AUG 1 5 1988

Docket No. 50-255

Consumers Power Company ATTN: David P. Hoffman Vice President Nuclear Operations 212 West Michigan Avenue Jackson, MI 49201

Gentlemen:

NRC Region III has received an allegation concerning the Fitness for Duty Program at the Palisades Nuclear Plant. The enclosure to this letter describes the allegation received which requires resolution and a response. We are concerned that the identified issue may represent inconsistent implementation of your Fitness for Duty Program.

We request that the Consumers Power Company fully analyze the allegation and take all actions you deem appropriate to resolve the issue. We also request that the results of your review and disposition be submitted to us within 30 days after receipt of this letter. We request that your response contain no personal privacy, proprietary, or safeguards information so it can be released to the public and placed in the NRC Public Document Room. If necessary, such information shall be contained in a separate attachment which will be withheld from public disclosure.

The enclosure to this letter should be controlled and distribution limited to personnel with a "need-to-know" until your investigation of the allegation has been completed and reviewed by NRC Region III. The enclosure to this letter is considered as Exempt from Public Disclosure in accordance with Title 10, Code of Federal Regulations, Part 2.790(a). However, in accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter, excluding the enclosure, will be placed in the NRC Public Document Room.

The response directed by this letter is not subject to the clearance procedure of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

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ENCLOSURE CONTAINS 10CFR2.790 INFORMATION UPON SEPARATION THIS PAGE IS DECONTROLLED Your cooperation is appreciated. Should you have any questions regarding this matter, please contact me or Mr. James R. Kniceley of my staff (312) 790-5641.

Sincerely,

Charles E. Norelius, Director Division of Radiation Safety and Safeguards

Enclosure: Summary of Allegation (10 CFR 2.790 INFORMATION)

cc w/enclosure:
Mr. Kenneth W. Berry, Director
 Nuclear Licensing
Gerald B. Slade, General Manager

cc w/o enclosure:
DCD/DCB (RIDS)
Licensing Fee Management Branch
Resident Inspector, RIII
Ronald Callen, Michigan
Public Service Commission
Michigan Department of
Public Health
T. V. Wambach, Licensing
Project Manager, NRR

ENCLOSURE CONTAINE 10CFR2.790 INFORMATION UPON SEPARATION THIS PAGE IS DESCRITCHED

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