

November 29, 2006

Mr. John T. Conway  
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 AND FINDING OF NO SIGNIFICANT IMPACT RELATED TO THE  
ISSUANCE OF EXEMPTION TO 10 CFR PART 50, APPENDIX J  
(TAC NO. MD2395)

Dear Mr. Conway:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your application for exemption from certain requirements of *Title 10 Code of Federal Regulations*, Part 50 (10 CFR 50), Appendix J, dated September 15, 2005. The proposed exemption would permit Nuclear Management Company to exclude main steam isolation valve leakage from (1) the overall integrated leakage rate test measurement required by Section III.A of Appendix J, Option B; and (2) the sum of local leak rate test measurements required by Section III.B of Appendix J, Option B.

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

Sincerely,

*/RA/*

Peter S. Tam, Senior Project Manager  
Plant Licensing Branch III-1  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation

Docket No. 50-263

Enclosure:  
Environmental Assessment

cc w/encl: See next page

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UNITED STATES NUCLEAR REGULATORY COMMISSION

NUCLEAR MANAGEMENT COMPANY, LLC

DOCKET NO. 50-263

MONTICELLO NUCLEAR GENERATING STATION

ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

INTRODUCTION

The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an exemption from Title 10 of the *Code of Federal Regulations*, Part 50 (10 CFR 50), Appendix J, for Facility Operating Licenses No. DPR-22, issued to Nuclear Management Company (NMC) for operation of the Monticello Nuclear Generating Plant (MNGP), located in Wright County, Minnesota.

ENVIRONMENTAL ASSESSMENT

Identification of the Proposed Action:

The proposed action would exempt NMC from requirements to include main steam isolation valve (MSIV) leakage in (1) the overall integrated leakage rate test measurement required by Section III.A of Appendix J, Option B; and (2) the sum of local leak rate test measurements required by Section III.B of Appendix J, Option B.

The proposed action is in accordance with the licensee's application dated September 15, 2005, for exemption and amendment to the operating license (the latter action is not the subject of this notice).

The Need for the Proposed Action:

Section 50.54(o) of 10 CFR Part 50 requires that primary reactor containments for water-cooled power reactors be subject to the requirements of Appendix J to 10 CFR Part 50.

Appendix J specifies the leakage test requirements, schedules, and acceptance criteria for tests of the leak-tight integrity of the primary reactor containment and systems and components which penetrate the containment. Option B, Section III.A of Appendix J requires that the overall integrated leak rate must not exceed the allowable leakage ( $L_a$ ) with margin, as specified in the Technical Specifications (TS). The overall integrated leak rate, as specified in the Appendix J definitions, includes the contribution from MSIV leakage. By letter dated September 15, 2005, the licensee requested an exemption from Option B, Section III.A, requirements to permit exclusion of MSIV leakage from the overall integrated leak rate test measurement.

Option B, Section III.B of Appendix J requires that the sum of the leakage rates of Type B and Type C local leak rate tests be less than the performance criterion ( $L_a$ ) with margin, as specified in the TS. The licensee's September 15, 2005, letter, also requests an exemption from this requirement, to permit exclusion of the MSIV contribution to the sum of the Type B and Type C tests.

The above-cited requirements of Appendix J require that MSIV leakage measurements be grouped with the leakage measurements of other containment penetrations when containment leakage tests are performed. The licensee stated that these requirements are inconsistent with the design of the MNGP facilities and the analytical models used to calculate the radiological consequences of design-basis accidents. At other nuclear plants, the leakage from primary containment penetrations, under accident conditions, is collected and treated by the secondary containment system, or would bypass the secondary containment. However, at MNGP, the leakage from the MSIVs is collected and treated via an alternative leakage treatment (ALT) path having different mitigation characteristics. In performing accident analyses, it is appropriate to group various leakage effluents according to the treatment they receive before being released to the environment, i.e., bypass leakage is grouped, leakage into secondary containment is grouped, and ALT leakage is grouped, with specific limits for each

group defined in the TS. The proposed exemption would permit ALT path leakage to be independently grouped with its unique leakage limits.

Environmental Impacts of the Proposed Action:

The proposed action will not significantly increase the probability or consequences of accidents. The NRC staff has completed its evaluation of the proposed exemption and associated amendment and finds that the calculated total doses remain within the acceptance criteria of 10 CFR 50.67 and General Design Criterion 19, and there is no significant increase in occupational or public radiation exposure. The NRC staff thus concludes that granting the proposed exemption would result in no significant radiological environmental impact.

The proposed action does not affect non-radiological plant effluents or historical sites, and has no other environmental impact. Therefore there are no significant non-radiological impacts associated with the proposed exemption.

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

Alternative to the Proposed Action:

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

Alternative Use of Resources:

This action does not involve the use of any resources not previously considered in the MNGP Final Environmental Statement dated November 1972, as supplemented on August 31, 2006 (Generic Environmental Impact Statement for Nuclear Plants for License Renewal, Regarding MNGP).

Agencies and Persons Consulted:

In accordance with its stated policy, on October 5, 2006, the NRC staff consulted with the Minnesota State official, Mr. Steve Rakow, regarding the environmental impact of the proposed action. Mr. Rakow had no comments.

FINDING OF NO SIGNIFICANT IMPACT

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

For further details with respect to this action, see the licensee's letter dated September 15, 2006. 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 O-1 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 send an e-mail to [pdrr@nrc.gov](mailto:pdrr@nrc.gov).

Dated at Rockville, Maryland, this 29th day of November, 2006.

FOR THE NUCLEAR REGULATORY COMMISSION

**/RA/**

Peter S. Tam, Senior Project Manager  
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Office of Nuclear Reactor Regulation

Monticello Nuclear Generating Plant

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November 2005