



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, IL 60532-4352

October 5, 2011

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: NOTICE OF ENFORCEMENT DISCRETION FOR NORTHERN STATES
POWER COMPANY—MINNESOTA FOR MONTICELLO NUCLEAR
GENERATING PLANT [TAC NO. ME7224, MONTICELLO - NOED 11-3-001 -
TS 3.8.1 EMERGENCY DIESEL GENERATOR LOAD REJECTION
SURVEILLANCE REQUIREMENT ISSUE]**

Dear Mr. O'Connor:

By letter dated October 3, 2011, the Northern States Power Company--Minnesota (NSPM), requested that the U.S. Nuclear Regulatory Commission (NRC) exercise discretion not to enforce compliance with Technical Specification (TS) 3.8.1, "AC Sources – Operating," Required Action F.1, for the Monticello Nuclear Generating Plant. The letter documented information previously discussed with the NRC in a telephone conference on September 29 at 10:20 p.m. (All times discussed in this letter refer to Central Daylight Time).

On September 29, 2011, at 5:00 p.m., NSPM determined that the surveillance test procedure, used to demonstrate compliance with TS surveillance requirement (SR) 3.8.1.7 involving load reject testing of the Emergency Diesel Generators (EDGs) with the single largest post-accident load, did not fully satisfy the TS surveillance requirement. This condition resulted in both EDGs being declared inoperable in accordance with Specification 3.8.1, "AC Sources - Operating," Required Action E.1. Subsequently, at 7:00 p.m. on September 29, 2011, the licensee entered Required Action F.1 of TS 3.8.1.

Required Action E.1 stated that Monticello either restore one of the EDGs to operable status within 2 hours or enter Required Action F.1 to place the unit in Mode 3 (Hot Standby) within 12 hours and then enter Required Action F.2 to place the unit in Mode 4 (Cold Shutdown) within 36 hours, respectively. NSPM requested that a Notice of Enforcement Discretion (NOED) be granted pursuant to the NRC's policy regarding exercise of discretion for an operating facility, described in Section 3.8 of the NRC's Enforcement Policy, to allow a one-time extension of the Completion Time for Required Action F.1 from 12 hours to 5 days (i.e., effective until October 4, 2011 at 7:00 p.m.). Enforcement discretion was requested to provide sufficient time to develop and perform a new surveillance test procedure fully meeting SR 3.8.1.7 requirements.

In your October 3, 2011, written request for the NOED, NSPM erroneously stated that the NRC had approved the exiting of Required Action F.1 and reentry into Required Action E.1, and the extension of its associated completion time from 2 hours to 5 days. Since Monticello had already entered Required Action F.1 at the time the NOED was requested (i.e., the 2 hour completion time for Required Action E.1 had already expired), the NRC only authorized an extension of the completion time for Required Action F.1 from 12 hours to 5 days as stated above, and did not approve reentry into Required Action E.1.

On October 2, 2011, the 12 EDG was tested in accordance with the new surveillance test procedure and determined to fully meet SR 3.8.1.7. The 12 EDG was declared operable at 9:01 p.m. and the enforcement discretion period exited. On October 3, 2011, at 5:07 p.m., TS 3.8.1 was formally exited after the 11 EDG was declared operable following successful testing.

This letter documents our telephone conversation on September 29, 2011, at 11:58 p.m., when we verbally granted enforcement discretion. The basis for our decision to grant enforcement discretion is provided in the following discussion.

The principal NRC staff members who participated in the telephone conference included: Steven West, Director, Division of Reactor Projects (DRP), Region III (RIII); Dave Passehl, Senior Reactor Analyst (SRA), RIII; Kenneth Riemer, Branch Chief, DRP, RIII; Nirodh Shah, Project Engineer, RIII; Swetha Shah, Reactor Engineer, DRP, RIII; Christopher (Scott) Thomas, Senior Resident Inspector, Monticello; Patricia Voss, Resident Inspector, Monticello; Donald Chung, Reliability and Risk Analyst, Office of Nuclear Reactor Regulation (NRR); Karl Feintuch, Project Manager, NRR; Roy Mathew, Team Leader, NRR; Allen Howe, Deputy, Division of Reactor Licensing, NRR; Gerald Waig, Senior Reactor Systems Engineer, NRR; Matthew McConnell, Senior Electrical Engineer, NRR; Robert Pascarelli, Branch Chief, NRR; Singh Matharu, Senior Electrical Engineer, NRR; and Sheldon Stuchell, Senior Project Manager, NRR.

SR 3.8.1.7 requires that each EDG reject a load greater than or equal to its associated single largest post-accident load every 24 months. For Monticello, the TS Bases for SR 3.8.1.7 and Updated Safety Analysis Report (USAR) Section 8.4.1.4, "Inspection and Testing," state that this load (800 HP) results from the loss of a Core Spray pump. The 800 HP load corresponds to approximately 703 kilowatts electric (kWe).

NSPM identified a potential issue concerning the adequacy of the test methodology for EDG load reject testing. Monticello performed this surveillance by setting the Core Spray pump motor to a flow rate of 3000 gallons per minute (gpm), loading it onto the EDG and then tripping the motor. However, tripping the motor at this flow rate would not satisfy the SR requirement for the largest post-accident load as, in an accident condition, the pump motor would be near run out condition (i.e., about 3540 gpm). Under the actual test conditions, the rejected load was 586 kWe, significantly less than the 703 kWe required by SR 3.8.1.7. Monticello determined that this issue has been present since the implementation and conversion to the Improved Technical Specifications in 2006. Prior to the conversion, Monticello was not required to perform this testing.

SR 3.0.1 states that the failure to perform a TS Surveillance within the specified frequency shall be a failure to meet the associated TS Limiting Condition for Operation. On September 29, 2011, upon discovery of the failure to perform SR 3.8.1.7, both EDGs were declared inoperable and Monticello entered TS 3.8.1, Required Action E.1. as discussed above.

NSPM requested this NOED after consideration of the safety significance and potential consequences of extending the TS completion time. NSPM staff performed a risk assessment of operating Monticello during the 5-day period of the NOED. This assessment concluded that extension of the completion time would result in no net increase in radiological risk to the public.

This review included an assessment of scheduled maintenance and surveillance activities for the 5-day period of the NOED. The analysis indicated that the incremental conditional core damage probability (ICCDP) and the incremental conditional large early release probability (ICLERP) are $3.58E-8$ and $8.08E-10$, respectively. These values are both less than the guidance thresholds in Inspection Manual Part 9900 Technical Guidance and were independently corroborated by NRC analysts.

To further mitigate the risk, Monticello committed to implement a series of compensatory actions for the duration of the enforcement discretion period. These actions included:

- Protecting the availability of equipment related to AC electrical power supply systems which support both essential and non-essential electrical loads. This equipment included the Monticello site substation 345/115 kV; 1R, 2R and 1AR transformers; 11 and 12 EDGs; 13 non-essential EDG; Security Diesel Generator; upper and lower 4 kV switchgear room; Y-70 and Y-80 Uninterruptable AC Systems; 24, 125 and 250 volt DC batteries; the High Pressure Coolant Injection System and the Reactor Core Isolation Cooling System;
- An in-depth review of planned work activities during the period of enforcement discretion; specifically requiring Operation's management approval prior to performing activities (including those to restore the operability of the EDGs) in areas with protected equipment;
- In the new EDG load rejection surveillance test procedure, selected non-safety related loads will be transferred to the non-affected bus during the period of the test, at the discretion of the Operations Shift Manager; and
- Having Operations staff refresh their knowledge related to resetting an overspeed trip of an EDG.

On the basis of the NRC staff's evaluation of your request, we have concluded that granting this NOED is consistent with the Enforcement Policy and staff guidance and has no adverse impact on public health and safety. Therefore, as we communicated to your staff at 11:58 p.m. on September 29, 2011, we exercised discretion to not enforce compliance with Technical Specification 3.8.1, Required Action F.1 for a period of 5 days, from 7:00 p.m. September 29, 2011 to 7:00 p.m. October 4, 2011.

In addition, as discussed on September 29, 2011, the NRC staff agrees with Monticello's determination that a follow-up TS amendment was not needed. The staff concluded that an amendment (either a temporary or permanent amendment) for circumstances similar to those addressed by the NOED is not necessary because this NOED involves a nonrecurring noncompliance and only involves a single request for extending the period of time that an inoperable plant component must be restored to operable status as specified per the plants TS.

We intend further review of this event and the circumstances leading up to it under the baseline inspection program. In accordance with NRC's Enforcement Policy, we will take appropriate enforcement action for any violations that contributed to the noncompliance for which this NOED was necessary.

Sincerely,

/RA/

Steven West, Director
Division of Reactor Projects

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/RA/

Steven West, Director
Division of Reactor Projects

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