



UNITED STATES
NUCLEAR REGULATORY COMMISSION

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

May 16, 2016

EA-15-039

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

SUBJECT: CONFIRMATORY ORDER RELATED TO NRC REPORT NO. 05000255/2015013;
AND INVESTIGATION REPORT 3-2012-021; PALISADES NUCLEAR PLANT

Dear Mr. Vitale:

The enclosed Confirmatory Order is being issued to Entergy Nuclear Operations, Inc. as a result of a successful Alternative Dispute Resolution (ADR) session. The enclosed commitments were made by you, as the Licensee, as part of a settlement agreement between you and the U.S. Nuclear Regulatory Commission (NRC) concerning apparent violations of NRC requirements, as discussed in our letter dated February 22, 2016 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML16053A472).

Our February 22, 2016, letter provided you with the results of an investigation conducted by the NRC's Office of Investigations (OI) to determine whether personnel at Palisades Nuclear Plant deliberately failed to provide complete and accurate information to the NRC associated with a Safety Injection Refueling Water Tank (SIRWT) leak, thereby violating Title 10 of the *Code of Federal Regulations* (CFR), Section 50.9, "Completeness and Accuracy of Information." Based on the results of our review and the OI investigation, three apparent violations were identified. The apparent violations involved: (1) the failure, on the part of four individuals, to enter information concerning a leak in the SIRWT into the corrective action program as required by 10 CFR Part 50, Appendix B, Criterion V, and procedure EN-LI-102, Revision 16; (2) the failure to perform adequate operability determinations of conditions associated with the SIRWT leak as required by 10 CFR Part 50, Appendix B, Criterion V, and procedure EN-OP-104, Revision 5; and (3) the failure to perform either a missed surveillance test within 24 hours from identification or a risk evaluation to complete the surveillance at a later time as required by Technical Specifications, Surveillance Requirement 3.0.3.

Our February 22, 2016, letter also informed you that the apparent violations were being considered for escalated enforcement action in accordance with the NRC's Enforcement Policy, and provided you with the option of either: (1) requesting a Predecisional Enforcement Conference; or (2) requesting ADR.

In response to our letter, you requested ADR. An ADR mediation session was held on March 25, 2016, and a preliminary settlement agreement was reached. The elements of the preliminary agreement were formulated and agreed to at the mediation session. Consistent with the purposes of ADR, you and the NRC acknowledged that the session was not for the purposes of reaching any conclusions regarding any facts or circumstances discussed in our letter dated February 22, 2016.

At the mediation session, you agreed to consent to a Confirmatory Order and take additional actions to address the issues that, in our view, resulted in violations of NRC requirements. The NRC agreed that, contingent on you satisfying the terms of the Confirmatory Order, we would not take further enforcement action based on the apparent violations. In light of the corrective actions you have taken and agreed to take, as described in the Confirmatory Order (Enclosure 1), the NRC is satisfied that its concerns will be addressed by making your commitments legally binding. Your consent to issuance of the Confirmatory Order is evidenced by your signed "Consent and Hearing Waiver Form" (Enclosure 2), dated May 5, 2016.

Pursuant to Section 223 of the Atomic Energy Act of 1954, as amended, any person who willfully violates, attempts to violate, or conspires to violate, any provision of this Confirmatory Order shall be subject to criminal prosecution, as set forth in that section. Violation of this Confirmatory Order may also subject the person to civil monetary penalties.

In accordance with 10 CFR 2.390, "Public inspections, exemptions requests for withholding," a copy of this letter, along with its enclosures, will be made available electronically for public inspection in ADAMS, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. The Confirmatory Order will be published in the Federal Register. The NRC also publishes Confirmatory Orders on its Web site under Significant Enforcement Actions at <http://www.nrc.gov/about-nrc/regulatory/enforcement.html>.

Sincerely,

/RA/

Cynthia D. Pederson
Regional Administrator

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

Enclosures:

1. Confirmatory Order
2. Consent and Hearing Waiver

cc: Distribution via LISTSERV®

**UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION**

| | | |
|-----------------------------------------|---|-------------------------------------|
| In the Matter of |) | |
| |) | |
| ALL POWER REACTOR LICENSEES |) | |
| OWNED AND OPERATED BY |) | Docket Nos. (Attachment 1) |
| ENERGY NUCLEAR OPERATIONS, INC.; |) | Licensed Nos. (Attachment 1) |
| ENERGY OPERATIONS, INC.; AND |) | |
| ENERGY NUCLEAR GENERATION |) | |
| COMPANY |) | EA-15-039 |

CONFIRMATORY ORDER MODIFYING LICENSE

I

Entergy Nuclear Operations, Inc. (Entergy) is the holder of Reactor Operating License No. DPR-20 issued by the U.S. Nuclear Regulatory Commission (NRC or Commission) pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50 on March 24, 1971, and renewed on January 17, 2007. The license authorizes the operation of the Palisades Nuclear Plant (Palisades) in accordance with conditions specified therein. The facility is located on Entergy's site in Covert, Michigan.

This Confirmatory Order is the result of an agreement reached during an Alternative Dispute Resolution (ADR) mediation session conducted on March 25, 2016.

II

On June 25, 2012, the NRC Office of Investigations (OI), Region III Field Office initiated an investigation (OI Case No. 3-2012-021) to determine whether personnel at Palisades deliberately failed to provide complete and accurate information to the NRC regarding a

potential leak in the Safety Injection Refueling Water Tank (SIRWT), thereby violating 10 CFR 50.9, "Completeness and Accuracy of Information." The Office of Investigations completed its investigation on March 10, 2015, and the NRC provided a factual summary of the investigation in a letter to Entergy dated February 22, 2016 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML16053A472). Based on the review of the OI investigation report, the NRC determined that four Palisades employees willfully violated 10 CFR Part 50, Appendix B, Criterion V, "Instructions, Procedures, and Drawings," by failing to comply with the Palisades corrective action program procedure. The NRC also determined that Entergy violated 10 CFR Part 50, Appendix B, Criterion V, "Instructions, Procedures, and Drawings," based on an inadequate operability determination. In addition, the NRC found that Entergy violated Technical Specifications (TS), Surveillance Requirement (SR) 3.0.3 by not performing either a missed surveillance test within 24 hours from identification or a risk evaluation to complete the surveillance at a later time.

More specifically, on May 18, 2011, Palisades employees initiated Condition Report (CR) PLP-2011-02491 when leakage from the ceiling in the Palisades main control room was identified following heavy rains in the area. Based on the evidence gathered during the OI investigation, the NRC determined that four Palisades employees willfully violated NRC requirements by failing to enter a condition adverse to quality into Palisades' corrective action program, after they either initiated or received e-mails that concluded with high certainty that the SIRWT or associated piping was the source of the leakage. Their actions caused Entergy to be in violation of 10 CFR Part 50, Appendix B, Criterion V, "Instructions, Procedures, and Drawings," and Procedure EN-LI-102, "Corrective Action Process," Revision 16, which requires employees to promptly identify and initiate CRs for conditions adverse to quality.

On June 2, 2011, Entergy performed a direct visual inspection of the catacombs, an area directly above the control room and below the SIRWT, to look for sources of leakage. As a result of the inspection, Palisades identified an active flange leak on a 3-inch SIRWT piping flange (CR PLP-2011-02738) and an active leak from the catacombs ceiling (CR PLP-2011-02740). The NRC determined that Entergy violated NRC requirements by failing to perform an operability determination for the catacombs ceiling leak. Additionally, Entergy failed to perform an engineering evaluation for the SIRWT when Palisades staff identified active boric acid leakage from a safety injection flange with carbon steel bolts. These failures caused Entergy to be in violation of 10 CFR Part 50, Appendix B, Criterion V, "Instructions, Procedures, and Drawings," and Procedure EN-OP-104, "Operability Determination Process," Revision 5, which required Entergy to assess operability when degraded conditions affecting structures, systems, and components, were identified.

The NRC also determined Entergy to be in violation of Palisades TS, SR 3.0.3, which required it to either perform a missed surveillance test within 24 hours or a risk evaluation for any surveillance delayed greater than 24 hours. Specifically, when Entergy identified surveillance procedure RT-71M, the surveillance to conduct the American Society of Mechanical Engineers inservice pressure test of the SIRWT and associated piping, had not been performed within its required schedule, Entergy failed to perform the test within 24 hours from identification or perform a risk evaluation to complete the surveillance at a later time.

Entergy accepted the NRC's offer of ADR to resolve differences it had with the NRC over the results of the investigation and these apparent violations. Alternative Dispute Resolution is a process in which a neutral mediator with no decision-making authority assists the parties in reaching an agreement on resolving any differences regarding the dispute. On March 25, 2016,

Entergy and the NRC met in an ADR session mediated by a professional mediator, arranged through Cornell University's Institute on Conflict Resolution.

Prior to the NRC's offer to engage in ADR, Entergy had already taken several corrective actions, including (but not limited to): (1) repair of the SIRWT; (2) waterproofing the concrete support structure below the SIRWT nozzles; (3) changes to management and other personnel at the station; (4) addressing safety culture by training site personnel, increasing leadership communication of safety culture expectations, and completing an independent third party assessment of safety culture; and (5) implementing a Recovery Plan at Palisades to strengthen safety culture, the corrective action program, and leadership effectiveness.

III

During the ADR session, the NRC and Entergy reached a preliminary settlement agreement. The NRC is issuing this Confirmatory Order pursuant to the agreement reached during the ADR process. The elements of the agreement, as signed by both parties, consists of the following:

1. Entergy does not believe that any of the above violations were committed willfully, but rather were the product of deficiencies in the organizational safety culture that existed at the time those violations occurred. The parties agreed to disagree on the issue of willfulness.
2. Entergy will ensure site personnel understand lessons learned from this matter:
 - 2a. Within 180 days of the effective date of the Confirmatory Order, Entergy will develop a case study with the participation of key personnel in operations,

chemistry, radiation protection, and engineering, addressing lessons learned from the events that gave rise to the Confirmatory Order. The case study will include applicable safety culture traits, including the importance of conservative decisionmaking; going forward in the face of uncertainty; the need for nuclear personnel to demonstrate a questioning attitude; and the threshold for initiating corrective action documents, especially when dealing with indeterminate and/or changing conditions.

- 2b. Within 180 days of the completion of item 2a., Entergy will present the case study to the Palisades site leadership team (first-line supervisors and above) during focused leadership training; licensed and non-licensed operators during routine requalification training; engineering personnel during routine Engineering Support Personnel training; and chemistry, radiation protection, and maintenance personnel during continuing training. This training will include long-term contractor personnel who would normally attend.
 - 2c. No later than December 31, 2017, the Entergy Safety Review Committee, Oversight Subcommittee, will report to the Entergy Chief Nuclear Officer on the effectiveness of the training in item 2b. Upon completion of the report, Entergy will notify in writing the Director, Division of Reactor Projects, NRC Region III, and make the report available to the NRC for inspection.
3. Entergy will share lessons learned from this matter with other reactor licensees:

- 3a. Within 180 days of completion of item 2a., Entergy will present the lessons learned from the case study to the Entergy fleet in *Inside Entergy*.
- 3b. Within 360 days of completion of item 2a., Entergy will present the lessons learned from the case study at: (1) a Regional Utility Group meeting in each of the NRC Regions that Entergy operates; and (2) a suitable industry-wide forum such as the Nuclear Energy Institute Licensing Forum.
- 3c. Entergy will notify in writing the Director, Division of Reactor Projects, NRC Region III, at least 30 days prior to any scheduled presentation under item 3b, and make the presentation materials available for NRC review.
- 3d. No later than December 31, 2017, Entergy will affirm in writing to the Director, Division of Reactor Projects, NRC Region III, that the presentations in items 3a. and 3b. were conducted.
- 4. Within 360 days of the effective date of the Confirmatory Order, Entergy will review Procedure EN-OP-104, "Operability Determination Process," and Procedure EN-LI-102, "Corrective Action Process," in light of the lessons learned from events associated with leakage of the SIRWT and revise these procedures as appropriate. In particular, the review will evaluate the adequacy of those procedures to address indeterminate and/or

changing conditions. Upon completion of the procedure reviews and applicable revisions, Entergy will notify in writing the Director, Division of Reactor Projects, NRC Region III, and make the procedures available to the NRC for inspection.

5. Entergy will modify its current program of public outreach at Palisades. The modifications will include, at a minimum:
 - 5a. Ensuring key stakeholders, including Federal, State, and local government officials, non-government organizations interested in Palisades, and members of the local community, are invited to the meetings.
 - 5b. Ensuring the subject of each meeting includes plant safety and operations.
 - 5c. Ensuring the format of the meeting permits the audience to raise questions, such as in a town hall environment.
 - 5d. Ensuring at least one meeting is held no later than December 31, 2016, which will address the events that led to this Confirmatory Order.
 - 5e. Ensuring at least two meetings are held per calendar year in 2017 and 2018.

In exchange for Entergy fulfilling its commitments under this Confirmatory Order, and for the corrective actions Entergy has already taken, the NRC agreed to the following conditions:

1. The NRC will consider this Confirmatory Order as an escalated enforcement action for a period of one year from its effective date.
2. The NRC will refrain from issuing a Notice of Violation and proposing a civil penalty for the apparent violations described in the NRC letter to Entergy dated February 22, 2016.

On May 5, 2016, Entergy consented to issuing this Confirmatory Order with the commitments described in Section V. Entergy further agreed that this Confirmatory Order is to be effective 30 calendar days after issuance and waived its right to a hearing on the Confirmatory Order.

IV

Since the Entergy agrees to take additional actions to address NRC concerns, as set forth in Section III above, the NRC concludes that its concerns can be resolved through issuance of this Confirmatory Order.

I find that Entergy's commitments set forth in Section V are acceptable and necessary, and I conclude that with these commitments the public health and safety are reasonably assured. In view of the foregoing, I have determined that public health and safety require that Entergy's commitments be confirmed by this Confirmatory Order. Based on the above and based on Entergy's consent, this Confirmatory Order is effective 30 calendar days after issuance.

Accordingly, pursuant to Sections 104b, 161b, 161i, 161o, 182, and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202, and 10 CFR Part 50 , IT IS HEREBY ORDERED THAT:

1. Entergy will ensure site personnel understand lessons learned from this matter:
 - 1a. Within 180 days of the effective date of the Confirmatory Order, Entergy will develop a case study with the participation of key personnel in operations, chemistry, radiation protection, and engineering, addressing lessons learned from the events that gave rise to the Confirmatory Order. The case study will include applicable safety culture traits, including the importance of conservative decisionmaking; going forward in the face of uncertainty; the need for nuclear personnel to demonstrate a questioning attitude; and the threshold for initiating corrective action documents, especially when dealing with indeterminate and/or changing conditions.
 - 1b. Within 180 days of the completion of item 1a., Entergy will present the case study to the Palisades site leadership team (first-line supervisors and above) during focused leadership training; licensed and non-licensed operators during routine requalification training; engineering personnel during routine Engineering Support Personnel training; and chemistry, radiation protection, and maintenance personnel during continuing training. This training will include long-term contractor personnel who would normally attend.

- 1c. No later than December 31, 2017, the Entergy Safety Review Committee, Oversight Subcommittee, will report to the Entergy Chief Nuclear Officer on the effectiveness of the training in item 1b. Upon completion of the report, Entergy will notify in writing the Director, Division of Reactor Projects, NRC Region III, and make the report available to the NRC for inspection.

2. Entergy will share lessons learned from this matter with other reactor licensees:
 - 2a. Within 180 days of completion of item 1a., Entergy will present the lessons learned from the case study to the Entergy fleet in *Inside Entergy*.

 - 2b. Within 360 days of completion of item 1a., Entergy will present the lessons learned from the case study at: (1) a Regional Utility Group meeting in each of the NRC Regions that Entergy operates; and (2) a suitable industry-wide forum such as the Nuclear Energy Institute Licensing Forum.

 - 2c. Entergy will notify in writing the Director, Division of Reactor Projects, NRC Region III, at least 30 days prior to any scheduled presentation under item 2b. and make the presentation materials available for NRC review.

- 2d. No later than December 31, 2017, Entergy will affirm in writing to the Director, Division of Reactor Projects, NRC Region III, that the presentations in items 2a. and 2b. were conducted.

3. Within 360 days of the effective date of the Confirmatory Order, Entergy will review Procedure EN-OP-104, "Operability Determination Process," and Procedure EN-LI-102, "Corrective Action Process," in light of the lessons learned from events associated with leakage of the SIRWT and revise these procedures as appropriate. In particular, the review will evaluate the adequacy of those procedures to address indeterminate and/or changing conditions. Upon completion of the procedure reviews and applicable revisions, Entergy will notify in writing the Director, Division of Reactor Projects, NRC Region III, and make the procedures available to the NRC for inspection.

4. Entergy will modify its current program of public outreach at Palisades. The modifications will include, at a minimum:
 - 4a. Ensuring key stakeholders, including Federal, State, and local government officials, non-government organizations interested in Palisades, and members of the local community are invited to the meetings.

 - 4b. Ensuring the subject of each meeting includes plant safety and operations.

 - 4c. Ensuring the format of the meetings permits the audience to raise questions, such as in a town hall environment.

- 4d. Ensuring at least one meeting is held no later than December 31, 2016, which will address the events that led to this Confirmatory Order.
- 4e. Ensuring at least two meetings are held per calendar year in 2017 and 2018.
- 5. The conditions of this order are binding upon the successors and assigns of Entergy.

The Regional Administrator, Region III, may, in writing, relax or rescind any of the above conditions upon demonstration by the Licensee of good cause.

VI

Any person adversely affected by this Confirmatory Order, other than Entergy may request a hearing within 30 days of the issuance date of this Confirmatory Order. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be directed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, and include a statement of good cause for the extension.

All documents filed in NRC adjudicatory proceedings, including a request for hearing, a petition for leave to intervene, any motion or other document filed in the proceeding prior to the submission of a request for hearing or petition to intervene, and documents filed by interested governmental entities participating under 10 CFR 2.315(c), must be filed in accordance with the NRC's E-Filing rule (72 FR 49139; August 28, 2007), as amended by 77 FR 46562; August 3, 2012 (codified in pertinent part at 10 CFR Part 2, Subpart C). The E-Filing process requires participants to submit and serve all adjudicatory documents over the internet, or in

some cases to mail copies on electronic storage media. Participants may not submit paper copies of their filings unless they seek an exemption in accordance with the procedures described below.

To comply with the procedural requirements of E-Filing, at least ten (10) days prior to the filing deadline, the participant should contact the Office of the Secretary by e-mail at hearing.docket@nrc.gov, or by telephone at 301-415-1677, to (1) request a digital identification (ID) certificate, which allows the participant (or its counsel or representative) to digitally sign documents and access the E-Submittal server for any proceeding in which it is participating; and (2) advise the Secretary that the participant will be submitting a request or petition for hearing (even in instances in which the participant, or its counsel or representative, already holds an NRC-issued digital ID certificate). Based upon this information, the Secretary will establish an electronic docket for the hearing in this proceeding if the Secretary has not already established an electronic docket.

Information about applying for a digital ID certificate is available on NRC's public Web site at <http://www.nrc.gov/site-help/e-submittals.html>. System requirements for accessing the E-Submittal server are detailed in NRC's "Guidance for Electronic Submission," which is available on the agency's public Web site at <http://www.nrc.gov/site-help/e-submittals.html>.

Participants may attempt to use other software not listed on the Web site, but should note that the NRC's E-Filing system does not support unlisted software, and the NRC Meta System Help Desk will not be able to offer assistance in using unlisted software.

If a participant is electronically submitting a document to the NRC in accordance with the E-Filing rule, the participant must file the document using the NRC's online, Web-based submission form. In order to serve documents through the Electronic Information Exchange

System (EIE), users will be required to install a Web browser plug-in from the NRC Web site. Further information on the Web-based submission form, including the installation of the Web browser plug-in, is available on the NRC's public Web site at <http://www.nrc.gov/site-help/e-submittals.html>.

Once a participant has obtained a digital ID certificate and a docket has been created, the participant can then submit a request for hearing or petition for leave to intervene through the EIE. Submissions should be in Portable Document Format (PDF) in accordance with NRC guidance available on the NRC's public Web site at <http://www.nrc.gov/site-help/e-submittals.html>. A filing is considered complete at the time the documents are submitted through the NRC's E-Filing system. To be timely, an electronic filing must be submitted to the E-Filing system no later than 11:59 p.m. Eastern Time (ET) on the due date. Upon receipt of a transmission, the E-Filing system time-stamps the document and sends the submitter an e-mail notice confirming receipt of the document. The E-Filing system also distributes an e-mail notice that provides access to the document to the NRC's Office of the General Counsel and any others who have advised the Office of the Secretary that they wish to participate in the proceeding, so that the filer need not serve the documents on those participants separately. Therefore, any others who wish to participate in the proceeding (or their counsel or representative) must apply for and receive a digital ID certificate before a hearing request/petition to intervene is filed so that they can obtain access to the document via the E-Filing system.

A person filing electronically using the NRC's adjudicatory E-Filing system may seek assistance by contacting the NRC Meta System Help Desk through the "Contact Us" link located on the NRC's Web site at <http://www.nrc.gov/site-help/e-submittals.html>, by e-mail at MSHD.Resource@nrc.gov, or by a toll-free call at (866) 672-7640. The NRC Meta System

Help Desk is available between 8:00 a.m. and 8:00 p.m., ET, Monday through Friday, excluding government holidays.

Participants who believe that they have a good cause for not submitting documents electronically must file an exemption request, in accordance with 10 CFR 2.302(g), with their initial paper filing requesting authorization to continue to submit documents in paper format. Such filings must be submitted by: (1) first class mail addressed to the Office of the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemaking and Adjudications Staff; or (2) courier, express mail, or expedited delivery service to the Office of the Secretary, Sixteenth Floor, One White Flint North, 11555 Rockville Pike, Rockville, Maryland, 20852, Attention: Rulemaking and Adjudications Staff. Participants filing a document in this manner are responsible for serving the document on all other participants. Filing is considered complete by first-class mail as of the time of deposit in the mail, or by courier, express mail, or expedited delivery service upon depositing the document with the provider of the service. A presiding officer, having granted a request for exemption from using E-Filing, may require a participant or party to use E-Filing if the presiding officer subsequently determines that the reason for granting the exemption from use of E-Filing no longer exists.

Documents submitted in adjudicatory proceedings will appear in the NRC's electronic hearing docket, which is available to the public at <http://ehd1.nrc.gov/ehd/>, unless excluded pursuant to an order of the Commission or the presiding officer. Participants are requested not to include personal privacy information, such as social security numbers, home addresses, or home phone numbers in their filings, unless an NRC regulation or other law requires submission of such information. However, in some instances, a request to intervene will require including information on local residence in order to demonstrate a proximity assertion of interest in the

proceeding. With respect to copyrighted works, participants are requested not to include copyrighted materials in their submission, except for limited excerpts that serve the purpose of the adjudicatory filings and would constitute a Fair Use application.

If a person other than the Licensee requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Confirmatory Order and shall address the criteria set forth in 10 CFR 2.309(d) and (f).

If a hearing is requested by a person whose interest is adversely affected, the Commission will issue a separate Order designating the time and place of any hearings, as appropriate. If a hearing is held, the issue to be considered at such hearing shall be whether this Confirmatory Order should be sustained.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section V above shall be final 30 days after issuance of the Confirmatory Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section V shall be final when the extension expires if a hearing request has not been received.

Dated at Lisle, Illinois this 16 day of May, 2016

For the Nuclear Regulatory Commission

/RA/

Cynthia D. Pederson
Regional Administrator

ALL POWER REACTOR LICENSEES OWNED AND OPERATED BY ENTERGY NUCLEAR
OPERATIONS, INC.; ENTERGY OPERATIONS, INC.; AND ENTERGY NUCLEAR
GENERATION COMPANY

Arkansas Nuclear One, Units 1 and 2

Entergy Operations, Inc.
Docket Nos. 50-313, 50-368
License Nos. DRP-51; NPF-6

Mr. Jeremy Browning, Site Vice President
Arkansas Nuclear One Entergy Operations, Inc.
1448 SR 333
Russellville, AR 72802-0967

Grand Gulf Nuclear Station

Entergy Operations, Inc.
Docket No. 50-416
License No. NPF-29

Mr. Kevin Mulligan, Site Vice President
Entergy Operations, Inc.
Grand Gulf Nuclear Station
P.O. Box 756
Port Gibson, MS 39150

Indian Point Nuclear Generating, Units 2 and 3

Entergy Nuclear Operations, Inc.
Docket Nos. 50-247 and 50-286
License Nos. DPR-26 and DPR-64

Mr. Larry Coyle, Site Vice President
Entergy Nuclear Operations, Inc.
Indian Point Energy Center
450 Broadway, GSB
Buchanan, NY 10511-0249

James A FitzPatrick Nuclear Power Plant
Entergy Nuclear Operations, Inc.
Docket No. 50-333
License No. DPR-59

Mr. Brian Sullivan, Site Vice President
Entergy Nuclear Operations, Inc.
James A FitzPatrick Nuclear Power Plant
P.O. Box 110
Lycoming, NY 13093

Palisades Nuclear Plant
Entergy Nuclear Operations, Inc.
Docket No. 50-255
License No. DPR-20

Mr. Anthony Vitale, Vice President, Operations
Entergy Nuclear Operations, Inc.
Palisades Nuclear Plant
27780 Blue Star Memorial Highway
Covert, MI 49043

Pilgrim Nuclear Power Station
Entergy Nuclear Generation Company
Docket No. 50-293
License No. DPR-35

Mr. John Dent, Site Vice President
Entergy Nuclear Operations Inc.
Pilgrim Nuclear Power Station
600 Rocky Hill Road
Plymouth, MA 02360-5508

River Bend Station
Entergy Operations, Inc.
Docket No. 50-458
License No. NPF-47

Mr. Eric W. Olson, Site Vice President
Entergy Operations, Inc.
River Bend Station
5485 US Highway 61 N
St. Francisville, LA 70775

Vermont Yankee Nuclear Power Station

Entergy Nuclear Operations, Inc.

Docket No. 50-271

License No. DPR-28

Mr. Christopher Wamser, Site Vice President

Entergy Nuclear Operations, Inc.

Vermont Yankee Nuclear Power Station

P. O. Box 250

Vernon, VT 05354

Waterford Steam Electric Station. Unit 3

Entergy Operations, Inc.

Docket No. 50-382

License No. NPF-38

Mr. Michael R. Chisum, Site Vice President

Entergy Operations, Inc.

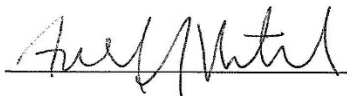
Waterford Steam Electric Station

17265 River Road

Killona, LA 70057-0751

CONSENT AND HEARING WAIVER FORM

Entergy Operations, Inc. hereby agrees to comply with the terms and conditions of Confirmatory Order arising out of an alternative dispute resolution process to be issued relating to enforcement action No. 2015-039. The Confirmatory Order will be effective 30 calendar days after its issuance. By signing below, Entergy Operations, Inc. consents to the issuance of the referenced Confirmatory Order, effective 30 calendar days after its issuance and, by doing so, agrees to waive the right to request a hearing on all or any part of the Confirmatory Order.



Anthony Vitale
Site Vice President, Palisades Nuclear Plant
Entergy Operations, Inc.

5-5-16

Date

In response to our letter, you requested ADR. An ADR mediation session was held on March 25, 2016, and a preliminary settlement agreement was reached. The elements of the preliminary agreement were formulated and agreed to at the mediation session. Consistent with the purposes of ADR, you and the NRC acknowledged that the session was not for the purposes of reaching any conclusions regarding any facts or circumstances discussed in our letter dated February 22, 2016.

At the mediation session, you agreed to consent to a Confirmatory Order and take additional actions to address the issues that, in our view, resulted in violations of NRC requirements. The NRC agreed that, contingent on you satisfying the terms of the Confirmatory Order, we would not take further enforcement action based on the apparent violations. In light of the corrective actions you have taken and agreed to take, as described in the Confirmatory Order (Enclosure 1), the NRC is satisfied that its concerns will be addressed by making your commitments legally binding. Your consent to issuance of the Confirmatory Order is evidenced by your signed "Consent and Hearing Waiver Form" (Enclosure 2), dated May 5, 2016.

Pursuant to Section 223 of the Atomic Energy Act of 1954, as amended, any person who willfully violates, attempts to violate, or conspires to violate, any provision of this Confirmatory Order shall be subject to criminal prosecution, as set forth in that section. Violation of this Confirmatory Order may also subject the person to civil monetary penalties.

In accordance with 10 CFR 2.390, "Public inspections, exemptions requests for withholding," a copy of this letter, along with its enclosures, will be made available electronically for public inspection in ADAMS, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. The Confirmatory Order will be published in the Federal Register. The NRC also publishes Confirmatory Orders on its Web site under Significant Enforcement Actions at <http://www.nrc.gov/about-nrc/regulatory/enforcement.html>.

Sincerely,
/RA/
Cynthia D. Pederson
Regional Administrator

Docket No. 50-255
License No. DPR-20
Enclosures:
1. Confirmatory Order
2. Consent and Hearing Waiver

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|--------|-----------------------------------|----------------------|-----------|----------|----------|
| OFFICE | RIII | RIII | RIII | RIII | RIII |
| NAME | Gryglak | Jandovitz | Duncan | Louden | Heck |
| DATE | 04/01/16 | 04/11/16 | 04/11/16 | 04/14/16 | 04/12/16 |
| OFFICE | D:OGC | D:OE | RIII | RIII | |
| NAME | Clark for Vrahoretis ¹ | Holahan ² | Skokowski | Pederson | |
| DATE | 04/22/16 | 04/22/16 | 05/06/16 | 05/16/16 | |

OFFICIAL RECORD COPY

¹ OGC concurred per e-mail from M. Clark dated 04/22/16

²OE concurred per e-mail from G. Gulla dated 04/22/16

Letter to Mr. Anthony Vitale from Ms. Cynthia D. Pederson dated May 16, 2016

SUBJECT: CONFIRMATORY ORDER RELATED TO NRC REPORT NO. 05000255/2015013;
AND INVESTIGATION REPORT 3-2012-021; PALISADES NUCLEAR PLANT

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