



PNP 2026-017

10 CFR 26.9

March 09, 2026

ATTN: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Palisades Nuclear Plant
NRC Docket No. 50-255
Renewed Facility Operating License No. DPR-20

Subject: Supplement to Third Request for Exemption from Requirements of
10 CFR 26.205, "Fitness for Duty Programs – Work Hours"

By letter dated August 12, 2025 (Reference 1), in accordance with Title 10 of the Code of Federal Regulations (10 CFR), Part 26, *Fitness for Duty Programs*, Section 26.9, *Specific exemptions*, Palisades Energy, LLC (Palisades Energy) requested U.S. Nuclear Regulatory Commission (NRC) approval of a one-time exemption from the specific requirements of 10 CFR 26.205, *Work hours*. The proposed exemption, as supplemented by the letter dated October 15, 2025 (Reference 2), would allow the use of the less restrictive work hour limitations specified in 10 CFR 26.205(d)(4) and (d)(5) in lieu of the requirements of 10 CFR 26.205(d)(3) and (d)(7) for an additional 60-day period to support outage activities for restart of the Palisades Nuclear Plant (PNP).

On October 24, 2025 (Reference 3), the NRC granted the requested one-time exemption to use the less restrictive outage work hour controls in 10 CFR 26.205(d)(4) and (d)(5) for a period not to exceed 60 days to support restart activities during the period of the proposed exemption. The exemption period commenced on November 3, 2025 and expired on January 1, 2026.

By letter dated December 12, 2025 (Reference 4), Palisades Energy requested a second one-time exemption from the specific requirements of 10 CFR 26.205. This proposed exemption would allow use of the less restrictive outage work hour controls in 10 CFR 26.205(d)(4) for an additional period of 60 days, to commence on January 2, 2026, after a two week rest and reset period. The proposed exemption would apply to personnel performing duties specified in 10 CFR 26.4(a)(2) [Health Physics and Chemistry] and 10 CFR 26.4(a)(4) [Maintenance and Projects].

On December 22, 2025 (Reference 5), Palisades Energy received a Request for Additional Information (RAI) by electronic mail (email) regarding the second request for exemption from the requirement of 10 CFR 26.205. Palisades Energy provided the responses to the RAI on December 26, 2025 (Reference 6), with supplements to the RAI dated December 31, 2025 (Reference 7) and January 5, 2026 (Reference 8).

On January 5, 2026 (Reference 9), the NRC granted the requested exemption, as supplemented, to use the less restrictive outage work hour controls in 10 CFR 26.205(d)(4) for a period not to exceed 60 days to support restart activities. The exemption period commenced on January 6, 2025, and expired on March 6, 2026.

By letter dated February 13, 2026 (Reference 10), Palisades Energy requested a third exemption from the specific requirements of 10 CFR 26.205. This proposed exemption would allow use of the less restrictive outage work hour controls in 10 CFR 26.205(d)(4) for an additional period of 60 days. The exemption would remain in effect until the end of the current PNP Cycle 28 outage, or May 26, 2026, whichever occurs first. The proposed exemption would apply to personnel performing duties specified in 10 CFR 26.4(a)(2) [Health Physics and Chemistry] and 10 CFR 26.4(a)(4) [Maintenance and Projects].

On February 23, 2026 (Reference 11), Palisades Energy received an RAI regarding the third exemption request. Palisades Energy provided the responses to the RAI in a letter dated February 27, 2026 (Reference 12). Subsequently, following clarification calls held with the NRC staff on March 3 and March 4, 2026, Palisades Energy agreed to provide a supplement to the RAI response. The supplemental information affecting the February 27, 2026 RAI response letter, which revises and replaces the response to RAI 1.a provided in the Enclosure to the RAI response letter, was provided to the NRC on March 4, 2026 (Reference 13).

The purpose of this letter is to provide supplemental information to support the third exemption request (Reference 10). This information was requested by the NRC in a conference call held on March 6, 2026. Specifically, it was requested that Palisades Energy discuss the work hour controls for new arrivals on-site relative to the proposed third exemption.

During the conference call, it was recognized that there will be a need to utilize additional supplemental worker Groups on a case by case basis to support the restart project. These new arrivals, both imminent and hypothetical, were not included in the third exemption request because they are not currently performing work at PNP. To address this situation, Palisades Energy hereby requests that any project-related Group that has not been performing work at PNP since January 1, 2026, be exempt from the current rest and reset period being observed by those covered individuals currently included in the third exemption request. Furthermore, it is requested that these supplemental worker Groups be allowed to begin utilizing the outage work hour limitations described in 10 CFR 26.205(d)(4) upon commencement of covered work activities, not to exceed 60 days or June 2, 2026, whichever occurs first. As required, Palisades Energy will comply with the provisions of Regulatory Position C.10 from Regulatory Guide 5.73, *Fatigue Management for Nuclear Power Plant Personnel*, dated February 2009, as follows:

Licensee employees and contractor/vendor personnel may go from an outage at one site to an outage at another site. When a licensee employee or contractor/vendor performs covered work for a licensee during two or more unit outage or security system outages (or a combination thereof), and the interval(s) between successive outages is less than 9 days, the receiving licensee should determine that the individual has had a 34-hour break period within the 9 days that precede the day on which the individual begins work for the receiving licensee. In addition, when the individual begins work for the receiving licensee, the licensee should ensure that the individual's hours worked did not and will not exceed the following limits:

1. 16 work hours in any 24-hour period
2. 26 work hours in any 48-hour period
3. 72 work hours in any 7-day period

In addition, in accordance with Nuclear Energy Institute (NEI) 06-11, *Managing Personnel Fatigue at Nuclear Power Sites*, Revision 1 [with addendum], Section 7.3, *Transitioning Onto a Shift or Between Covered Groups or Into a Covered Group*, if an individual begins or resumes covered work during the calculation period, Palisades Energy will include in the calculation of the individual's work hours all work hours worked, including hours worked performing duties that are not covered work.

Palisades Energy requests approval of the exemption request no later than March 11, 2026 to support the ongoing activities that are critical for the successful completion of the current outage and restart of PNP.

If you have any questions regarding this submittal, please contact Kami Miller, Regulatory Assurance Manager, at (269) 764-2375.

Respectfully,

Michael Schultheis
Digitally signed by Michael Schultheis
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Michael Schultheis
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- References:
1. Holtec Palisades, LLC (Holtec Palisades) letter to U.S. Nuclear Regulatory Commission (NRC), *Request for Exemption from Requirements of 10 CFR 26.205, "Fitness for Duty Programs – Work Hours,"* dated August 12, 2025 (ADAMS Accession No. ML25224A206)
 2. Holtec Palisades letter to NRC, *Supplement and Response to Request for Confirmatory Information Regarding Request for Exemption from Requirements of 10 CFR 26.205,* dated October 15, 2025 (ADAMS Accession No. ML 25288A074)
 3. NRC letter to Holtec Palisades, *Palisades Nuclear Plant – One-Time Exemption from the Requirements of 10 CFR 26.205(d)(3) and (d)(7) (EPID L-2025-LLE-0022),* dated October 24, 2025 (ADAMS Accession Nos. ML25293A005 and ML25293A007)
 4. Holtec Palisades letter to NRC, *Second Request for Exemption from Requirements of 10 CFR 26.205, "Fitness for Duty Programs – Work Hours,"* dated December 12, 2025 (ADAMS Accession No. ML25346A199)

5. NRC email to Holtec Palisades, *Request for Additional Information RE: Request for Second Exemption from Part 26 Work Hours (LL-2025-LLE-0032)*, dated December 22, 2025 (ADAMS Accession No. ML25357A221)
6. Holtec Palisades letter to NRC, *Request for Additional Information Regarding Second Request for Exemption from Requirements of 10 CFR 26.205, "Fitness for Duty Programs – Work Hours,"* dated December 26, 2025 (ADAMS Accession No. ML25360A002)
7. Holtec Palisades letter to NRC, *Supplement to Request for Additional Information Regarding Second Request for Exemption from Requirements of 10 CFR 25.205, "Fitness for Duty Programs - Work Hours,"* dated December 31, 2025 (ADAMS Accession No. ML25365A936)
8. Holtec Palisades letter to NRC, *Revision to Start Date for Second Exemption from Requirements of 10 CFR 26.205, "Fitness for Duty Programs – Work Hours,"* dated January 5, 2026 (ADAMS Accession No. ML26005A056)
9. NRC letter to Holtec Palisades, *Palisades Nuclear Plant - One-Time Exemption from the Requirements of 10 CFR 26.205(d)*, dated January 5, 2026 (ADAMS Accession Nos. ML26002A075 and ML26002A077)
10. Holtec Palisades letter to NRC, *Third Request for Exemption from Requirements of 10 CFR 26.205, "Fitness for Duty Programs – Work Hours,"* dated February 13, 2026 (ADAMS Accession No. ML26044A123)
11. NRC email to Holtec Palisades, *Request for Additional Information RE: Third Exemption from Part 26 Work Hours Requirements (L-2026-LLE-0010)*, dated February 23, 2026
12. Holtec Palisades letter to NRC, *Request for Additional Information Regarding Third Request for Exemption from Requirements of 10 CFR 26.205, "Fitness for Duty Programs – Work Hours,"* dated February 13, 2026 (ADAMS Accession No. ML26044A123)
13. Holtec Palisades letter to NRC, *Supplement to Request for Additional Information Regarding Third Request for Exemption from Requirements of 10 CFR 26.205, "Fitness for Duty Programs – Work Hours,"* dated (ADAMS Accession No. ML26063A922)

cc: NRC Region III Regional Administrator
NRC Senior Resident Inspector – Palisades Nuclear Plant
NRC Project Manager – Palisades Nuclear Plant