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Palisades Nuclear Plant: 27780 Blue Star Memorial Highway, Covert, MI 49043

June 30, 1992

Enclosure 2

**G B Slade**  
General Manager

Nuclear Regulatory Commission  
Document Control Desk  
Washington, DC 20555

DOCKET 50-255 - LICENSE DPR-20 - PALISADES PLANT -  
RESPONSE TO INITIAL SALP 11 REPORT

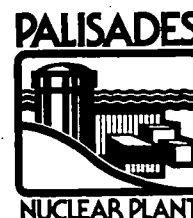
We have reviewed your initial SALP 11 Report covering the period from January 1, 1991 through March 31, 1992 and agree with your assessments.

We appreciate your recognition of our continued good performance in the areas of Maintenance/Surveillance and Security.

You noted that our performance in Operations had declined, but not enough to lower our SALP rating below a Category 1. Specifically noted were 3 events in the Operations area that were of concern. We had also noted several events near the end of the SALP period (many of which are discussed in the report details) under Operations and Maintenance which are of concern to us.

Because of the number of events in a relatively short period of time, a special assessment by our Nuclear Performance Assessment Group was performed. That assessment included representation from INPO as an independent observer. A common thread found by this assessment was that most of the events were related to emergent work that was identified during the outage or shortly before the outage started. The recommendation from that report which I consider the most significant is to establish and maintain strict, early milestones for outage related work. This will ensure adequate time for technical reviews of activities with input from multiple disciplines. By strengthening the outage plan fewer impromptu decisions will be forced on the Shift Supervisor and direction for contractors will be improved, thus, reducing the chance for inadvertent errors.

We have recently made some staff changes in the Nuclear Operations Department. Bob Rice, the former Plant Operations Manager, is taking over management of Nuclear Performance Assessment Department (NPAD). His close working knowledge



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of Palisades should help provide even better assessment of our performance, which will help us to continue to improve our management of all functional areas. In replacing the Operations Manager we have combined operations and outage management under Tom Palmisano. This should help us to continue to improve our focus on safety and risk during outages.

We will continue to exercise a conservative and safety-oriented philosophy, building on our strengths in operations and maintenance.

~~We are aware that there is still room for improvement in the Radiological Controls area. While our ALARA program has started to mature, we need to continue to improve our understanding and implementation of controls over processing and storage of radioactive materials.~~


Radiation Controls is an area where we believe we are capable of achieving SALP 1 performance in the future. We intend to continue to improve performance so we can earn that rating.

Emergency Preparedness is another area where I believe we can re-attain a SALP 1 performance level. We have changed the organization of the Site Emergency Response Teams and will demonstrate the new approach in the emergency exercise scheduled in September. We are also continuing to improve our ability to call-out additional resources in a timely manner.

In the area of Engineering and Technical Support, we have made substantial progress, but still there are examples where continued improvement is called for. We have significantly altered our approach such that our Design Engineering resources all report directly to the VP-NOD as you are aware, early in the SALP 11 report period our design engineering resources were relocated to the site. By consolidating the resources and slowing down the rate at which we attempt to implement change, we expect to get closer control over design activities. As you point out in your report, many of the significant issues identified during this SALP period are related to past problems which we are continuing to find as part of our Configuration Control Program. We have strengthened our Safety Related Pipe Reverification Program to address the concerns which you pointed out early in the SALP period.

The movement of the simulator to the site has helped to improve our license training effectiveness which was demonstrated by 100% pass rate during the assessment period.

We look forward to continuing to work with you and your staff to continue to find ways to improve our performance.

  
Gerald B Slade  
General Manager

CC Administrator, Region III, USNRC  
NRC Resident Inspector - Palisades

Attachment