



July 7, 2006

10 CFR 50.73

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

Palisades Nuclear Plant  
Docket 50-255  
License No. DPR-20

Cancellation of Licensee Event Report 05-007, "Inoperable Emergency Diesel Generator For A Time Longer Than Permitted By Technical Specifications"

By letter dated January 19, 2006, Nuclear Management Company, LLC transmitted Palisades Nuclear Plant Licensee Event Report (LER) 05-007, "Inoperable Emergency Diesel Generator For A Time Longer Than Permitted By Technical Specifications." The LER described the inoperability of emergency diesel generator (EDG) 1-2 due to a fuel oil leak, which had resulted from a component failure in the fuel oil injection system. The occurrence was reported in accordance with 10 CFR 50.73(a)(2)(i)(B) as a condition prohibited by Technical Specifications, and 10 CFR 50.73(a)(2)(v)(D) as a condition that could have prevented fulfillment of the safety function of a system needed to mitigate the consequences of an accident.

Subsequent evaluation of past operability has concluded that EDG 1-2 was operable but degraded, rather than inoperable. This conclusion was based in part, on the results of evaluations of both the load carrying capability of EDG 1-2, and the potential for a fire occurring in the EDG 1-2 room with the subject fuel oil leak, which showed acceptable results.

Since EDG 1-2 was not inoperable as was previously reported in LER 05-007, there was no condition prohibited by Technical Specifications, and no condition that could have prevented the fulfillment of the safety function of a system needed to mitigate the consequences of an accident. Consequently, the reporting criteria of 10 CFR 50.73(a)(2)(i)(B) and 10 CFR 50.73(a)(2)(v)(D) are not applicable. Therefore, LER 05-007 is being cancelled.

Summary of Commitments

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

A handwritten signature in black ink, appearing to read 'Paul A. Harden', with a long horizontal flourish extending to the right.

Paul A. Harden  
Site Vice President, Palisades Nuclear Plant  
Nuclear Management Company, LLC

CC Administrator, Region III, USNRC  
Project Manager, Palisades, USNRC  
Resident Inspector, Palisades, USNRC