

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION  
ATOMIC SAFETY AND LICENSING BOARD

Before Administrative Judges:

William J. Froehlich, Chairman  
Dr. Gary S. Arnold  
Dr. Thomas J. Hirons

In the Matter of

Northern States Power Co. (formerly Nuclear  
Management Company, LLC)

(Prairie Island Nuclear Generating Plant, Units  
1 and 2)

Docket Nos. 50-282-LR and 50-306-LR

ASLBP No. 08-871-01-LR

January 16, 2009

**NOTICE OF HEARING**

(Application for 20-year License Renewal)

This proceeding concerns the application filed April 11, 2008 by Nuclear Management Company, LLC<sup>1</sup> to renew Operating License Nos. DPR-042 and DPR-060 for the Prairie Island Nuclear Generating Plant (PINGP), Units 1 and 2, for an additional 20 years.<sup>2</sup> The PINGP is located near the city of Red Wing, in Goodhue County, Minnesota. The current licenses expire on August 9, 2013 for Unit 1 and on October 29, 2014 for Unit 2.

On June 17, 2008, the Nuclear Regulatory Commission (NRC or Commission) published a notice of opportunity for hearing regarding this license renewal application (Application or LRA).<sup>3</sup> The hearing notice permitted any person whose interest might be affected by the license

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<sup>1</sup> Since the Application was filed, the NRC has approved the transfer of operating authority over Prairie Island Nuclear Generating Station, Units 1 and 2, from Nuclear Management Company, LLC (NMC) to Northern States Power Company. Order Approving Transfer of License and Conforming Amendment (Sept. 15, 2008) (ADAMS Accession No. ML082521182).

<sup>2</sup> Application for Renewed Operating Licenses (Apr. 2008) (ADAMS Accession No. ML081130673).

<sup>3</sup> 73 Fed. Reg. 34,335 (June 17, 2008).

renewal to file a request for hearing and petition for leave to intervene within 60 days of the hearing notice. On August 18, 2008, PIIC filed a petition to intervene containing eleven proposed contentions and requesting an adjudicatory hearing.<sup>4</sup> The Board heard oral arguments on Petitioner's standing and contentions as well as on a motion to strike on October 29, 2008 in Hastings, Minnesota.<sup>5</sup>

On December 5, 2008, the Licensing Board issued a Memorandum and Order,<sup>6</sup> which granted PIIC party status and admitted seven contentions. The admitted contentions are as follows:

1. Contention 1 – The ER in the LRA does not provide an adequate analysis of historical and archaeological resources that may be affected by the proposed license renewal. The LRA does not include information concerning pitfalls that could adversely affect the plan to avoid damage to Historical and Archaeological Resources.

2. Contention 2 – The SAMA analysis in the LRA does not accurately reflect the site restoration costs for the area surrounding the PINGP, including the PIIC and its associated Treasure Island complex. The Site Restoration Study methodology should be used to develop more appropriate input for the analysis.

3. Contention 5 - Applicant's environmental report contains a seriously flawed environmental justice analysis that does not adequately assess the impacts of the PINGP on the adjacent minority population.

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<sup>4</sup> Prairie Island Indian Community Notice of Intent to Participate and Petition to Intervene (Aug. 18, 2008).

<sup>5</sup> See Tr. at 1-162.

<sup>6</sup> Northern States Power Co. (Prairie Island Nuclear Generating Plant), LBP-08-26, 68 NRC \_\_\_ (Dec. 5, 2008).

4. Contention 6 – The LRA does not include an adequate plan to monitor and manage the effects of aging for containment coatings, whose integrity is directly related to plant safety and the performance of the emergency core cooling systems.

5. Contention 7 – The LRA does not contain an adequate plan to monitor and manage the effects of aging due to embrittlement of the reactor vessel internals.

6. Contention 8 – Section B2.1.27 of the LRA does not contain an adequate plan to monitor the effects of primary water stress corrosion cracking of nickel-alloy components.

7. Contention 11 – The LRA fails to supply sufficient details of the aging management program for flow accelerated corrosion to demonstrate that its effects will be adequately managed.

The Board also ruled that the procedures of Subpart L shall be used for these admitted contentions.<sup>7</sup> On December 15, 2008, Northern States Power Company (Applicant) filed a motion for reconsideration of LBP-08-26 regarding Contention 5 or in the alternative, for referral to the Commission. The Board denied this motion on January 16, 2009.

In light of the foregoing, please take notice that a hearing will be conducted in this proceeding. The Board may conduct an oral argument,<sup>8</sup> may hold pre-hearing conferences,<sup>9</sup> and may conduct evidentiary hearings.<sup>10</sup> In that regard, the parties to this proceeding will be contacted in the near future by the Board's law clerk for purposes of setting up a scheduling conference.<sup>11</sup> The public is invited to attend any oral argument, pre-hearing conference, or

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<sup>7</sup> Id. at \_\_ (slip op. at 61); see also 10 C.F.R. §§ 2.1200-.1213.

<sup>8</sup> 10 C.F.R. § 2.331.

<sup>9</sup> Id. § 2.329.

<sup>10</sup> Id. § 2.1207.

<sup>11</sup> Id. § 2.332; see also 10 C.F.R. Pt. 2, App. B (II) (Model Milestones for Hearings Conducted under 10 C.F.R. Part 2, Subpart L).

evidentiary hearing unless otherwise ordered by the Commission.<sup>12</sup> Notices of these sessions will be published in the Federal Register and/or made available to the public at the NRC Public Document Room, located at One White Flint, 11555 Rockville Pike (first floor), Rockville, Maryland, and through the NRC website, <http://www.nrc.gov>.

The Administrative Dispute Resolution Act of 1996 (ADR Act)<sup>13</sup> encourages the use of alternative dispute resolution by Federal agencies.<sup>14</sup> The parties are encouraged explore voluntary processes, including settlement talks with or without a neutral, to resolve the issues in this case. Upon request, a settlement judge from the ASLBP could be appointed.<sup>15</sup>

Additionally, as provided in 10 C.F.R. § 2.315(a), any person not a party to the proceeding may submit a written limited appearance statement setting forth his or her position on the issues in this proceeding. These statements do not constitute evidence but may assist the Board and/or parties in defining the issues being considered. Persons wishing to submit a written limited appearance statement should send it by mail to the Office of the Secretary, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555-0001, Attention: Rulemakings and Adjudications Staff. A copy of the statement should also be served on the Chairman of this Atomic Safety and Licensing Board by mail to the Atomic Safety and Licensing Board Panel, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555-0001. At a later date, the Board may entertain oral limited appearance statements at a location or locations in the vicinity of the Prairie Island facility. Notice of any oral limited appearance sessions will be published in the Federal Register and/or made available to the public at the NRC Public Document Room and on the NRC website, <http://www.nrc.gov>.

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<sup>12</sup> 10 C.F.R. § 2.328.

<sup>13</sup> 5 U.S.C. §§ 571-584.

<sup>14</sup> Pub. L. No. 104-320, § 4(a), 110 Stat. 3871 (1996).

<sup>15</sup> See 10 C.F.R. § 2.338(b).

Documents relating to this proceeding are available for public inspection at the NRC's Public Document Room or electronically from the publicly available records component of NRC's document system (ADAMS). ADAMS is accessible from the NRC web site at <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 may contact the NRC Public Document Room 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).

It is so ORDERED.

FOR THE ATOMIC SAFETY  
AND LICENSING BOARD<sup>16</sup>

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William J. Froehlich, Chairman  
ADMINISTRATIVE JUDGE

Rockville, Maryland  
January 16, 2009

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<sup>16</sup> Copies of this order were sent this date by the agency's E-Filing system to counsel for (1) Applicant, Northern States Power Company, (2) Petitioner, Prairie Island Indian Community, and (3) NRC Staff.

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the Matter of )  
)  
NUCLEAR MANAGEMENT COMPANY, LLC ) Docket Nos. 50-282-LR  
) 50-306-LR  
(Prairie Island Nuclear Generating Plant, )  
Units 1 and 2) )  
)  
(License Renewal) )

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing LB ORDER (NOTICE OF HEARING (APPLICATION FOR 20-YEAR LICENSE RENEWAL) have been served upon the following persons by Electronic Information Exchange.

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NOTICE OF HEARING (APPLICATION FOR 20-YEAR LICENSE RENEWAL)

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[Original signed by R. L. Giitter]  
Office of the Secretary of the Commission

Dated at Rockville, Maryland  
this 16<sup>th</sup> day of January 2009