

May 19, 1995

"Palisades"

Mr. T. Palmisano, General Manager  
Palisades Nuclear Generating Plant  
27780 Blue Star Memorial Highway  
Covert, MI 49043-9530

Dear Mr. Palmisano:

SUBJECT: NOTICE OF VIOLATION NRC INSPECTION REPORT NO. 50-255/95004(DRP)

This refers to the routine safety inspection conducted by Messrs. M. E. Parker, D. G. Passehl, and other region-based inspectors, from February 22 through April 12, 1995. 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 appeared to be in violation of NRC requirements, as specified in the enclosed Notice of Violation (Notice). These violations are a concern because they involve: 1) inadequate control of combustible material in a stairwell and the failure to test some fire extinguishers, 2) an inadequate technical analysis and review of a modification package in the auxiliary feedwater system, and 3) the failure to report a physical altercation that was witnessed by numerous security personnel.

During this inspection we also identified a concern with the disparity of the quality of your self assessments between site organizations. A recent self assessment in engineering was thorough and identified good issues that need to be addressed by engineering. However, recent self assessments/audits in the security and fire protection areas appeared to lack the same rigor as the engineering self assessment. We are also concerned with the effectiveness of communications between departments. This inspection identified several instances where communications between departments were not effective. Communication problems were noted during the previous refueling outages. Therefore, effective communications during the upcoming refueling outage will be an important aspect to ensure a successful outage. Finally, while we recognize that you have an improvement program established for modifications, this inspection identified concerns with several recent modification packages.

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We are concerned that recent modification activities have not been performed satisfactorily. These concerns were discussed with you and your staff during the exit interview.

Regarding violations 1 and 2, you are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

Regarding violation 3, although 10 CFR 2.201 requires you to submit to this office, within 30 days of your receipt of this Notice, a written statement of explanation, we note that the violation has been corrected and those actions were reviewed during this inspection. Therefore no response with respect to this matter is required.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, the enclosures, and your response to this letter will be placed in the NRC Public Document Room.

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96.511.

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

Sincerely,

Wayne Kropp, Chief  
Reactor Projects Section 2A

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

Enclosures: 1. Notice of Violation  
2. Inspection Report  
No. 50-255/95004 (DRP)

See Attached Distribution

Distribution:

cc w/encl: Robert A. Fenech, Vice President,  
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 Kurt M. Haas, Safety  
 and Licensing Director  
 James R. Padgett, Michigan Public  
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UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION III  
801 WARRENVILLE ROAD  
LISLE, ILLINOIS 60532-4351

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Wayne Kropp, Chief  
Reactor Projects Section 2A

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License No. DPR-20

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No. 50-255/95004(DRP)

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T. Palmisano

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cc w/encl: Robert A. Fenech, Vice President,  
Nuclear Operations  
Kurt M. Haas, Safety  
and Licensing Director  
James R. Padgett, Michigan Public  
Service Commission  
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