

November 24, 1999

Mr. Thomas J. Palmisano
Site Vice President and General Manager
Palisades Nuclear Generating Plant
27780 Blue Star Memorial Highway
Covert, MI 49043-9530

SUBJECT: PALISADES INSPECTION REPORT 50-255/99011(DRP)

Dear Mr. Palmisano:

On November 3, 1999, the NRC completed an inspection conducted at your Palisades Nuclear Plant. The enclosed report presents the results of that inspection.

The inspection covered a 6-week period. 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 observations of activities in progress. The purpose of the inspection effort was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements.

During this inspection period, we observed that your staff consistently demonstrated a positive focus on safety. In particular, activities involving the placement of the plant in a reduced inventory condition were conducted in a deliberate and conservative manner. Also, management personnel aggressively responded to an adverse trend regarding tagging order problems and implemented corrective actions before any actual adverse consequences occurred. However, the tagging order problems demonstrated a lack of rigor and poor attention to detail during tagging order development. Consequently, some tagging orders were not effectively aligned with procedure requirements or were scheduled to be issued when the appropriate plant conditions did not exist. This unnecessarily challenged work control center personnel and plant operators.

Also, based on the results of this inspection, the NRC has determined that one violation of NRC requirements occurred concerning a Technical Specification surveillance for calibrating safety injection and refueling water tank level indication that was not completed within the required frequency. The violation occurred approximately 4 years ago and was identified by your staff. This violation is being treated as a Non-Cited Violation (NCV), consistent with Section VII.B.1.a of the Enforcement Policy. The NCV is described in the subject inspection report. If you contest the violation or severity level of the NCV, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with copies to the Regional Administrator, Region III, and the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

PDR ADOCK

T. Palmisano

-2-

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

Sincerely,

/s/Anton Vogel
Anton Vogel, Chief
Reactor Projects Branch 6

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

Enclosure: Inspection Report 50-255/99011(DRP)

cc w/encl: R. Fenech, Senior Vice President, Nuclear
Fossil and Hydro Operations
N. Haskell, Director, Licensing
R. Whale, Michigan Public Service Commission
Michigan Department of Environmental Quality
Department of Attorney General (MI)
Emergency Management Division, MI Department
of State Police

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T. Palmisano

-3-

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