



Monticello Nuclear Generating Plant
Operated by Nuclear Management Company, LLC

January 23, 2006

L-MT-06-004
10 CFR 2.201

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

Monticello Nuclear Generating Plant
Docket 50-263
License No. DPR-22

Additional Information in Reply to Notice of Violation Dated September 22, 2005

- References:
- 1) NRC to NMC, "Revised Notice of Violation (Inspection Report 05000263/2005003); Monticello Nuclear Generating Plant," (EA-05-175) dated September 22, 2005.
 - 2) NMC to NRC, "Reply to Revised Notice of Violation Dated September 22, 2005," (L-MT-05-107) dated October 24, 2005.

On September 22, 2005, the U.S. Nuclear Regulatory Commission (NRC) issued a Notice of Violation (NOV) (Reference 1) for a failure of the Nuclear Management Company, LLC (NMC) to notify the NRC within eight hours of a partial Primary Containment Isolation System (PCIS) Group II isolation that occurred at the Monticello Nuclear Generating Plant (MNGP) on April 2, 2005. NMC's analysis of the PCIS Group II isolation concluded that the actuation was invalid, and therefore not reportable pursuant to 10 CFR 50.72(b)(3)(iv)(A), leading NMC to deny the violation (Reference 2).

NMC continues to believe that this event was correctly reported consistent with industry practice taking into consideration the reporting guidance of NUREG-1022, Revision 2. Nevertheless, we agree with the NRC staff that the continued investment of NRC and NMC resources on this topic adds no safety benefit. Accordingly, NMC, while not accepting or concurring in the NOV, will no longer contest the NOV.

As a result of several phone conversations between Mr. Bruce Burgess (NRC) and Mr. Edward Weinkam (NMC) on January 19, 2006, the NOV will be closed, based on NMC's agreement to no longer contest the NOV. In addition, Mr. Burgess stated that NRC Region III will request that NUREG-1022 be clarified in a timely manner to address the ambiguity in the reporting criterion that was the source of the NOV. In the interim, NMC will continue to evaluate the reportability of similar events, applying NMC's present understanding of the guidance within the current revision of NUREG-1022. Finally, prior to the issuance of the aforementioned clarification to NUREG-1022, if a similar difference in interpretation of reporting requirements were to occur, NMC understands

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that the issue would be considered for classification as an Unresolved Item (URI) pending the clarification to NUREG-1022.

NMC takes its responsibility for accurate and timely reporting of events seriously. This was recently formally reaffirmed to MNGP personnel by letter from the Plant Manager. NMC's position on reportability is that, if there is a question as to the reportability of an event, a timely report will be made. If subsequent analysis concludes that the reportability criterion was not met, a retraction will be reported, including the rationale for determining the event was not reportable.

This letter contains no new commitments and makes no revisions to existing commitments.

A handwritten signature in black ink, appearing to read "John T. Conway", with a long horizontal flourish extending to the right.

John T. Conway
Site Vice President, Monticello Nuclear Generating Plant
Nuclear Management Company, LLC

cc: Administrator, Region III, USNRC
Project Manager, Monticello, USNRC
Resident Inspector, Monticello, USNRC
Director, Office of Enforcement, USNRC