JAN 0 8 1990

Docket No. 50-255

Consumers Power Company ATTN: David P. Hoffman Vice President Nuclear Operations 1945 West Parnall Road Jackson, MI 49201

Gentlemen:

This refers to the special safety inspection by an NRC Augmented Inspection Team (AIT) lead by Mr. B. L. Jorgensen of this office during the period of November 24-30 and December 6-9 and 15, 1989. The AIT was convened to review the November 21, 1989, depressurization event at the Palisades Nuclear Generating Plant. This refers also to the discussion of our findings with Mr. G. B. Slade and others of your staff at the conclusion of the inspection.

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, and interviews with personnel.

During this inspection, certain of your activities appeared to be in violation of NRČ requirements. You will be notified by subsequent correspondence of our decision regarding enforcement actions based on the findings of this inspection. No written response is required at this time.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC Public Document Room.

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

Sincerely.

Edward G. Greenman, Director Division of Reactor Projects

Enclosure: Inspection Report No. 50-255/89033(DRP) and attachments

See Attached Distribution

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cc w/enclosure: Mr. Kenneth W. Berry, Director Nuclear Licensing Gerald B. Slade, General Manager DCD/DCB (RIDS) Licensing Fee Management Branch Resident Inspector, RIII James R. Padgett Michigan Department of Public Health

- J. Richardson, NRR
- T. Marsh, NRR
- A. W. DeAgazio, LPM, NRR
- T. Murley, NRR F. Miraglia, NRR
- D. Crutchfield, NRR
- G. Holahan, NRR
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- W. Hodges, NRR
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- E. Jordan, AEOD B. Freeman, AEOD
- R. Spessard, AEOD
- W. Kane, RI
- L. Reyes, RII
- S. Collins, RIV
- R. Zimmerman, RV