



# NRC NEWS

U.S. NUCLEAR REGULATORY COMMISSION  
OFFICE OF PUBLIC AFFAIRS, REGION III

801 Warrenville Road

Lisle IL 60532

Web Site: <http://www.nrc.gov/OPA>

No. III-01-027

June 29, 2001

CONTACT: Jan Strasma (630)829-9663/e-mail: [rjs2@nrc.gov](mailto:rjs2@nrc.gov)  
Pam Alloway-Mueller (630)829-9662/e-mail: [pla@nrc.gov](mailto:pla@nrc.gov)

## **NRC STAFF PROPOSES \$55,000 FINE AGAINST MICHIGAN NUCLEAR PLANT FOR FAILURE TO PROVIDE COMPLETE AND ACCURATE INFORMATION**

The Nuclear Regulatory Commission staff has proposed a \$55,000 fine against Nuclear Management Co., operator of the Palisades Nuclear Power Plant, for failing to provide complete and accurate information when it requested a regulatory change at the plant in February of last year. The Palisades plant is located at Covert, Michigan.

The information was submitted when the plant staff requested authorization to permanently close off one of two steam lines connected to an auxiliary feedwater pump, which is part of a backup system to remove heat from the reactor if the normal feedwater system is lost.

(The Palisades plant, formerly operated by Consumers Energy Company, is now operated by Nuclear Management Company.)

On February 5 of last year, while the plant was shut down for planned maintenance, an underground steam pipe to a steam-driven pump ruptured. The pump was shut down and the leak terminated.

The ruptured pipe was replaced, but the remainder of the underground steam line could not be fully inspected to verify its integrity. The utility decided the steam line was not needed because a second steam pipe was available to provide steam to the pump.

Since the line was no longer considered necessary, the utility requested the NRC eliminate a requirement that it be tested periodically. In its request, the utility said its past safety analysis had considered the steam line as available for use in just one situation, that of an unlikely fire in one room containing electrical cables. Other means of maintaining the reactor in a safe condition were available without using the steam line in question, the utility indicated.

Based on its review of the information supplied, the NRC granted temporary authorization to not comply with the testing requirement. Later, the agency approved the closing of the steam line and permanently eliminated the associated testing requirement.

The NRC resident inspectors, in an inspection earlier this year, found a second fire scenario in which the steam line might be needed to maintain the reactor in a safe shutdown condition following a

fire. The company had not included this scenario when it requested the testing requirement be removed.

The company and the NRC staff extensively evaluated this second fire scenario and concluded that the steam line in question would not be needed to maintain reactor safety. As a result, there was no change in the agency's decision to permit elimination of the steam line and the associated testing requirement.

In notifying the company of the proposed fine, NRC Regional Administrator James E. Dyer said, "The failure to provide complete and accurate information affected the NRC's ability to perform its regulatory function." Had the agency received complete information, it would "have had substantial further inquiry or considered additional compensatory actions before making a regulatory decision," he added.

The plant staff is being cited for its failure to identify and evaluate the second fire scenario when it requested the change in NRC requirements for the steam line. Dyer noted that the agency was satisfied that the failure to provide complete information was an oversight and not a deliberate act to withhold information.

Nuclear Management Company has until July 27 to pay the fine or to protest it. If the fine is protested and subsequently imposed by the NRC staff, the company may request a hearing.

###