June 18, 2001

Mr. J. Morris
Site Vice-President
Monticello Nuclear Generating Plant
Nuclear Management Company, LLC
2807 West County Road 75
Monticello, MN 55362-9637

SUBJECT: MONTICELLO NUCLEAR GENERATING PLANT
NRC INSPECTION REPORT 50-263/01-14(DRS)

Dear Mr. Morris:

On June 8, 2001, the NRC completed an inspection at your Monticello Nuclear Generating Plant. The enclosed report documents the inspection findings, which were discussed on June 8, 2001, with you and members of your staff.

The inspection examined activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel. Specifically, this inspection focused on emergency preparedness, including your staff's determinations of performance indicators for the Emergency Preparedness Cornerstone.

No findings of significance were identified.

In accordance with 10 CFR Part 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/NRC/ADAMS/index.html (the Public Electronic Reading Room).

Sincerely,

/RA/

Wayne J. Slawinski, Acting Chief
Plant Support Branch
Division of Reactor Safety

Docket No. 50-263
License No. DPR-22

Enclosure: Inspection Report 50-263/01-14(DRS)

See Attached Distribution

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cc w/encl: Plant Manager, Monticello
M. Wadley, Chief Nuclear Officer
Nuclear Asset Manager
Site Licensing Manager
Commissioner, Minnesota Department of Health
J. Silberg, Esquire
Shaw, Pittman, Potts, and Trowbridge
R. Nelson, President
Minnesota Environmental Control Citizens
Association (MECCA)
Commissioner, Minnesota Pollution Control Agency
D. Gruber, Auditor/Treasurer
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A. Neblett, Assistant Attorney General
W. Curtis, FEMA, Region V

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U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket No:	50-263
License No:	DPR-22
Report No:	50-263/01-14(DRS)
Licensee:	Nuclear Management Company, LLC
Facility:	Monticello Nuclear Generating Plant
Location:	2807 West County Road 75 Monticello, MN 55362-9637
Dates:	June 4 through June 8, 2001
Inspectors:	T. Ploski, Senior Emergency Preparedness Analyst R. Jickling, Emergency Preparedness Analyst S. Burton, Senior Resident Inspector D. Kimble, Resident Inspector M. Mitchell, Radiation Protection Inspector
Approved by:	Wayne J. Slawinski, Acting Chief Plant Support Branch Division of Reactor Safety

SUMMARY OF FINDINGS

IR 05000263-01-14(DRS), on 06/04-06/08/2001, Nuclear Management Company, LLC, Monticello Nuclear Generating Plant. Emergency Preparedness Specialist Report.

The report covers a one week baseline inspection by two regional emergency preparedness inspectors, two resident inspectors, and a regional radiation protection inspector. The inspection focused on the Reactor Safety, Emergency Preparedness Cornerstone during the biennial emergency preparedness exercise. No findings of significance were identified. The significance of most findings is indicated by their color (Green, White, Yellow, Red) using IMC 0609 "Significance Determination Process" (SDP). The NRC's program for overseeing the safe operation of commercial nuclear power reactors is described at its Reactor Oversight Process website at **http://www/nrc.gov/NRR/OVERSIGHT/index.html.** Findings for which the SDP does not apply are indicated by "No Color" or by the severity level of the applicable violations.

Report Details

Summary of Plant Status

The plant was at about 100 percent power throughout the inspection period.

1. REACTOR SAFETY

Cornerstone: Emergency Preparedness

1EP1 Exercise Evaluation

a. Inspection Scope

The inspectors reviewed the 2001 exercise's objectives and scenario to ensure that the exercise would acceptably test major elements of the licensee's emergency plan, and to verify that the exercise's simulated problems provided an acceptable framework to support demonstration of the licensee's capabilities to implement its plan. The inspectors also reviewed records of a practice drill conducted in April 2001, to determine whether the associated scenario was sufficiently different from the scenario used in the June 6, 2001 exercise.

The inspectors evaluated the licensee's exercise performance, focusing on the risk-significant activities of emergency classification, notification, and protective action decision making, as well as implementation of accident mitigation strategies in the following emergency response facilities:

- Control Room Simulator (CRS)
- Technical Support Center (TSC)
- Operations Support Center (OSC)
- Emergency Operations Facility (EOF)

The inspectors also assessed the licensee's recognition of abnormal plant conditions, transfer of responsibilities between facilities, internal communications, interface with offsite officials, readiness of emergency facilities and related equipment, and overall implementation of the licensee's emergency plan.

The inspectors attended post-exercise critiques in the CRS, OSC, TSC, and EOF to evaluate the licensee's initial self-assessment of its exercise performance. The inspectors later met with the licensee's lead exercise evaluators to obtain the licensee's refined assessments of its exercise participants' performances. These self-assessments were then compared with the inspectors' independent observations and assessments.

b. Findings

No findings of significance were identified.

4. OTHER ACTIVITIES

4OA1 Performance Indicator (PI) Verification

a. Inspection Scope

The inspectors reviewed the licensee's records related to each of the three emergency preparedness PIs to verify that the licensee's program was implemented consistent with industry guidelines in Nuclear Energy Institute (NEI) 99-02 and licensee procedures. Specifically, licensee records related to the performance of the Alert and Notification System (ANS), Emergency Response Organization (ERO) Drill Participation, and Drill and Exercise Performance (DEP) were reviewed to verify the accuracy and completeness of the data submitted for the period April 2000 through March 2001. The inspectors also reviewed procedural guidance related to the gathering and assessment of PI-related information, to verify its consistency with the methodology in NEI 99-02.

b. Findings

No findings of significance were identified.

4OA6 Management Meetings

Exit Meeting Summary

The inspectors presented the inspection results to Mr. J. Morris and other members of licensee management and staff at the conclusion of the inspection on June 8, 2001. The licensee acknowledged the information presented. No proprietary information was identified.

KEY POINTS OF CONTACT

Licensee

D. Fadel, Engineering Director
J. Forbes, Plant Manager
T. Gallagher, Safeguards Consultant
G. Holthaus, EP Coordinator
L. Hoskins, Senior Quality Assurance Specialist
T. LaPlant, EP and Training Superintendent
J. Morris, Site Vice President
D. Neve, Licensing Project Manager
M. Offerdahl, EP Specialist
B. Schmitt, EP Specialist
D. Schuelke, Manager, Nuclear Management Company
S. Shirey, Senior Licensing Engineer
E. Sopkin, General Superintendent - Operations
A. Ward, Training Manager
L. Wilkerson, Quality Assurance Manager

LIST OF ACRONYMS USED

ANS	Alert and Notification System
CFR	Code of Federal Regulations
CR	Condition Report
CRS	Control Room Simulator
DEP	Drill and Exercise Performance
DRS	Division of Reactor Safety
EOF	Emergency Operations Facility
EP	Emergency Preparedness
ERO	Emergency Response Organization
IR	Inspection Report
NEI	Nuclear Energy Institute
NRC	Nuclear Regulatory Commission
OSC	Operations Support Center
PI	Performance Indicator
TSC	Technical Support Center

LIST OF DOCUMENTS REVIEWED

1EP1 Exercise Evaluation

	Monticello Nuclear Generating Plant Emergency Plan	Revision 19
A.2-001	Emergency Organization	Revision 46
A.2-101	Classification of Emergencies	Revision 26
A.2-103	Alert	Revision 15
A.2-104	Site Area Emergency	Revision 14
A.2-105	General Emergency	Revision 15
A.2-106	Activation and Operation of the TSC	Revision 20
A.2-107	Activation and Operation of the OSC	Revision 20
A.2-108	Access Control During Emergencies	Revision 12
A.2-201	On-site Protective Action	Revision 8
A.2-204	Off-site Protective Action Recommendations	Revision 13
A.2-205	Personnel Accountability	Revision 11
A.2-206	Work Control During Emergencies	Revision 4
A.2-209	Responsibilities of the Radiological Emergency Coordinator	Revision 12
A.2-210	Engineering Support in the TSC	Revision 5
A.2-213	Responsibilities of the Emergency Director	Revision 7
A.2-301	Emergency Evacuation	Revision 12
A.2-401	Emergency Exposure Control	Revision 7
A.2-402	On-site Radiological Monitoring	Revision 4
A.2-501	Communications During an Emergency	Revision 13
A.2-801	Responsibilities of the Emergency Manager	Revision 4
A.2-802	Activation and Operation of the EOF	Revision 3
A.2-803	Emergency Communications at the EOF	Revision 4
A.2-805	Technical Support in the EOF	Revision 4
A.2-806	Radiation Protection Support in the EOF	Revision 3
A.2-807	Off-site Dose Assessment and Protective Action Recommendations	Revision 6
A.2-808	Radiological Monitoring and Control at the EOF	Revision 2
	Emergency Plan Exercise Manual	June 8, 2001
	Emergency Plan Drill Manual	April 25, 2001
	Exercise Critique Draft Summary	June 7, 2001

4OA1 Performance Indicator Verification

MTCP-06-09	Emergency Plan PI Program	Revision 3
	Records of Monthly ANS Operability Tests, April 2000 through March 2001	
Form 3520-02	ERO Participation Worksheets, October 1999 through March 2001	
	Records of DEP Opportunities, April 2000 through March 2001	