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NOV 27 1985

Docket No. 50-255

Consumers Power Company  
ATTN: Mr. R. B. DeWitt  
Vice President  
Nuclear Operations  
212 West Michigan Avenue  
Jackson, MI 49201

Gentlemen:

This refers to the special safety inspection conducted by Messrs. A. L. Madison and T. Taylor on September 30 through October 4, 1985, of activities at the Palisades Nuclear Plant authorized by NRC Operating License No. DPR-20 and to the discussion of our findings with Mr. J. Firlit and members of his staff at the conclusion of the inspection.

The inspection was intended as a followup to the March 1985 Maintenance Team Inspection (IR 255/85003(DRP)) to review your progress in addressing the issues identified in that report and determine the need for additional measures. The inspection covered a broad spectrum of maintenance related areas. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, and interviews with personnel. Certain of your activities appeared to be in violation of NRC requirements, as specified in the enclosed Appendix. A written response is required.

Your response dated June 3, 1985 to Inspection Report 255/85003(DRP) was received by this office on June 5, 1985 and was reviewed by my staff. Although we did not provide you our position in writing regarding your response, telephonic discussions between my staff and Mr. VandeWalle of your staff between June 5 and August 6, 1985 confirmed our position that the violations remained as issued. While we regret any miscommunication resulting from the lack of a written documentation of our position regarding your response, the corrective action you committed to in your June 3, 1985 letter, to be completed by September 30, 1985, should have prevented the violations identified during this followup inspection.

While we recognize that improvements have been made in your control systems in the maintenance area, we are concerned with the repeat violation in the area of inadequate corrective actions and with the less than adequate progress in reducing the number of outstanding maintenance work orders. To address these concerns, we issued Confirmatory Action Letter CAL 85-15 detailing the corrective actions you are taking.

We request that, in addition to responding to the specific violation set forth in the Appendix, you describe the action you have in place or planned to resolve the items addressed in the Confirmatory Action Letter, specifically

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the concerns of trending and reduction of outstanding maintenance work requests. Include any milestones you have established to measure progress and proposed completion dates.

We will closely follow your actions in this area, and we plan to conduct additional followup inspections to review the effectiveness of your actions. We have determined that escalated enforcement action is not appropriate at this time; however, continued poor performance in this area may warrant such action.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC Public Document Room.

The responses directed by this letter (and the accompanying Notice) are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

C. E. Norelius, Director  
Division of Reactor Projects

Enclosures:

1. Appendix, Notice  
of Violation
2. Inspection Report  
No. 50-255/85024(DRP)

cc w/enclosures:

Mr. Kenneth W. Berry, Director  
Nuclear Licensing  
J. F. Firlit, General Manager  
DCS/RSB (RIDS)  
Licensing Fee Management Branch  
Resident Inspector, RIII  
Ronald Callen, Michigan  
Public Service Commission  
Nuclear Facilities and  
Environmental Monitoring  
Section

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*Madison/mj*  
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*Hael*  
*Hael*

RIII  
*Hawkins*

RIII  
*Chrissotimos*

RIII  
*Norelius*  
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