



## **NUCLEAR REGULATORY COMMISSION**

**[Docket No. 50-255; NRC-2026-0034]**

**Palisades Energy, LLC; Palisades Nuclear Plant; Exemption**

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Notice; issuance.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) has issued an exemption in response to a request dated December 12, 2025, as supplemented by letters dated December 26, 2025, December 31, 2025, and January 5, 2026, from Palisades Energy, LLC. The exemption authorizes a one-time exemption for the Palisades Nuclear Plant to allow the use of the less restrictive work hour limitations described in the NRC regulations for a 60-day period starting on January 6, 2026.

**DATE:** The exemption was issued on January 5, 2026.

**ADDRESSES:** Please refer to Docket ID **NRC-2026-0034** when contacting the NRC about the availability of information regarding this document. You may obtain publicly available information related to this document using any of the following methods:

- **Federal Rulemaking Website:** Go to <https://www.regulations.gov> and search for Docket ID **NRC-2026-0034**. Address questions about Docket IDs in Regulations.gov to Bridget Curran; telephone: 301-415-1003; email: [Bridget.Curran@nrc.gov](mailto:Bridget.Curran@nrc.gov). For technical questions, contact the individuals listed in the "For Further Information Contact" section of this document.

- **NRC's Agencywide Documents Access and Management System (ADAMS):** You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin ADAMS Public Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, at 301-415-4737, or by email to [PDR.Resource@nrc.gov](mailto:PDR.Resource@nrc.gov). The exemption request to

authorize a one-time exemption for the Palisades Nuclear Plant to allow the use of the less restrictive work hour limitations is available in ADAMS under Accession No. ML25346A199. The supplements are available under Accession Nos. ML25360A002, ML25365A936, and ML26005A056, respectively.

- **NRC's PDR:** The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to [PDR.Resource@nrc.gov](mailto:PDR.Resource@nrc.gov) or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time (ET), Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Marlayna V. Doell, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-3178; email: [Marlayna.Doell@nrc.gov](mailto:Marlayna.Doell@nrc.gov).

**SUPPLEMENTARY INFORMATION:** The text of the exemption is attached.

Dated: January 6, 2026.

For the Nuclear Regulatory Commission.

**Marlayna Doell,**  
*Project Manager,*  
*Plant Licensing Branch III,*  
*Division of Operating Reactor Licensing,*  
*Office of Nuclear Reactor Regulation.*

**Attachment – Exemption**

**NUCLEAR REGULATORY COMMISSION**

**Docket No. 50-255**

**Palisades Energy, LLC**

**Palisades Nuclear Plant**

**Exemption**

**I. Background.**

Palisades Energy, LLC. (Palisades Energy, the licensee), is the holder of Renewed Facility Operating License No. DPR-20, which authorizes operation of the Palisades Nuclear Plant (Palisades). The license provides, among other things, that the facility is subject to all rules, regulations, and orders of the U.S. Nuclear Regulatory Commission (NRC, the Commission) now or hereafter in effect. The facility consists of one pressurized-water reactor located in Van Buren County, Michigan.

**I. Request/Action.**

By letter dated December 12, 2025 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML25346A199), as supplemented by letters dated December 26, 2025 (ML25360A002), December 31, 2025 (ML25365A936), and January 5, 2026 (ML2626005A056), and pursuant to 10 CFR 26.9, “Specific exemptions,” the licensee requested a one-time exemption from the work hour requirements in Title 10 of the *Code of Federal Regulations* (10 CFR) Part 26, “Fitness for Duty Programs,” Paragraph 26.205(d), “Work hour controls.” Specifically, the licensee requested to use the work hour requirements in 10 CFR 26.205(d)(4) in lieu of the non-outage work hour controls described in 10 CFR 26.205(d)(3) and (d)(7) for a period of no more than 60 days, or until Palisades is connected to the electrical grid, whichever occurs first, for individuals specified in 10 CFR 26.4(a)(2) and 10 CFR 26.4(a)(4) starting on January 6, 2026. This request follows the licensee’s previously

approved exemption period from the same work hour requirements that started on November 3, 2025, and expired on January 1, 2026.

Section 26.205(d)(3) of 10 CFR, requires licensees to comply with the requirements for individuals to have a minimum number of days off per week depending on the duration of shift schedules, averaged over the shift cycle, and the duties being performed. Individuals working 8-hour shift schedules shall have at least 1 day off per week, and individuals who are working 10-hour shift schedules shall have at least 2 days off per week. Individuals working 12-hour shift schedules while performing the duties described in 10 CFR 26.4(a)(1) through (a)(3) shall have at least 2.5 days off per week and individuals working 12-hour shift schedules while performing duties described in 10 CFR 26.4(a)(4) shall have at least 2 days off per week. Section 26.205(d)(7) of 10 CFR, requires licensees to comply with the requirements for maximum average work hours wherein individuals may not work more than a weekly average of 54 hours, calculated using an averaging period of up to 6 weeks, which advances by 7 consecutive calendar days at the finish of every averaging period. The licensee seeks a one-time exemption from the requirements of 10 CFR 26.205(d)(3) and (d)(7).

The requirements in 10 CFR 26.205(d)(4) provide that during the first 60 days of a unit outage, licensees need not meet the requirements of 10 CFR 26.205(d)(3) or (d)(7) for individuals specified in 10 CFR 26.4(a)(1) through (a)(4), while those individuals are working on outage activities. However, 10 CFR 26.205(d)(4) does require the licensee to ensure individuals specified in 10 CFR 26.4(a)(1) through (a)(3) have at least 3 days off in each successive (i.e. non-rolling) 15-day period, and that the individuals specified in 10 CFR 26.4(a)(4) have at least 1 day off in any 7-day period. This is collectively known as the outage minimum days off (MDO) requirement.

On July 24, 2025, the NRC issued a series of licensing and regulatory actions approving the licensee's request to reauthorize power operations at Palisades and return the plant to an operational status, including the Power Operations Technical Specifications (ML25157A127). The licensee implemented the power operations license,

the final safety analysis report (FSAR), and the Power Operations Technical Specifications on August 25, 2025. Further, on August 25, 2025, Palisades transitioned directly into an outage under the Power Operations Technical Specifications to restore the plant for restart.

On October 24, 2025, the NRC approved a previous request by Palisades Energy, LLC, for an exemption from the same work hours requirements in 10 CFR 26.205 for Palisades (ML25293A007) to support plant restart activities. With consideration of the additional mitigating actions proposed by the licensee, the NRC approved Palisades for an exemption to support the extended use of the less restrictive outage work hour limits for a 60-day period from November 3, 2025, through January 1, 2026, following the initial usage of the outage work hour limits starting from entry of the outage period on August 25, 2025, through the 60-day period permitted by 10 CFR 26.205(d)(4), which ended on October 23, 2025.

The licensee stated this subsequent one-time exemption will allow for more flexibility for the scheduling of covered work tasks and individual work hours to better manage cumulative fatigue as the Palisades restart effort continues. The licensee proposed mitigating actions discussed in the “Mitigating Strategy” section of the Enclosure to the December 12, 2025, submittal letter.

In the letters dated December 26 and 31, 2025, the licensee submitted supplements to the proposed request for exemption. In the supplements, the licensee proposed additional mitigating actions to address cumulative fatigue for members of the affected groups and establish dates for when personnel working on specific projects would return to non-outage, maximum averaging work controls. In addition, in the letter dated January 5, 2026, the licensee stated that the start date of the proposed exemption period of 60 days is being changed from January 2, 2026, to January 6, 2026.

## **II. Discussion.**

Pursuant to 10 CFR 26.9, the Commission may, upon application by any interested person or upon its own initiative, grant exemptions from the requirements of

10 CFR Part 26 when the exemptions are authorized by law and will not endanger life or property or the common defense and security; and are otherwise in the public interest.

**A. The Exemption is Authorized by Law**

The proposed exemption would authorize a one-time exemption from the requirements of 10 CFR 26.205(d)(3) and (d)(7) to allow the use of the less restrictive work hour controls in 10 CFR 26.205(d)(4) for up to an additional 60 days, starting on January 6, 2026, to allow the completion of plant restart activities without violating NRC regulations. As stated, 10 CFR 26.9 allows the NRC to grant exemptions from the requirements of 10 CFR Part 26. The NRC staff has determined that granting the proposed exemption will not result in a violation of the Atomic Energy Act of 1954, as amended, other laws, or the Commission's regulations. Therefore, the exemption is authorized by law.

**B. The Exemption Will Not Endanger Life or Property**

The purpose of Subpart I, "Managing Fatigue," of 10 CFR Part 26 is to ensure that worker fatigue does not compromise the abilities of individuals to perform their duties safely and competently. The purpose of 10 CFR 26.205(d)(4) is to provide licensees flexibility for a limited period in scheduling required days off while accommodating more intense work schedules associated with a unit outage.

During the proposed exemption period, personnel as described in 10 CFR 26.4(a)(2) and (a)(4) would be permitted to work in accordance with the outage MDO requirements in 10 CFR 26.205(d)(4) for a 60-day period. In its December 12, 2025, submittal, the licensee's mitigating strategy consisted of three actions for the individuals affected by this proposed exemption. The first proposed mitigating action is maintaining work hours compliant with the requirements in 10 CFR 26.205(d)(1), (d)(2), and (d)(4). The second proposed mitigating action is assessment for fatigue; the licensee states that the cognizant supervisors will assess each assigned supervised employee for fatigue and mental alertness during the proposed exemption period. The third proposed mitigating action was a commitment to limit the number of hours worked by individuals in

10 CFR 26.4(a)(2) and (a)(4) averaged over a two-week period to 50 hours per week from December 19, 2025, through January 1, 2026.

The NRC staff evaluated the proposed mitigating actions and concluded that they were not sufficient to prevent or mitigate cumulative fatigue for those individuals specified in 10 CFR 26.4(a)(2) and (a)(4) during the exemption period for extended use of outage work hour controls. By letter dated December 22, 2025 (ML25357A221), the NRC staff issued a request for additional information (RAI) to request the licensee provide an explanation of how the current actions will mitigate cumulative fatigue and what other actions will be taken to address and mitigate fatigue during the subsequent 60-day exemption period of less restrictive work hour limitations.

The licensee submitted responses to the RAIs on December 26, 2025 (ML25360A002). In the proposed exemption, the licensee re-assessed restart activities resulting in the need for a subsequent exemption. In the RAI responses, the licensee further states that, during the plant restart project, the licensee identified additional scope which required expansion of the required maintenance activities. The proposed subsequent exemption would provide the licensee additional flexibility to schedule personnel, which allows more opportunity to identify and address issues during the plant restart-related activities.

The licensee completed an audit of the work hours for the affected groups from November 3, 2025, through December 18, 2025, during which the initial exemption was in place. The licensee found that chemistry personnel completing duties under 10 CFR 26.4(a)(2) maintained a schedule pursuant to 10 CFR 26.205(d)(1), (d)(2), and (d)(7), and averaged significantly less than the maximum average of 54 hours per week. Health physics personnel completing duties under 10 CFR 26.4(a)(2) maintained a schedule pursuant to 10 CFR 26.205(d)(1), (d)(2), and (d)(4), and averaged slightly below the maximum allowable 72 hours per week. Maintenance personnel completing duties under 10 CFR 26.4(a)(4) maintained a schedule pursuant to 10 CFR 26.205(d)(1), (d)(2), and

(d)(4). However, some individuals in several maintenance positions worked near the maximum allowable 72 hours per week.

In the proposed exemption, the licensee provided a commitment that stated the affected groups would work no more than 50 hours per week, averaged over the two-week period from December 19, 2025, to January 1, 2026. The licensee modified the commitment in the response to the RAIs to ensure that the affected groups would work no more than 48 hours per week, averaged over the two-week period above. In addition, the licensee added another commitment to “enhance the Human Performance Program error prevention tools to include self-awareness of fatigue as a potential proficiency obstacle that will be assessed during pre-job briefings.” This commitment would be added to their Human Performance Program prior the proposed subsequent exemption period starting on January 6, 2026. For the affected groups, prior to starting work, the licensee would provide pre-job briefings to address proficiency concerns.

During the initial 60-day outage from August 24, 2025, to October 23, 2025, and the exemption period from November 3, 2025, to January 1, 2026, the licensee stated that no waivers were required for individuals performing duties in 10 CFR 26.4(a). The licensee noted that three fitness for duty fatigue assessments were performed for cause during the period above. However, none of the assessments concluded that individual fatigue was a factor.

The NRC staff evaluated the subsequent exemption, work schedules, mitigating strategy, and the information provided in the RAI response. Personnel performing duties in 10 CFR 26.4(a)(2) and (a)(4) have complied with, at a minimum, the outage work controls specified in 10 CFR 26.205(d)(4). Of the thirteen different positions specified in the proposed subsequent exemption, eight positions will have worked normal or near-normal schedules and averaged below or slightly above the maximum average non-outage work-hour requirement specified in 10 CFR 26.205(d)(7). The remaining five positions include Health Physics, Framatome Projects, Alloy 600 Mitigation Project, Fuel Handling Equipment Upgrade Project, and Tesco Projects, which have worked near the

maximum allowable 72 hours per week. Individuals in these positions are at the highest risk of cumulative fatigue during this subsequent exemption period as they have continued to work near the maximum average outage work hour controls during the previous exemption period.

Due to the nature of the Palisades restart project and the usage of outage work controls during the initial outage, first exemption, and the proposed subsequent exemption in close succession, the NRC staff determined that compliance with only the outage MDO requirements and rest breaks would not be sufficient to manage cumulative fatigue. However, the NRC staff considered the mitigating strategy above in conjunction with the addition of one modified licensee commitment and the addition of a second licensee commitment. The modified licensee commitment provided a rest period for all affected personnel to work no more than 48 hours per week, averaged over a two-week period from December 19, 2025, to January 1, 2026. A work schedule of no more than 48 hours per week provides at least 3 days off each week, or 10 equivalent days off including rest breaks, to ensure an adequate rest and reset period before transitioning into the subsequent exemption period. In addition, the licensee has committed to enhance their Human Performance Program error prevention tools by adding fatigue as a potential proficiency obstacle that will be assessed during pre-jobs briefings.

The NRC staff considered additional mitigating factors that ensure the effects of cumulative fatigue are properly managed. The NRC staff noted that the licensee's first exemption would have continued through January 1, 2025. However, the licensee stopped using the flexibility provided by the exemption to implement the less restrictive outage work hour controls on December 18, 2025, and therefore did not utilize the flexibility provided by the exemption for the full 60-day period approved on October 23, 2025. The less restrictive outage work hour controls under the previous exemption were implemented for approximately 46 days, after which the two-week rest period commitment started. The NRC staff also notes that a significant portion of the work being performed involves maintenance activities that are subject to verification through

nondestructive examination or post-maintenance testing, which provides additional assurance that the work will be completed in accordance with the performance objectives of 10 CFR 26.23(e).

On December 30, 2025, the NRC staff and representatives of Palisades Energy held a clarification call to discuss the RAI response. Palisades submitted a supplement to the RAI response on December 31, 2025 (ML25365A936), which provided additional descriptions and provisions for managing and bounding cumulative fatigue for the affected groups. The supplement contains three new commitments for Palisades work hour controls during the subsequent exemption period. From the start of the previous exemption period on November 3, 2025, through December 30, 2025, which includes the rest period, personnel performing chemistry duties have worked hours significantly below the outage work hour controls, while personnel performing health physics duties have worked slightly above the 54 maximum average work hours over a shift cycle. For personnel performing maintenance duties in 10 CFR 26.4(a)(4), the licensee has provided additional commitments for specific positions to transition back to normal work hour controls at a specified point during the exemption. Personnel performing Framatome Projects duties have completed their scope of work and are no longer considered in the proposed subsequent exemption. The licensee has committed to transitioning to the maximum average weekly work-hour requirement in 10 CFR 26.205(d)(7) on January 25, 2026, for personnel performing Alloy 600 Mitigation project duties, February 8, 2026, for personnel performing Fuel Handling Equipment Upgrade Project duties, and February 15, 2026, for personnel performing Tesco Projects duties.

The NRC staff have re-evaluated the proposed subsequent exemption with the addition of the supplemental information including work schedules, work hours, and the new commitments. The NRC staff noted earlier that the five positions above were working near the maximum allowable 72-hours in 7-day requirement. However, based on information provided in the supplement to the RAI response, these individuals have either completed their work or will only work pursuant to the less restrictive outage work

hour controls for a limited duration during this subsequent exemption. In addition, because these individuals have been in a rest period which started on December 19, 2025, they have received an adequate rest and reset period to return to a work schedule pursuant to the less restrictive outage work hour controls for a short period with a predetermined length. The limited duration that the licensee has committed to for these five positions lowers the risk of cumulative fatigue for these five positions that have been working near the maximum allowable 72-hours in a 7-day period prior to the rest and reset period. The NRC staff have determined that the new administrative controls in the supplement to the RAI response described above, in conjunction with the licensee's mitigating strategy in the initial submittal and RAI response, will provide reasonable assurance that cumulative fatigue will be effectively managed and bounded for the duration of the subsequent exemption period.

The NRC staff determined that the proposed mitigating strategy, in combination with a two-week rest period for all affected personnel and the revised commitments in the supplement to the RAI response, will allow the licensee to adequately manage cumulative fatigue during the proposed 60-day subsequent exemption period. Acute fatigue will be managed through the rest breaks in 10 CFR 26.205(d)(2). Cumulative fatigue will be managed through the outage MDO requirements in 10 CFR 26.205(d)(4). In addition, the licensee committed to provide the affected individuals a two-week rest period, which took place from December 19, 2025, through January 1, 2026. Further, given the timing of the approval and issuance of this exemption, the affected individuals have been subject to non-outage work hour controls since January 1, 2026, which provides additional fatigue management. Finally, the licensee will incorporate fatigue as an enhancement to their Human Performance Program error prevention tools in pre-job briefings, and will transition certain personnel back to normal work hour controls at a pre-defined date as described above. The NRC staff determined that the proposed mitigating strategy will adequately manage acute and cumulative fatigue. Therefore, the exemption will not endanger life or property.

**C. The Exemption Will Not Endanger the Common Defense and Security.**

The proposed exemption would authorize a one-time exemption from the requirements of 10 CFR 26.205(d)(3) and (d)(7) to allow use of the less restrictive work hour controls described in 10 CFR 26.205(d)(4) for up to an additional 60-days. The proposed exemption is not applicable to security personnel, nor does it have any relation to or impact on security issues. Therefore, the exemption will not endanger the common defense and security.

**D. The Exemption is Otherwise in the Public Interest.**

The proposed exemption would authorize a one-time exemption from the requirements of 10 CFR 26.205(d)(3) and (d)(7) to allow use of the less restrictive work hour controls described in 10 CFR 26.205(d)(4) for up to an additional 60 days. In considering whether the requested exemptions would be in the public interest, the NRC staff considered several factors, including:

- the nature of the licensee's unique situation transitioning from decommissioning back to a power operations licensing basis, which requires restoration of safety-related equipment, among other plant restart activities; and
- the public health and safety interests of the communities that are impacted by the safe restart of the plant.

The NRC staff considered the unique situation of Palisades, which was previously in a decommissioning status; however, Palisades Energy has transitioned to a power operations licensing basis and is currently restoring safety-related equipment in addition to other restart-related inspections and repair activities during the ongoing outage to ensure the plant will be safe prior to restarting. The NRC issued RAIs to obtain additional information on the status of the Palisades restart and to identify why a subsequent exemption would be necessary. The licensee stated that during the plant restart project additional scope was identified which required expansion of the required maintenance activities. The approval of the proposed subsequent exemption would

provide more flexibility for scheduling of personnel, which will provide ample opportunity to identify and address issues during plant restart that will ensure safety and reliability.

The NRC staff considered the balance of public interest considerations, including the potential impacts of not granting the subsequent exemption, which could result in the delay of restarting the Palisades Nuclear Plant and could potentially delay the amount of energy available to the surrounding area. The NRC staff also considered the potential impacts resulting from an increase in overall cumulative fatigue due to personnel working longer work hours for a subsequent 60-day period almost directly following the expiration of the initial 60-day outage, which ended on October 23, 2025, and the 60-day previous exemption period, which ended on January 1, 2026. However, the licensee committed to and provided the affected individuals with a two-week rest period working no more than 48 hours maximum per week averaged over the two weeks between December 19, 2025 and January 1, 2026. In addition, there have been several days worked by all personnel under non-outage work hour requirements in accordance with 10 CFR 26.205 between the expiration of the previous exemption on January 1, 2026, and the issuance of the current exemption. Furthermore, the licensee has provided additional administrative controls in a supplement to the RAI response which states that personnel have either completed their work or will transition to normal work hour controls at pre-defined dates, thereby reducing the potential for cumulative fatigue.

The NRC staff evaluated the proposed exemption, mitigating strategy, RAI response, and supplement against the balance of public interest considerations. The licensee's mitigating strategy includes adhering to the rest break requirements, MDO requirements, supervisory fatigue assessments, a two-week rest period, the additional days worked by all personnel under the non-outage work hour requirements, an enhancement to their Human Performance Program, and a commitment to transition to normal work hour controls for certain personnel. Through these mitigating actions, the licensee will adequately manage fatigue for personnel identified in 10 CFR 26.4(a)(2) and (a)(4) during the proposed subsequent exemption period. Based on these

considerations, the NRC staff concluded that there are no expectations for a significant impact on public health and safety as a result of the increase in cumulative fatigue for the 60-day subsequent exemption period. Therefore, the NRC staff finds that approval of the requested exemption is otherwise in the public interest.

#### **E. Environmental Considerations.**

The Commission has determined that granting the proposed one-time exemption from the requirements of 10 CFR 26.205(d)(3) and (d)(7) involves (1) no significant hazards consideration, (2) no significant change in the types or significant increase in the amounts of any effluents that may be released offsite, (3) no significant increase in individual or cumulative public or occupational radiation exposure, (4) no significant construction impact, and (5) no significant increase in the potential for or consequences from radiological accidents.

(1) Under 10 CFR 50.92(c), there is no significant hazards consideration if the action does not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety.

The proposed exemption is administrative in nature because it provides an additional period when less restrictive hours can be worked for personnel identified in 10 CFR 26.4(a)(2) and (a)(4). The proposed exemption has no effect on systems, structures, and components (SSCs) and no effect on the capability of the SSCs to perform their design function. The proposed exemption does not make any changes to the facility or operating procedures and does not alter the design, function, or operation of any plant equipment. Therefore, the exemption does not increase the probability or consequences of an accident previously evaluated.

The proposed exemption does not make any changes to the facility or operating procedures and does not alter the design, function, or operation of any plant equipment. Similarly, the proposed exemption does not authorize any physical changes to any SSCs

involved in the mitigation of any accidents. Therefore, the exemption does not create the possibility of a new or different kind of accident from any accident previously evaluated.

The proposed exemption does not authorize alteration of the design basis or any safety limits for the plant. The exemption would not impact station operation or any SSC that is relied upon for accident mitigation. Therefore, the exemption does not involve a significant reduction in a margin of safety.

For these reasons, the NRC has determined that approval of the exemption requested involves no significant hazards consideration.

(2) The proposed exemption does not authorize any changes to the design basis requirements for the SSCs at Palisades that function to limit the release of non-radiological effluents, radiological liquid effluents, or radiological gaseous effluents during and following postulated accidents. Additionally, the exemption does not change any requirements with respect to the conduct of radiation surveys and monitoring. Therefore, there is no significant change in the types or significant increase in the amounts of any effluents that may be released offsite.

(3) The proposed exemption does not affect the limits on the release of any radioactive material or the limits provided in 10 CFR Part 20, "Standards for Protection Against Radiation," for radiation exposure to workers or members of the public. Additionally, the exemption will not increase or decrease the amount of work activities that must be completed in order to connect the reactor unit to the electrical grid. Therefore, there is no significant increase in individual or cumulative public or occupational radiation exposure.

(4) The proposed exemption does not involve any changes to a construction permit; Therefore, there is no significant construction impact.

(5) The proposed exemption does not alter any of the assumptions or limits in the licensee's accident analyses. Therefore, there is no significant increase in the potential for or consequences from radiological accidents.

In addition, the requirements from which the exemption are sought involve other requirements of an administrative, managerial, or organizational nature. Accordingly, the exemption meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(25)(vi)(I). Therefore, in accordance with 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the NRC's consideration of the exemption request.

### **III. Conclusions.**

Accordingly, the Commission has determined that, pursuant to 10 CFR 26.9, the exemption is authorized by law, will not endanger life or property or the common defense and security, and is otherwise in the public interest. Therefore, the Commission hereby grants Palisades Energy, LLC a one-time exemption from 10 CFR 26.205(d)(3) and (d)(7) for personnel identified in 10 CFR 26.4(a)(2) and (a)(4) to allow the use of the outage MDO requirements described in 10 CFR 26.205(d)(4) for a 60-day period starting January 6, 2026. While the exemption is in effect, Palisades Energy, LLC will ensure that individuals specified in 10 CFR 26.4(a)(2) have at least 3 days off in each successive (i.e. non-rolling) 15-day period; and that individuals specified in 10 CFR 26.4(a)(4) have at least 1 day off in any 7-day period. Additionally, Palisades Energy, LLC will use the outage MDO requirements, rest break requirements, the two-week rest period which started on December 19, 2025, enhancements to their Human Performance Program, and commitments to transition personnel back to normal non-outage work hour controls at the defined dates in the supplement to the RAI response to adequately manage acute and cumulative fatigue for personnel performing duties in 10 CFR 26.4(a)(2) and (a)(4) during the subsequent exemption period. Accordingly, the exemption shall not cover those personnel that Palisades Energy has committed to transitioning back to non-outage work hour controls at the dates specified in the supplement to the RAI response as the supporting bases for this exemption for those personnel will no longer be met.

If the Palisades Nuclear Plant is connected to the electrical grid prior to the end of the approved 60-day exemption period, the supporting bases for this exemption are

no longer met. Accordingly, the exemption shall end either at the end of the approved 60-day period, which is March 6, 2026, or at the time when the Palisades Nuclear Plant is connected to the electrical grid, whichever occurs first.

The Palisades restart project is a first-of-a-kind activity where a nuclear power plant in decommissioning status is being returned to operational status. Palisades, as a plant in decommissioning was not subject to the fatigue management requirements in 10 CFR Part 26 Subpart I. However, on August 25, 2025, Palisades implemented the Power Operations licensing basis, including the Final Safety Analysis Report and the Power Operations Technical Specifications, and transitioned into an outage under the Power Operations Technical Specifications to restore the plant for restart and as a result became subject to the work hour control requirements in 10 CFR 26.205. This subsequent exemption and the prior exemption from the work hour controls directly support restart activities unique to the Palisades restart project for specific groups of personnel, with specific consideration of the hours worked by each group prior to the issuance of this exemption, to support the numerous activities necessary to return the plant to an operational status. Further, any subsequent exemption request will be evaluated on a case-by-case basis and is specific to the circumstances of the facility, the mitigating strategy put in place to manage cumulative fatigue, the timing between a subsequent request and the previous exemption, and the hours worked by individuals.

Dated: January 5, 2026

For the Nuclear Regulatory Commission.

*/RA/*

Hipolito Gonzalez, Deputy Director,  
Division of Operating Reactor Licensing,  
Office of Nuclear Reactor Regulation.