



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, IL 60532-4352

September 2, 2008

Mr. Christopher J. Schwarz
Vice President, Operations
Entergy Nuclear Operations, Inc.
Palisades Nuclear Plant
27780 Blue Star Memorial Highway
Covert, MI 49043-9530

**SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN –
PALISADES NUCLEAR PLANT**

Dear Mr. Schwarz:

On August 14, 2008, the NRC staff completed its performance review of Palisades Nuclear Plant for the first half of the calendar year 2008 assessment cycle. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results over the previous 12 months. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only--Security Information" will include the security cornerstone review and resultant inspection plan.

Plant performance for the most recent quarter at Palisades was within the Licensee Response column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct reactor oversight process (ROP) baseline inspections at your facility.

In our annual assessment letter dated March 3, 2008, we advised you of a substantive cross-cutting issue in the area of Human Performance with a cross-cutting theme in the aspect of error prevention techniques (H.4(a)). In this assessment period, the staff identified two other issues with the same cross-cutting aspect. You have initiated actions to improve performance, however, the scope and progress of your efforts in addressing the cross-cutting performance deficiencies has not been sufficient to provide adequate confidence in your effectiveness in resolving this issue. Therefore, this cross-cutting issue will remain open until the NRC gains confidence in your efforts and progress in addressing human performance errors. In addition, because you have a substantive cross-cutting issue in the area of Human Performance for two consecutive assessment cycles, we are requesting that you provide a written response to the issue to include discussion of your actions undertaken, those actions planned to address the concern, and a current assessment of performance. This response should be sent to the NRC within 30 days of receipt of this letter.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through December 31, 2009. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the end-of-cycle review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact Ross Telson at 630-829-9619 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Cynthia D. Pederson, Director
Division of Reactor Projects

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

Enclosure: Palisades Inspection/Activity Plan

DISTRIBUTION:
See next page

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Sincerely,

Cynthia D. Pederson, Director
 Division of Reactor Projects

Docket No. 50-255
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OFFICE	RIII		RIII		RIII				
NAME	RLerch:cms		RTelson		CPederson				
DATE	8/26/08		8/27/08		8/29/08				

OFFICIAL RECORD COPY

Letter to C. Schwarz from C. Pederson dated September 2, 2008

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN –
PALISADES NUCLEAR PLANT

cc w/encl: Senior Vice President
Vice President Oversight
Senior Manager, Nuclear Safety & Licensing
Senior Vice President and COO
Assistant General Counsel
Manager, Licensing
W. DiProfio
W. Russell
G. Randolph
Supervisor, Covert Township
Office of the Governor
T. Strong, Chief, State Liaison Officer
Michigan Department of Environmental Quality
Michigan Office of the Attorney General
Mayor of Bangor
City Manager of Bangor
Mayor of Hartford
City Manager of Hartford
Mayor of South Haven
City Manager of South Haven
Administrator, Allegan County
Allegan County Sheriff
Allegan County Emergency Management Coordinator
County Coordinator
Berrien County Sheriff
Director, Berrien County Emergency
Management Agency
Chairman, Van Buren County Board
Van Buren County Sheriff
Director, Van Buren County Emergency
Management Agency
Mayor of Watervliet
Mayor of Coloma
G. Mortensen, INPO

Letter to C. Schwarz from C. Pederson dated September 2, 2008

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PALISADES UCLEAR PLANT

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RidsNrrPMPalisades Resource

Tamara Bloomer

RidsNrrDirslpab Resource

James Caldwell

Mark Satorius

Kenneth O'Brien

Jared Heck

Allan Barker

DRPIII

DRSIII

Patricia Buckley

Tammy Tomczak

ROPreports@nrc.gov (inspection reports, final SDP letters, any letter with an IR number)

Palisades
Inspection / Activity Plan
09/01/2008 - 12/31/2009

Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	End	Inspection Type
BI EP - EP EXERCISE INSPECTION / PI VERIFICATION		3			
IP 7111401	Exercise Evaluation		09/15/2008	09/19/2008	EP Baseline Inspection
IP 71151-EP01	Drill/Exercise Performance		09/15/2008	09/19/2008	Baseline Inspections
IP 71151-EP02	ERO Drill Participation		09/15/2008	09/19/2008	Baseline Inspections
IP 71151-EP03	Alert & Notification System		09/15/2008	09/19/2008	Baseline Inspections
BI ENG - COMPONENT DESIGN BASES INSPECTION		5			
IP 7111121	Component Design Bases Inspection		11/03/2008	12/05/2008	Baseline Inspections
BI RP - RADIATION PROTECTION BASELINE INSPECTION		1			
IP 7112101	Access Control to Radiologically Significant Areas		12/08/2008	12/12/2008	Baseline Inspections
BI ENG - ENGINEERING INSERVICE INSPECTION		2			
IP 7111108P	Inservice Inspection Activities - PWR		03/23/2009	04/17/2009	Baseline Inspections
BI RP - RADIATION PROTECTION BASELINE INSPECTION		2			
IP 7112101	Access Control to Radiologically Significant Areas		03/30/2009	04/03/2009	Baseline Inspections
IP 7112102	ALARA Planning and Controls		03/30/2009	04/03/2009	Baseline Inspections
OL EXAM - OPERATOR LICENSING EXAM		3			
W90208	OL - INITIAL EXAM - MAY/JUNE 2009 - PALI		05/04/2009	05/08/2009	Not Applicable
W90208	OL - INITIAL EXAM - MAY/JUNE 2009 - PALI		05/25/2009	06/05/2009	Not Applicable
BI RP - RADIATION PROTECTION BASELINE INSPECTION		1			
IP 7112101	Access Control to Radiologically Significant Areas		06/15/2009	06/19/2009	Baseline Inspections
IP 7112102	ALARA Planning and Controls		06/15/2009	06/19/2009	Baseline Inspections
BI EP - EP ROUTINE INSPECTION / PI VERIFICATION		1			
IP 7111402	Alert and Notification System Testing		07/13/2009	07/17/2009	EP Baseline Inspection
IP 7111403	Emergency Response Organization Augmentation Testing		07/13/2009	07/17/2009	EP Baseline Inspection
IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		07/13/2009	07/17/2009	EP Baseline Inspection
IP 71151-EP01	Drill/Exercise Performance		07/13/2009	07/17/2009	Baseline Inspections
IP 71151-EP02	ERO Drill Participation		07/13/2009	07/17/2009	Baseline Inspections
IP 71151-EP03	Alert & Notification System		07/13/2009	07/17/2009	Baseline Inspections
BI RP - RADIATION PROTECTION BASELINE INSPECTION		1			
IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		08/24/2009	08/28/2009	Baseline Inspections
IP 71151-BI01	Reactor Coolant System Activity		08/24/2009	08/28/2009	Baseline Inspections
IP 71151-OR01	Occupational Exposure Control Effectiveness		08/24/2009	08/28/2009	Baseline Inspections
IP 71151-PR01	RETS/ODCM Radiological Effluent		08/24/2009	08/28/2009	Baseline Inspections
BI ENG - ENGINEERING MODIFICATIONS / 50.59 INSP.		1			
IP 7111117T	Evaluations of Changes, Tests, or Experiments and Permanent Plant Modifications		11/02/2009	11/20/2009	Baseline Inspections

**Palisades
 Inspection / Activity Plan
 09/01/2008 - 12/31/2009**

Inspection Activity	Title	No. of Staff on Site	Planned Dates Start End		Inspection Type
BI RP	- RADIATION PROTECTION BASELINE INSPECTION	1			
IP 2515/173	Review of the Implementation of the Industry Ground Water Protection Voluntary Initiative		11/30/2009	12/11/2009	Generic Safety Inspectio
IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		11/30/2009	12/11/2009	Baseline Inspections