

October 13, 2004

Mr. Thomas J. Palmisano  
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— ENVIRONMENTAL  
ASSESSMENT RE: INTAKE STRUCTURE PUMP ROOM APPENDIX R  
EXEMPTION REQUEST (TAC NO. MC1803)

Dear Mr. Palmisano:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your exemption request of November 17, 2003, as supplemented July 16, 2004. You requested the Nuclear Regulatory Commission to authorize a permanent exemption from the requirements of Title 10 of the *Code of Federal Regulations*, Part 50, Appendix R, Section III.G.2.b, as it applies to Fire Area IX/Fire Zone 23A at the Monticello Nuclear Generating Plant.

In particular, you requested an exemption from the requirement to separate cables and equipment and associated non-safety circuits of redundant trains by a horizontal distance of more than 20 feet with no intervening combustibles or fire hazards. You indicated that although redundant safe shutdown components and cables within this fire zone are separated by more than 20 feet, permanent intervening combustibles or fire hazards exist within the separating space.

The assessment is being forwarded to the Office of the *Federal Register* for publication.

Sincerely,

*/RA/*

L. Mark Padovan, Project Manager, Section 1  
Project Directorate III  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. 50-263

Enclosure: Environmental Assessment

cc w/encls: See next page

October 13, 2004

Mr. Thomas J. Palmisano  
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— ENVIRONMENTAL  
ASSESSMENT RE: INTAKE STRUCTURE PUMP ROOM APPENDIX R  
EXEMPTION REQUEST (TAC NO. MC1803)

Dear Mr. Palmisano:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your exemption request of November 17, 2003, as supplemented July 16, 2004. You requested the Nuclear Regulatory Commission to authorize a permanent exemption from the requirements of Title 10 of the *Code of Federal Regulations*, Part 50, Appendix R, Section III.G.2.b, as it applies to Fire Area IX/Fire Zone 23A at the Monticello Nuclear Generating Plant.

In particular, you requested an exemption from the requirement to separate cables and equipment and associated non-safety circuits of redundant trains by a horizontal distance of more than 20 feet with no intervening combustibles or fire hazards. You indicated that although redundant safe shutdown components and cables within this fire zone are separated by more than 20 feet, permanent intervening combustibles or fire hazards exist within the separating space.

The assessment is being forwarded to the Office of the *Federal Register* for publication.

Sincerely,  
*/RA/*

L. Mark Padovan, Project Manager, Section 1  
Project Directorate III  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. 50-263

Enclosure: Environmental Assessment

cc w/encls: See next page

DISTRIBUTION

|                 |                   |
|-----------------|-------------------|
| PUBLIC          | OGC               |
| PDIII-1 Reading | ACRS              |
| LRaghavan       | WRuland           |
| LPadovan        | JTappert          |
| THarris         | BBurgess, RGN-III |

ADAMS Accession No.: ML042450021

|        |            |            |          |           |            |
|--------|------------|------------|----------|-----------|------------|
| OFFICE | PDIII-1/PM | PDIII-1/LA | RLEP/SC  | OGC       | PDIII-1/SC |
| NAME   | LPadovan   | THarris    | JTappert | RHoefling | LRaghavan  |
| DATE   | 09/01/04   | 09/01/04   | 09/13/04 | 10/05/04  | 10/13/04   |

OFFICIAL RECORD COPY

Monticello Nuclear Generating Plant

cc:

Jonathan Rogoff, Esquire  
Vice President, Counsel & Secretary  
Nuclear Management Company, LLC  
700 First Street  
Hudson, WI 54016

U.S. Nuclear Regulatory Commission  
Resident Inspector's Office  
2807 W. County Road 75  
Monticello, MN 55362

Manager, Regulatory Affairs  
Monticello Nuclear Generating Plant  
Nuclear Management Company, LLC  
2807 West County Road 75  
Monticello, MN 55362-9637

Robert Nelson, President  
Minnesota Environmental Control  
Citizens Association (MECCA)  
1051 South McKnight Road  
St. Paul, MN 55119

Commissioner  
Minnesota Pollution Control Agency  
520 Lafayette Road  
St. Paul, MN 55155-4194

Regional Administrator, Region III  
U.S. Nuclear Regulatory Commission  
801 Warrenville Road  
Lisle, IL 60532-4351

Commissioner  
Minnesota Department of Health  
717 Delaware Street, S. E.  
Minneapolis, MN 55440

Douglas M. Gruber, Auditor/Treasurer  
Wright County Government Center  
10 NW Second Street  
Buffalo, MN 55313

Commissioner  
Minnesota Department of Commerce  
121 Seventh Place East  
Suite 200  
St. Paul, MN 55101-2145

Manager - Environmental Protection Division  
Minnesota Attorney General's Office  
445 Minnesota St., Suite 900  
St. Paul, MN 55101-2127

John Paul Cowan  
Executive Vice President & Chief Nuclear  
Officer  
Nuclear Management Company, LLC  
700 First Street  
Hudson, WI 54016

Nuclear Asset Manager  
Xcel Energy, Inc.  
414 Nicollet Mall, R.S. 8  
Minneapolis, MN 55401

October 2003

UNITED STATES NUCLEAR REGULATORY COMMISSIONNUCLEAR MANAGEMENT COMPANY, LLCDOCKET NO. 50-263MONTICELLO NUCLEAR GENERATING PLANTENVIRONMENTAL ASSESSMENT AND FINDING OFNO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an exemption from the requirements of Title 10 of the *Code of Federal Regulations* (10 CFR), Part 50, Appendix R, Section III.G.2.b for Facility Operating License No. DPR-22, issued to Nuclear Management Company, LLC (NMC), for operation of the Monticello Nuclear Generating Plant (MNGP), located in Wright County, Minnesota. Therefore, as required by 10 CFR 51.21, the NRC is issuing this environmental assessment and finding of no significant impact.

ENVIRONMENTAL ASSESSMENTIdentification of the Proposed Action:

The proposed action would authorize a permanent exemption from the requirements of 10 CFR Part 50, Appendix R, Section III.G.2.b, as it applies to Fire Area IX/Fire Zone 23A, the intake structure pump room at MNGP. The proposed action is in accordance with NMC's exemption request of November 17, 2003, as supplemented July 16, 2004.

The Need for the Proposed Action:

NMC requested this exemption from the requirement to separate cables and equipment and associated non-safety circuits of redundant trains by a horizontal distance of more than 20 feet with no intervening combustibles or fire hazards. NMC indicated that although redundant safe shutdown components and cables within this fire zone are separated by more than 20 feet, permanent intervening combustibles or fire hazards exist within the separating space.

Environmental Impacts of the Proposed Action:

The NRC staff reviewed NMC's exemption request and will issue a safety evaluation documenting its review. The NRC staff analyzed the following items in the intake structure pump room at MNGP to satisfy the requirements of 10 CFR 50.12 for granting the exemption from the automatic suppression system requirements of Appendix R, Section III.G.2.b:

- safe shutdown equipment
- fixed and transient combustibles
- chemical hazards
- existing fire protection features
- intervening combustibles
- impact of Regulatory Issue Summary 2004-03, "Risk-Informed Approach for Post-Fire Safe-Shutdown Associated Circuit Inspections," dated March 2, 2004

The following attributes of the intake structure pump room at MNGP supported the NRC staff's basis for approval of the requested exemption:

- Greater than 20 feet of separation exists between redundant safe shutdown components and cables.
- Early-warning ionization detection, installed above the residual heat removal service water (SW) and SW pumps, provides an alarm to the control room.
- Activation of the pre-action valve via the thermal detectors results in a "system actuated" signal to the control room.
- Transient combustibles and hot work in the area are administratively controlled.
- The fire load in the zone satisfies the criteria for a low fire load designation.

The NRC staff concluded that the requested exemption for Fire Area IX/Fire Zone 23A provided reasonable assurance that one train of redundant safe shutdown equipment would remain free of fire damage. This is the equivalent of meeting the requirements of

10 CFR Part 50, Appendix R, Section III.G.2.b, since the underlying purpose of Section III.G.2.b is to assure that one train of redundant safe shutdown equipment will be maintained free of fire damage.

The details of the NRC staff's safety evaluation will be provided in the exemption that will be issued as part of the letter to NMC approving the exemption to the regulation.

The proposed action will not significantly increase the probability or consequences of accidents. No changes are being made in the types of effluents that may be released off site. There is no significant increase in the amount of effluent being released offsite. There is no significant increase in occupational or public radiation exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential non-radiological impacts, the proposed action does not have a potential to affect any historic sites. It does not affect non-radiological plant effluents and has no other environmental impact. Therefore, there are no significant non-radiological environmental impacts associated with the proposed action.

Accordingly, the NRC concludes that there are no significant environmental impacts associated with the proposed action.

Environmental Impacts of the Alternatives to the Proposed Action:

As an alternative to the proposed action, the staff considered denial of the proposed action (i.e., the "no-action" alternative). Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources:

The action does not involve the use of any different resource than those previously considered in the Final Environmental Statement for Monticello dated November 1972.

Agencies and Persons Consulted:

On October 15, 2004, the staff consulted with the Minnesota State official, Nancy Campbell of the Department of Commerce, regarding the environmental impact of the proposed action. The State official had no comments.

FINDING OF NO SIGNIFICANT IMPACT

On the basis of the environmental assessment, the NRC concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the NRC has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see NMC's exemption request of November 17, 2003, as supplemented July 16, 2004. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1-800-397-4209 or 301-415-4737, or by e-mail to [pdr@nrc.gov](mailto:pdr@nrc.gov).

Dated at Rockville, Maryland, this 13<sup>th</sup> day of October 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

*/RA/*

L. Raghavan, Chief, Section 1  
Project Directorate III  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation