



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

August 5, 2009

Mr. Timothy J. O'Connor
Site Vice President
Monticello Nuclear Generating Plant
Northern States Power Company - Minnesota
2807 West County Road 75
Monticello, MN 55362-9637

SUBJECT: MONTICELLO NUCLEAR GENERATING PLANT - AUDIT OF THE LICENSEE'S
MANAGEMENT OF REGULATORY COMMITMENTS (TAC NO. ME1220)

Dear Mr. O'Connor:

In Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," dated September 21, 2000, the U.S. Nuclear Regulatory Commission (NRC) informed licensees that the Nuclear Energy Institute (NEI) document NEI 99-04, "Guidelines for Managing NRC Commitment Changes," contains acceptable guidance for controlling regulatory commitments and encouraged licensees to use the NEI guidance or similar administrative controls to ensure that regulatory commitments are implemented and that changes to the regulatory commitments are evaluated and, when appropriate, reported to the NRC.

The NRC Office of Nuclear Reactor Regulation has instructed its staff to perform an audit of licensees' commitment management programs once every 3 years to determine whether the licensees' programs are consistent with the industry guidance in NEI 99-04, and that regulatory commitments are being effectively implemented.

An audit of Monticello's commitment management program was performed on site on July 20 and 21, 2009, approximately 3 years from the last audit (Agencywide Documents Access and Management System Accession No. ML061280623.) Based on the audit, the NRC staff concludes that (1) the licensee has implemented or is tracking future implementation of regulatory commitments made to the NRC; and (2) the licensee had implemented an effective program to manage regulatory commitment changes. Details of the audit are set forth in the enclosed audit report. This completes the NRC staff's efforts on this issue.

Sincerely,

A handwritten signature in black ink that reads "Peter S. Tam".

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:
As stated

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
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AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION (NRR)

REGULATORY COMMITMENTS MADE BY THE LICENSEE TO

THE NUCLEAR REGULATORY COMMISSION (NRC)

MONTICELLO NUCLEAR GENERATING PLANT (MNGP)

DOCKET NO. 50-263

1.0 INTRODUCTION AND BACKGROUND

In Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," dated September 21, 2000, the U.S. Nuclear Regulatory Commission (NRC) informed licensees that the Nuclear Energy Institute (NEI) document NEI 99-04, "Guidelines for Managing NRC Commitment Changes," contains acceptable guidance for controlling regulatory commitments and encouraged licensees to use the NEI guidance or similar administrative controls to ensure that regulatory commitments are implemented and that changes to the regulatory commitments are evaluated and, when appropriate, reported to the NRC.

The NRC Office of Nuclear Reactor Regulation (NRR) has instructed its staff to perform an audit of licensees' commitment management programs once every 3 years to determine whether the licensees' programs are consistent with the industry guidance in NEI 99-04, and that regulatory commitments are being effectively implemented.

NEI-99-04 defines a "regulatory commitment" as an explicit statement to take a specific action agreed to, or volunteered by, a licensee and submitted in writing on the docket to the NRC. NRR guidelines direct the NRR Project Manager to audit the licensee's commitment management program by assessing the adequacy of the licensee's implementation of a sample of commitments made to the NRC in past licensing actions (amendments, reliefs, exemptions, etc.) and activities (bulletins, generic letters, etc.). The audit is to be performed every 3 years.

2.0 AUDIT PROCEDURE AND RESULTS

Since the last audit was performed 3 years ago (see audit report dated August 23, 2006; Agencywide Documents Access and Management System Accession No. ML061280623), the NRC staff defined the period covered by this audit to be approximately early 2006, to mid 2009. The audit was performed onsite at MNGP on July 20 and 21, 2009.

The audit consisted of two major parts: (1) verification of the licensee's implementation of commitments made to NRC that have been completed; and (2) verification of the licensee's program for managing changes to commitments made to NRC.

2.1 Verification of Licensee's Implementation of NRC Commitments

The primary focus of this part of the audit is to confirm that the licensee has implemented commitments made to the NRC as part of past licensing actions/activities. For commitments not yet implemented, the NRC staff determines whether they have been captured in an effective program for future implementation.

2.1.1 Audit Scope

The audit addressed the bulk of commitments made by the licensee during the review period. The audit focused on regulatory commitments (as defined above) made in writing to the NRC as a result of past licensing actions (amendments, exemptions, reliefs, etc.) or licensing activities (response to bulletins, generic letters, etc.). Commitments made in Licensee Event Reports or in response to Notices of Violation were not included in this audit since those are addressed under the NRC's inspection program. Before the audit, the NRC staff searched the Official Agency Record system for licensee submittals conveying commitments, and have included all the commitments found in the audit (see Table 1). The NRC staff recognizes that "all the commitments" does not equate to "a representative sample"; however, the licensee had not made too many commitments for a "representative sample" to be selected.

The audit excluded the following types of commitments that are internal to licensee processes:

- (1) Commitments made on the licensee's own initiative among internal organizational components.
- (2) Commitments that pertain to milestones of licensing actions/activities (e.g., respond to an NRC request for additional information by a certain date). Fulfillment of these commitments was indicated by the fact that the subject licensing action/activity was completed.
- (3) Commitments made as an internal reminder to take actions to comply with existing regulatory requirements such as regulations, Technical Specifications (TSs), and Updated Final Safety Analysis Reports. Fulfillment of these commitments was indicated by the licensee having taken timely action in accordance with the subject requirements.

2.1.2 Audit Results

The NRC staff reviewed reports generated by the licensee's tracking programs for the commitments listed in Table 1 to evaluate the status of completion. The NRC staff found that the licensee's commitment tracking programs had captured all the regulatory commitments that were identified by the NRC staff before the audit, and that the licensee had implemented the commitments on a timely basis. Table 1 summarizes what the NRC staff observed as the current status of licensee commitments.

2.2 Verification of the Licensee's Program for Managing NRC Commitment Changes

The primary focus of this part of the audit is to verify that the licensee has established administrative controls for modifying or deleting commitments made to the NRC. The NRC staff compared the licensee's process for controlling regulatory commitments to the guidelines in

NEI-99-04, which the NRC has found to be an acceptable guide for licensees to follow for managing and changing commitments. The process used at Monticello are set forth in (1) the licensee's company-wide procedure FG-R-CM-01, "Regulatory Commitment Management," Revision 1; and (2) Monticello's procedure 4 AWI-02.09.01, "NRC Commitments," Revision 13. Both these procedures make extensive references to NEI 99-04. In particular, Section 4.6 of the latter procedure specifically addresses the process to modify or retract existing NRC commitments, citing Figure 5.1 of NEI 99-04 for details of the process. The associated Form 3676, "Regulatory Commitment Change worksheet," instructs the initiator of a commitment to provide needed information and an evaluation of the impacts of a proposed commitment change. Based on review of these two cited documents, the NRC staff concludes that the licensee's procedures follow closely the guidance of NEI-99-04 in that they set forth the need for identifying, tracking, and reporting commitments, and they provide a mechanism for changing commitments.

The effectiveness of a procedure can be indicated by the products that are produced by the procedure. As set forth in Section 2.1.1 and Table 1 of this report, the NRC staff found that the licensee had properly addressed each regulatory commitment selected for this audit. As a result of review of the licensee's information, the NRC staff found no reason to differ from the licensee's reported status of the audited commitments. Thus, the NRC staff surmises that the procedure used by the licensee to manage commitments is appropriate and effective.

3.0 CONCLUSION

Based on the above audit, the NRC staff concludes that (1) the licensee has implemented or is tracking future implementation of regulatory commitments made to the NRC; and (2) the licensee has implemented an effective program to manage regulatory commitment changes.

4.0 LICENSEE PERSONNEL CONTACTED FOR THIS AUDIT

Licensee personnel supporting this audit were Rick Loeffler and Ron Baumer.

Principal Contributor: P. S. Tam

Date: August 5, 2009

TABLE 1 (page 1 of 3)

MONTICELLO NUCLEAR GENERATING PLANT
 AUDIT OF WRITTEN LICENSEE COMMITMENTS
 2006 THROUGH 2009

NSPM Submittal	NRC TAC No.	NRC Issuance	Summary of commitment	Licensee Implementation Status
09/15/2005 L-MT-05-093 ML052640366	MC8971	Amend. No. 148 (12/07/2006)	In addition to existing requirements to initiate standby liquid control system when adequate core cooling is not assured, new procedural guidance will be established to initiate the SBLC system on high containment radiation and to note reliance on the SBLC system for pH control.	Completed 4/6/2007 under GAR [General Assignment Request] 01051583-02. Commitment No. M05069A
09/15/2005 L-MT-05-093 ML052640366	MC8971	Amend. No. 148 (12/07/2006)	The Technical Support Guidelines (TSGs) will be revised to: (1) add a functional requirement for utilization of SBLC for suppression pool pH control, (2) require manual initiation of the SBLC system in response to a high containment radiation, concurrent with loss of inventory or high drywell pressure, and (3) to continue injection until the SBLC tank low level alarm is received.	Completed 4/6/2007 under GAR 01051583-03 Commitment No. M05070A
09/15/2005 L-MT-05-093 ML052640366	MC8971	Amend. No. 148 (12/07/2006)	The procedure changes implemented to reflect the new SBLC system functional requirement will be included in operator re-qualification training. In addition, appropriate Technical Support Center (TSC) personnel will receive training on the TSG [Technical Support Guideline] revisions.	Completed 4/6/2007 under GAR 01051583-04 Commitment No. M05071A
04/13/2006 L-MT-06-028 ML061310408	MC8971	Amend. No. 148 (12/07/2006)	The control room radiation monitor Technical Specification surveillances will be relocated to the Technical Requirements Manual [TRM] which will be implemented as part of Improved Technical Specifications.	Completed as TRM Section 3.3.7.1, "Control Room Air Intake Radiation – High Instrumentation," Rev. 1 Commitment No. 06030A
06/30/2004 L-MT-04-036 ML042040166	MC3692 and MC8972	Amend. No. 143 and 144 (09/30/2005 and 01/12/2006)	Will implement a trending program to address setpoints for TS calibration intervals extended to 24 months. Setpoints found to exceed the expected drift for the instruments would require an additional evaluation to ensure the instrument's performance is still enveloped by the assumptions in the drift or setpoint analysis. The trending program will also plot setpoint or transmitter As-Found/As-Left (AFAL) values to verify that the performance of the instruments is within expected boundaries and that adverse trends (repeated directional changes in AFAL even of smaller magnitudes) are detected and evaluated.	Completed; EWI [Emerging Work Instruction] -08.10.02, Rev. 3, contains the commitment and provides the program Commitment No. M04005A
12/15/2006 L-MT-06-070	MD0302	Amendment 150 (03/09/2007)	Following approval of this license amendment, the USAR emergency heat	Updated USAR Section 10.2.2.3, "Performance

ML063610073			load of 20.0 Million British Thermal Units/hour (MBTU/hr) will be revised to reflect this new maximum heat load of 24.7' MBTU/hr for the emergency Full Core Offload (FCOL) scenario.	Analysis [re. fuel storage and fuel handling system]" via Revision 26 Commitment No M06036A
01/29/2007 L-MT-07-009 ML070300053	MD4095	Amend. No. 151 (7/20/2007)	The LPCI loop select time delay relays will be added to the Instrument Trending Program.	Completed 9/18/07 under GAR 01074682, 9/18/07. Revised procedure EWI-08.10.02 Commitment No. M07001A
02/27/2007 L-MT-07-016	--	--	5 commitments set forth in Enclosure 3 to be completed by 12/31/2007 (the 02/27/2007 letter is security-related, thus details of the commitments are not reported here).	NA
09/25/2007 L-MT-07-055 ML072760401	MD6864	Amend. No. 161 (4/7/2009)	The LPCI loop select Recirculation Riser Differential Pressure - High function differential pressure indicating switches will be added to the Instrument Trending Program in conjunction with the implementation of this amendment.	Tracked under GAR 01113675; due 10/31/2009. Commitment No. M07008A
10/14/2008 L-MT-08-063 ML082880662	MD7847	--	(1) Complete the detailed walkdowns of the applicable inaccessible sections of the Generic Letter 2008-01 subject systems (does not include piping downstream of the low pressure emergency core cooling system outboard injection valves) prior to startup from the 2009 Refueling Outage. (2) NSPM will complete the evaluations of the applicable inaccessible sections of the Generic Letter 2008-01 subject systems and provide a supplement to the October 2008 response to Generic Letter 2008-01 within 90 days following return to full power from the 2009 Refueling Outage. (3) NSPM will evaluate the Technical Specification changes in the Technical Specification Task Force Traveler related to gas accumulation within the emergency core cooling system for applicability to Monticello, and submit a license amendment request, adjusted, as needed, to account for the Monticello plant-specific design and licensing basis, within 180 days following NRC publication of the Notice of Availability in the Federal Register.	Completed 4/15/2009 under GAR 01134199-01 Commitment No. M08003A Tracked under GAR 01134199-02, due 8/16/2009. Commitment No. M08004A Tracked under GAR 01155334-01; will be open long-term Commitment No. M08011A
02/08/2008 L-MT-08-004 ML080430622	MD8064	Amend. No. 159 (01/30/2009)	(1) The Oscillation Power Range Monitor (OPRM) Monitoring Period is projected to be from startup following the spring 2009 Refuel Outage to until 90 days of steady-state operation have been achieved after reaching full-power. The licensee will inform the NRC of any change to the duration of the OPRM Monitoring Period.	Tracked under GAR 01126901-01; due 9/22/2009 Commitment No. M08001A

			<p>(2) Continue resetting Limiting Safety System Settings (LSSS) setpoints within the specified tolerances (as-left criteria) until the Technical Specification Task Force's TS change pertinent to instrument setpoints [i.e., TSTF-493] has been approved by the NRC and assessed for applicability to Monticello.</p> <p>(3) Assess applicability of the Technical Specification Task Force's TS change pertinent to instrument setpoints (i.e., TSTF-493), when approved by the NRC, to determine whether changes to Monticello's licensing basis are necessary.</p>	<p>Tracked under GAR 01126901-03; due 8/31/2009</p> <p>Commitment No. M05060A</p> <p>Tracked under GAR 01126901-02; due 8/31/2009</p> <p>Commitment No. M05059A</p>
04/22/2008 L-MT-08-012 ML081140388	MD9489	Amend. No. 158 (11/19/2008)	The licensee will establish and implement Technical Specification Bases consistent with the applicable bases discussed in TSTF-475, Revision 1, "Control Rod Notch Testing Frequency and SRM [Source Range Monitor] Insert Control Rod Action," in conjunction with this amendment.	<p>Completed 12/1/2008 under GAR 01135394-1 (Technical Specification Bases changed).</p> <p>Commitment No. M08008A</p>
04/04/2008 L-MT-08-013 ML081090628	MD9490	Amend. No. 157 (10/22/2008)	<p>(1) The licensee commits to the guidance within Section 11 of NUMARC 93-01, Revision 2, "Industry Guideline for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants," which provides guidance and details on the assessment and management of risk during maintenance.</p> <p>(2) The licensee commits to the guidance of NEI 04-08, "Allowance for Non-Technical Specification Barrier Degradation on Supported System OPERABILITY (TSTF-427), Industry Implementation Guidance," dated March 2006.</p> <p>(3) The licensee will revise procedures to ensure that the guidance on the risk assessment and management process described in NEI 04-08 is used whenever a barrier is considered unavailable and the requirements of LCO 3.0.9 are to be applied, in accordance with an overall Configuration Risk Management Program to ensure that potentially risk significant configurations resulting from maintenance and other operational activities are identified and avoided.</p>	<p>Completed 6/4/2009 under GAR 01135167-01</p> <p>Commitment No. M08005A</p> <p>Completed 6/15/2009 under GAR 01135167-02</p> <p>Commitment No. M08006A</p> <p>Completed 6/4/2009 under GAR 01135167-03</p> <p>Commitment No. M08007A</p>

Mr. Timothy J. O'Connor
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August 5, 2009

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MANAGEMENT OF REGULATORY COMMITMENTS (TAC NO. ME1220)**

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Sincerely,

/RA/

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

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