

June 3, 2005

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 - THIRD REQUEST FOR
ADDITIONAL INFORMATION RELATED TO TECHNICAL SPECIFICATIONS
CHANGE REQUEST TO IMPLEMENT A 24-MONTH FUEL CYCLE
(TAC NO. MC3692)

Dear Mr. Palmisano:

The Nuclear Management Company's, LLC's, letter of June 30, as supplemented November 5, 2004, and March 3, 2005, submitted a license amendment request to implement a 24-month fuel cycle at Monticello Nuclear Generating Plant. The Nuclear Regulatory Commission staff is reviewing your request and finds that it needs Nuclear Management Company (NMC) to incorporate certain commitments and technical specification changes into its license amendment request (LAR) in order for us to complete our review. Accordingly, please respond to the enclosed request for additional information (RAI).

I discussed the enclosed RAI with Mr. John Fields of your organization on June 1, 2005, and he agreed to respond within 30 days of receipt of the RAI. Please contact me at (301) 415-1423 if you have questions.

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: Request for Additional Information

cc w/encl: See next page

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Monticello Nuclear Generating Plant

License Amendment Request to Support 24-Month Operating Cycles

Third Request for Additional Information

Docket No. 50-263

James A. Lyons (NRC) letter to Alex Marion (Nuclear Energy Institute) of March 31, 2005, (ADAMS Accession No. ML050870008) contains background information to determine the trip setpoints and allowable values of safety-related instrumentation. The letter contains a generic Revised Method 3 Request for Additional Information that also applies to the Method 2 setpoint determination process used at Monticello. Accordingly, please provide the following additional information:

1. Regardless of the methodology used, the NRC staff has the following questions regarding Monticello's use of the methodology:
 - a. Discuss how the methodology and controls you have in place ensure that the analytical limit (AL) associated with an limiting safety system setpoint (LSSS) will not be exceeded (the AL is a surrogate that ensures the safety limits will not be exceeded). Include in your discussion information on the controls you employ to ensure the trip setpoint established after completing periodic surveillances satisfies your methodology. If the controls are located in a document other than the technical specifications (TSs), discuss how those controls satisfy the requirements of Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.36. Also, please propose a TS change for the LSSS being changed by the license amendment request to incorporate a footnote that states "The as-left instrument setting shall be returned to a setting within the tolerance band of the trip setpoint established to protect the safety limit."
 - b. Discuss how the TS surveillances ensure the operability of the instrument channel. This should include a discussion on how the surveillance test results relate to the TS AL and describe how these are used to determine the operability of the instrument channel. If the requirements for determining operability of the LSSS instrument being tested are in a document other than the TS (e.g., plant test procedure), discuss how this meets the requirements of 10 CFR 50.36. Also, please provide an explicit regulatory commitment to assess the operability of tested instrumentation based on the previous as-left instrument setting and accounting for the uncertainties associated with the test or calibration.
3. Please provide an explicit regulatory commitment to assess applicability of the Technical Specification Task Force's TS change to determine whether changes to Monticello's licensing basis are necessary to come into conformance with the existing understanding of the requirements of 10 CFR 50.36.

ENCLOSURE

Monticello Nuclear Generating Plant

cc:

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Vice President, Counsel & Secretary
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November 2004