SAFEGUARDS INFURMATION

MAY 29 1984

Docket No. 50-255

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

Gentlemen:

This refers to the routine safeguards inspection conducted by Messrs. T. J. Madeda and B. W. Stapleton of this office between March 27 and May 11, 1984, of activities at the Palisades Nuclear Plant authorized by NRC Operating License No. DPR-20 and to the discussion of our findings with you, Mr. R. Montross and other members of your staff at the conclusion of the inspection, and during several followup telephone calls.

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.

No items of noncompliance with NRC requirements were identified during the course of this inspection. However, we request that you respond in writing within 30 days of the date of this letter to our concern regarding the control of access to your facility identified in Section 11 of the enclosed report. You: response should describe your immediate and long term actions to address this concern. Additionally, we request that in the future please take actions to provide cogent information regarding safeguards matters in a more expeditious manner. Although you disagreed with the item outlined in Section 11 as noncompliance on March 30, 1984, the day of the exit interview, you did not provide factual basis for your position until about May 3, 1984, and additional information on May 11, 1984.

Areas examined during this inspection concern a subject matter which is exempt from disclosure according to Section 73.21(c)(2) of the NRC's "Rules of Practice," Part 73, Title 10, Code of Federa? Regulations. This information must be handled and protected in accordance with the provisions of 10 CFR 73.21. Consequently, our report of this inspection, and your response to our concern identified in Section 11 of the enclosed report will not be placed in the Public Document Room. Therefore, your response should be submitted as a separate enclosure to your transmittal letter in the manner prescribed.

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Consumers Power Company

MAY 29 1984

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

Sincerely,

A. A. Hind, Director Division of Radiological and Materials Safety Programs

Enclosures: 1. Appendix, Notice of Violation 2. Inspection Report No. 50-255/84-07(DRMSP) (UNCLASSIFIED SAFEGUARDS INFORMATION)

cc w/encls: D. J. VandeWalle, Nuclear Licensing Administrator R. W. Montross, Manager IE File IE/DQASIP/ORPB IE/ES NMSS/SGPL NRR/DL/SSPB ACRS

cc w/ encls, w/o UNCLASSIFIED SAFEGUARDS INFORMATION: DMB/Document Control Desk (RIDS) Resident Inspector, RIII Ronald Callen, Michigan Public Service Commission

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RIII

Stapleton/rr

05/25/84

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