ROOSEVELT ROAD
 GLEN ELLYN, ILLINOIS 60137

central files

NOV 7 1979

Docket No. 50-255/79-16

Consumers Power Company
 ATTN: Mr. R. B. DeWitt
 Vice President,
 Nuclear Operations
 212 West Michigan Avenue
 Jackson, MI 49201

Gentlemen:

This refers to the inspection conducted by Mr. L. J. Hueter and others on July 6, 9, 23, and 24, August 13 and 14, September 18, 29, and 30, and October 1, 1979 of activities at or associated with Palisades Nuclear Generating Plant authorized by NRC License No. DPR-20 and to the discussion of our findings with you and others of your staff on September 18, 1979.

The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, independent measurements and interviews with personnel.

The enclosed inspection report includes those items discussed at the management meeting, which you attended, at the Palisades Plant on September 18, 1979. In addition to a discussion of events related to the two recent radwaste shipments which contained free water, general licensee performance in the radwaste and radiation protection areas was discussed at the management meeting. As a result of these discussions, we understand that you will direct increased management attention to these areas in order to improve your performance. This office will monitor your progress during future inspections.

During this inspection, certain of your activities appeared to be in noncompliance with NRC requirements, as described in the enclosed Appendix A. Although your shipment of small quantities of free liquid in urea formaldehyde solidified radwaste in July, 1979, was potentially in noncompliance with NRC requirements, no such citation has been included in this report, since it was determined that you were conforming to or exceeding industry practices effective at that time. You were, however, subsequently notified by this office that any future such shipments will be considered noncompliance with NRC requirements.

This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office within twenty days of your receipt of this notice a written statement or explanation in reply, including for each item of noncompliance: (1) corrective

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action taken and the results achieved; (2) corrective action to be taken to avoid further noncompliance; and (3) the date when full compliance will be achieved.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter, the enclosures, and your response to this letter will be placed in the NRC's Public Document Room, except as follows. If the enclosures contain information that you or your contractors believe to be proprietary, you must apply in writing to this office, within twenty days of your receipt of this letter, to withhold such information from public disclosure. The application must include a full statement of the reasons for which the information is considered proprietary, and should be prepared so that proprietary information identified in the application is contained in an enclosure to the application.

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

James G. Keppler
Director

Enclosures:

- 1. Appendix A, Notice of Violation
- 2. IE Inspection Report No. 50-255/79-16

cc w/encls:

Mr. J. G. Lewis, Manager
 Central Files
 Reproduction Unit NRC 20b
 PDR
 Local PDR
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 TIC
 Ronald Callen, Michigan Public Service Commission
 Myron M. Cherry, Chicago

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