

**ATTACHMENT CONTAINS SAFEGUARDS INFORMATION  
WITHHOLD FROM PUBLIC DISCLOSURE**

July 9, 1997

U.S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, DC 20555

**DOCKET 50-255 - LICENSE DPR-20 - PALISADES PLANT**  
REPLY TO NOTICE OF VIOLATION 97007-02 - IMPROPERLY CONTROLLED  
SEALED PACKAGE IN PLANT PROTECTED AREA WITHOUT SEARCH, AND REPLY  
TO NOTICE OF VIOLATION 97007-04 - UNESCORTED ACCESS TO A VITAL AREA  
GRANTED WITHOUT A WORK RELATED NEED

NRC Inspection Report Number 50-255/97007 contains two Notice of Violations which concern failures to comply with the approved Palisades Security Plan and two additional findings which related to weak performance by plant staff.

Violation 97-007-02 concerns a failure to comply with Section 1.6.7 of the Palisades Security Plan which allows that sealed packages be permitted into the protected area without search under specific conditions. Contrary to the above, on April 30, 1997, the NRC inspector identified sealed packages inside the protected area that were not controlled in accordance with this requirement. In response to this violation, security personnel and plant personnel who commonly bring material into the plant were briefed to clarify requirements for search and control of sealed packages when in the plant protected area. Additional corrective actions have been initiated to address this violation.

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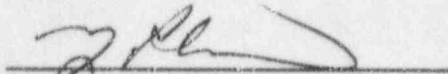


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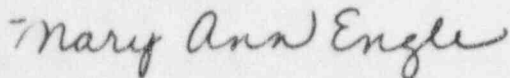
CONSUMERS ENERGY COMPANY

To the best of my knowledge, the contents of this response to Notice of Violations 97007-02 and 97007-04, are truthful and complete.

By

  
Thomas J. Palmisano  
Site Vice President, Palisades

Sworn and subscribed to before me this 9<sup>th</sup> day of July, 1997.



Mary Ann Engle, Notary Public  
Berrien County, Michigan  
(Acting in Van Buren County, Michigan)  
My commission expires February 16, 2000

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Violation 97-007-04 concerns a failure to comply with Section 5.1.c of the approved Palisades Security Plan which states that unescorted access to vital areas for purposes of general familiarization and other nonwork-related activities is not authorized. Contrary to the above, between May 1 and May 5, 1997, the NRC inspector identified contractor personnel whose assigned security status levels allowed them access to vital areas for which they did not have a work related need. In response to this violation, security status levels of the individuals identified by the inspector as having unnecessary vital area access were changed to allow access only to those areas for which they have a work related need. A review of all other personnel badged for plant access has also been completed to ensure they are assigned the proper status levels. Additional corrective actions have been initiated to address this violation.

Consumers Energy agrees with these violations. The attachment to this letter provides additional information regarding our response to these violations.

The inspection report also identified two findings related to weak performance of the plant staff.

The first finding, categorized as a non-cited violation, concerns improper actions by security alarm station operators which violated procedural requirements. As noted in the inspection report, these improper actions had previously been identified by Consumers Energy. Corrective actions were taken to address these improper actions including a communication to all supervisors from senior contractor security management clarifying expectations of supervisors' performance. Additional guidance for self assessment of alarm station operators' duties by supervisors was also established. Further corrective actions in response to this action have been identified and approved as part of the original investigation.

Another finding identified by the NRC inspector concerned procedural deficiencies regarding the Vehicle Barrier System. Deficiencies included procedural guidance on compensatory measures, reporting, testing of active barriers and patrol activities to verify barrier integrity. In response to this finding, Consumers Energy has revised the affected procedures to address the noted deficiencies.

Further information on these findings is contained in the attachment to this letter.

The Notice of Violation also requested that Consumers Energy discuss any further action taken or planned in response to a vulnerability in the protected area access

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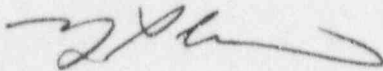
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control system. Upon identification of the vulnerability, security personnel were briefed and reminded of their responsibilities to monitor this vulnerability. Analysis by engineering personnel and system maintenance personnel determined the access control system could not be modified to address the vulnerability. Engineering is currently in progress to prepare for installation of a new access control system. The attachment also provides information concerning Consumers Energy's response to this vulnerability.

The information contained in the enclosed attachment has been classified as safeguards information. Therefore, Consumers Energy requests that the attachment to this letter be withheld from public disclosure in accordance with 10 CFR 73.21(c).

**SUMMARY OF COMMITMENTS**

This letter contains no new commitments and no revisions to existing commitments.



Thomas J. Palmisano  
Site Vice President, Palisades

CC Administrator, Region III, USNRC  
Project Manager, NRR, USNRC w/o  
NRC Resident Inspector - Palisades w/o

Attachment

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