1/ Philips

December 14, 1994

Consumers Power Company
ATTN: T. Palmisano
General Manager
Palisades Nuclear Generating Plant
27780 Blue Star Memorial Highway
Covert, MI 49043-9530

Dear Mr. Palmisano:

SUBJECT: NRC INSPECTION REPORT NO. 50-255/94018(DRP)

This refers to the routine safety inspection conducted by Messrs. M. E. Parker, D. G. Passehl, and others of this office, from October 13 through December 2, 1994. The inspection included a review of activities at your Palisades Nuclear Generating Facility. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of a selective examination of procedures and representative records, interviews with personnel, and observation of activities in progress. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements.

Based on the results of this inspection, certain of your activities, involving access to the plant protected area by an unauthorized individual, appeared to be in violation of NRC requirements. However, because the violation met the criteria of 10 CFR 2, Appendix C, Section VII.B(2), the violation will not be cited. There was a concern identified with the timely assessments of oil samples for the auxiliary feedwater pumps that were found in the critical range. Increased management attention in the oil sampling program is warranted since there have been previous concerns identified in this area.

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.

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

Sincerely,

Original signed by I. N. Jackiw, Project Engineer for W. J. Kropp, Chief Reactor Projects Section 2A

Docket No. 50-255 License No. DPR-20

Enclosure: Inspection Report No. 50-255/94018(DRP)

cc w/encl:

Robert A. Fenech, Vice President, **Nuclear Operations** Kurt M. Haas, Safety and Licensing Director James R. Padgett, Michigan Public Service Commission

Michigan Department of Public Health

Department of Attorney General (MI)

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DRP w/encl RIII PRR w/encl G. E. Grant, RIII w/encl

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## UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION III 801 WARRENVILLE ROAD LISLE, ILLINOIS 60532-4351

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Sincerely,

W.J. Kropp, Chief

Reactor Projects Section 2A

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Robert A. Fenech, Vice President,
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Kurt M. Haas, Safety
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James R. Padgett, Michigan Public
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Michigan Department of
Public Health
Department of Attorney General (MI)