UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

October 22, 2026

Site Vice President
Palisades Energy, LLC
Palisades Nuclear Plant
27780 Blue Star Memorial Highway
Covert, MI 49043-9530

SUBJECT: PALISADES NUCLEAR PLANT – AUDIT SUMMARY REPORT IN SUPPORT OF REVIEW OF REQUEST FOR MODIFICATION OF THE LICENSING BASIS TO ALLOW ALTERNATIVE FUEL HANDLING METHOD FOR THE RECOVERY OF FUEL ASSEMBLY DD41 (EPID L-2026-LLA-0201)

Dear Sir or Madam:

By letter dated September 30, 2026, Agencywide Documents Access and Management System (ADAMS) Accession No. (ML26273A469), as supplemented by letters dated October 2, 2026, October 8, 2026, and October 12, 2026 (ML26275A214, ML26281A333, and ML26285A034, respectively), Palisades Energy, LLC (the licensee), submitted a license amendment request (LAR) to make certain changes to the Renewed Facility Operating License DPR-20 for Palisades Nuclear Plant (Palisades, PNP). Specifically, the amendment would modify the PNP Updated Final Safety Analysis Report, on a one-time basis, to allow for the removal of the DD41 fuel assembly from the reactor cavity and move the assembly to the spent fuel pool.

The U.S. Nuclear Regulatory Commission (NRC) staff identified the need for a regulatory audit to examine the licensee's non-docketed information with the intent to gain understanding, to verify information, or to identify information that will require docketing to support the basis of the licensing or regulatory decision, but due to the exigent nature of the licensee's request, a formal plan was not issue. Rather this serves as both the plan and the summary report of the audit process done as part of the review of the amendment request.

The purpose of the audit was to gain understanding, to verify information, and to identify information that would require docketing to support the proposed licensing action. Based on the audit, Holtec provided the necessary information for the NRC staff to complete its review of the LAR. The NRC staff's audit report is enclosed herewith.

If you have any questions, please contact me at 301-415-2048 or by email to Justin.Poole@nrc.gov.

Sincerely,

/RA/

Justin C. Poole, Senior Project Manager
Operating Reactor Licensing Branch 3
Division of Licensing Projects I
Office of Nuclear Reactor Regulation

Docket No. 50-255

Enclosure:
Audit Summary Report

cc: Listserv

SUBJECT: PALISADES NUCLEAR PLANT – AUDIT SUMMARY REPORT IN SUPPORT OF REVIEW OF REQUEST FOR MODIFICATION OF THE LICENSING BASIS TO ALLOW ALTERNATIVE FUEL HANDLING METHOD FOR THE RECOVERY OF FUEL ASSEMBLY DD41 (EPID L-2026-LLA-0201) DATED: OCTOBER 22, 2026

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RidsACRS_MailCTR Resource
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NHansing, OAR
BPatel, NMSS
JSolis, NMSS

ADAMS Accession Nos.
Package: ML26281A245
Letter: ML26281A247
eConcurrence Case: 20261008-0281

REGULATORY AUDIT SUMMARY REPORT

PALISADES ENERGY, LLC

PALISADES NUCLEAR PLANT

DOCKET NO. 50-255

1.0 BACKGROUND

By letter dated September 30, 2026 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML26273A469), as supplemented by letters dated October 2, 2026, October 8, 2026, and October 12, 2026 (ML26275A214, ML26281A333, and ML26285A034, respectively), Palisades Energy, LLC (the licensee), submitted a license amendment request (LAR) to make certain changes to the Renewed Facility Operating License DPR-20 for Palisades Nuclear Plant (Palisades, PNP). Specifically, the amendment would modify the PNP Updated Final Safety Analysis Report, on a one-time basis, to allow for the removal of the DD41 fuel assembly from the reactor cavity and move the assembly to the spent fuel pool.

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The purpose of the audit was to gain understanding, to verify information, and to identify information that will require docketing to support the NRC staff's review of the proposed licensing action.

The NRC staff conducted the regulatory audit in accordance with the Office of Nuclear Reactor Regulation (NRR) Office Instruction LIC-111, Revision 1, "Regulatory Audits" (ML19226A274).

2.0 SCOPE AND PURPOSE

The purpose of the audit was to help the NRC staff get a better understanding of the information provided by Holtec and its vendor, Framatome. The NRC staff performed a virtual audit of technical references used in the LAR.

The regulatory audit is a planned license or regulation-related activity that includes the examination and evaluation of primarily non-docketed information. The audit was conducted with the intent to gain understanding, to verify information, and to identify information that required docketing to support the basis of a licensing or regulatory decision. Performing a regulatory audit is expected to assist the NRC staff in efficiently conducting its review and gaining insights into the licensee's processes and procedures. Information that the NRC staff relies upon to make the safety determination must be submitted on the docket.

3.0 AUDIT TEAM

The following NRC staff members and contractors participated in the audit:

- John Lehning – Senior Nuclear Engineer
- Brandon Wise – Nuclear Engineer
- Robert Beaton – Senior Nuclear Engineer
- Chris Van Wert – Senior Technical Advisor
- Rebecca Patton – Branch Chief
- Nicholas Difrancesco – Branch Chief
- Jeremy Dean – Senior Nuclear Engineer
- Gordon Curran – Safety and Plant System Engineer
- Bob Pascarelli – Branch Chief
- Sean Meighan – Reactor Scientist
- Marie Pohida – Senior Reliability and Risk Analyst
- Michael Swim – Senior Reliability and Risk Analyst
- Nicholas Hansing – Mechanical Engineer
- Bharat Patel – Structural Engineer
- Jason Piotter – Senior Project Manager
- Justin Poole – Senior Licensing Project Manager
- Marlayna Doell – Licensing Project Manager
- Brent Ballard – Licensing Project Manager
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4.0 AUDIT REPORT

The purpose of this regulatory audit was to enhance the NRC staff's technical understanding of the LAR, interact with the licensee and vendor technical staff supporting the LAR, and identify any information that would need to be docketed to support completion of the staff's review.

The NRC staff conducted an online audit which started at the time of the licensee's submittal. During the online audit, the staff reviewed the documents identified in section 5.0 below, and from the audit issued requests for additional information to ensure the staff had the adequate information needed to support their review submitted on the docket. The licensee's responses to these requests for additional information were submitted on October 2, 2026, October 8, 2026, and October 12, 2026 (ML26275A214, ML26281A333, and ML26285A034, respectively).

5.0 DOCUMENTS REVIEWED

The following documents were requested and reviewed by the NRC staff during the audit:

- Holtec Report HI-2261277, "Stress Analysis of Fuel Movement Device at Palisades", Revisions 0, 1, and 2
- HI-2261312-R0.0 "Thermal Evaluation of Fuel Transfer Operations using Fuel Transfer Canister at Palisades NPP"
- HI-2261319, "Structural Evaluation of Fuel Transfer Canister for Palisades Nuclear Plant," Revisions 0, 1, and 2.
- Depletion and Shielding Analysis
- Fluent

- HI-2261282, “Seismic Stability Analysis and Floor Loading Assessment of the Fuel Transfer Canister in the Spent Fuel Pool at Palisades,” Revisions 0 and 2.
- HI-2261348. “Radiological Consequences of DD41 FHA at Palisades”
- HI-2261303 “Dose Evaluation for the Palisades Transfer Canister” Revision 0.
- HI-2261332 “Structural Analysis of the Fuel Transfer Canister Lift Rig,” Revision 1
- RADTRAD Code
- HI-2261346, “Fuel Transfer Canister Drop Analysis” Revision 0.
- FHSO-19A, “Recovery of Fuel Assembly DD41,” Revisions 1 and 2.
- Maximum Force
- Revised Drawing (19259 Rev 1)
- NAI-1149-026 Rev 0
- NAI-1149-002 Rev. 0 - Determination of Atmospheric Dispersion Factors for Palisades"
- FS1-00878661 – QA DRAFT CE 15X15 Allowable Weight on DD41
- Tracer Gas Test
- Holtec Drawing 19321 "Vertical Support Stand", Revision 0.
- Holtec Drawing 19315, “Fuel Transfer Canister”, Revisions 1 and 2.
- AREVA 9004464 "Fuel Bundle Assembly", Revision 003
- Palisades Plant Consumers Power Company Drawing C-110, "Auxiliary Building Spent Fuel Pool- Elevations & Sections, Sheet NQ1", Revision 7.
- NMC EA-MOD-2003-019-06 "Evaluation of Decontamination Pit and Spent Fuel Area for Loads from TN Transfer Cask", Revision 3.
- Palisades Specification C-175(Q), "Requirements for Seismic Evaluation of Electrical and Mechanical Equipment".
- FS1-0088338-1.0, Estimated impact of cannister lid contacting DD41 base on assembly distortion

6.0 CONCLUSION

The purpose of the audit was to gain understanding, verify information, and identify required information for docketing to support the NRC staff’s review of the proposed licensing action. Following the NRC staff’s review of documents and presentation of its observations from the audit, the licensee provided the necessary information for the NRC staff to complete its review of the LAR.