NMC
Committed to Nuclear Excellence

Nuclear Management Company, LLC

March 14, 2006

L-HU-06-012
10 CFR 50.48

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

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

Palisades Nuclear Plant
Dockets 50-255 and 72-7
License No. DPR-20

Point Beach Nuclear Plant, Units 1 and 2
Dockets 50-266, 50-301 and 72-5
License Nos. DPR-24 and DPR-27

Prairie Island Nuclear Generating Plant, Units 1 and 2
Dockets 50-282, 50-306 and 72-10
License Nos. DPR-42 and DPR-60

Revision of and Supplement to Letter of Intent to Transition to 10 CFR 50.48(c) – National Fire Protection Association Standard NFPA 805, "Performance-based Standards for Fire Protection for Light Water Reactor Electric Generating Plants," 2001 Edition.

Reference: Letter from NMC to NRC, "Letter of Intent to Transition to 10 CFR 50.48(c) - National Fire Protection Association Standard NFPA 805. "Performance-based Standards for Fire Protection for Light Water Reactor Electric Generating Plants, 2001 Edition", dated November 30, 2005

By the referenced letter, NMC committed to a transition to 10 CFR 50.48(c) and provided a schedule for the implementation of the transition. This letter revises the schedule and supplements the scope and methodology of the transition plan as described in the referenced letter and confirms the previously documented request for enforcement discretion, in accordance with the NRC's Interim Enforcement Policy with an extension beyond the two years provided within the policy. This letter also deletes Duane Arnold Energy Center (DAEC) from the above transition plan, as NMC is no longer the licensed operator of DAEC.

On November 30, 2005, NMC transmitted its letter of intent to transition to 10 CFR 50.48(c) for the following plants:

- Point Beach Nuclear Plant, Units 1 and 2
- Monticello Nuclear Generating Plant
- Palisades Nuclear Plant
- Prairie Island Nuclear Generating Plant, Units 1 and 2
- Duane Arnold Energy Center

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A teleconference was held on December 19, 2005, to discuss the planned duration of the project and the associated enforcement discretion. As part of this teleconference, NMC agreed to review the project schedule for its plants. A second teleconference was held on February 8, 2006, at which time NMC presented a revised schedule for the transition to 10CFR50.48(c) for Point Beach Nuclear Plant, Units 1 and 2, Monticello Nuclear Generating Plant, Palisades Nuclear Plant, and Prairie Island Nuclear Generating Plant, Units 1 and 2. This letter documents the proposed schedule as presented during the above teleconference.

The transition to the performance-based standard as defined by 10 CFR 50.48(c) has been accelerated from the previously submitted schedule (Ref. 1), and the transition schedule has been revised accordingly. The transition includes the development of a full fire PRA for Point Beach Nuclear Plant, Units 1 and 2, Prairie Island Nuclear Generating Plant, Units 1 and 2 and Palisades Nuclear Plant; this work has been started at Point Beach, however the methodology will be common to the other sites. Due to the high degree of train separation, Monticello is expected to transition with a combination of deterministic methods and probabilistic methods using a limited scope fire PRA. Though the dates for the associated License Amendment Requests (LAR) are staggered, tasks will be performed in parallel as resources allow.

- Point Beach Nuclear Plant (Units 1 and 2) LAR submitted by November 2008
- Prairie Island Nuclear Generating Plant, Units 1 and 2, LAR submitted by June 2009
- Palisades Nuclear Plant LAR submitted by November 2009
- Monticello Nuclear Generating Plant LAR submitted by November 2009

Due to the high degree of train separation, Monticello is expected to transition primarily through deterministic methods with little fire PRA support necessary. Therefore, the transition of the Monticello Nuclear Generating Plant is scheduled to begin January 2010 with the LAR complete December 2011.

In accordance with the NRC Enforcement Policy section titled, "Interim Enforcement Policy Regarding Enforcement Discretion for Certain Fire Protection Issues (10 CFR 50.48)," NMC requests enforcement discretion for NRC identified non-compliances and unresolved items and for NMC identified non-compliances related to the fire protection program. To ensure low risk during the transition process while under enforcement discretion, NMC will review identified non-compliances in accordance with the enforcement manual for application of enforcement discretion during the enforcement discretion period.

- An evaluation of risk significance will be performed and corrective actions and/or compensatory measures taken commensurate with the significance.
- A review of the item will consider extent of condition.
- The unresolved items will be placed into the corrective action program to ensure resolution prior to or part of the transition to 10 CFR 50.48(c).

NMC requests an extension of the enforcement discretion window to 36 months for Point Beach Nuclear Plant, Units 1 and 2; 42 months for Prairie Island Nuclear Generating Plant, Units 1 and 2; and 48 months for the Palisades Nuclear Plant and Monticello Nuclear Generating Plant. The reasons for this request are as follows:

- Preliminary activities must be performed to provide for an efficient and quality transition. These include the updating of the cable and raceway databases and the development of a state-of-the-art fire PRA.

- The industry has provided a wide range of estimates for resources necessary to perform the transition including the development of a high quality fire PRA. Two NMC plants (Point Beach Nuclear Plant and Prairie Island Nuclear Generating Plant) are expected to be at the high end of the estimates, primarily due to the vintage of the plants.

- The schedule has been developed such that NMC can apply lessons learned from the pilot plants in the industry that are currently in the process of transitioning.

- NMC will need to rely on outside resources to support the transition. Resources with the narrow bands of expertise in PRA, Safe Shutdown, and Circuit Analysis are limited.

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

Daniel J. Malone
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Nuclear Management Company, LLC

Cc: Administrator, USNRC, Region III
USNRC NRR Project Manager, Point Beach Nuclear Plant, Prairie Island Nuclear Generating Plant, Monticello Nuclear Generating Plant, Palisades Nuclear Plant
USNRC NRC Resident Inspector, Point Beach Nuclear Plant, Prairie Island Nuclear Generating Plant, Monticello Nuclear Generating Plant, Palisades Nuclear Plant, USNRC