

December 15, 2015
EN 15-032

OFFICE OF ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Northern States Power Company, Minnesota EA-14-193
Monticello Nuclear Generating Plant
Docket No. 05000263

Subject: ISSUANCE OF CONFIRMATORY ORDER

This is to inform the Commission that a publicly available Confirmatory Order will be issued on or about December 21, 2015, to Northern States Power Company, Minnesota (licensee) confirming commitments reached as part of an alternative dispute resolution (ADR) settlement agreement addressing violations identified through an investigation at Monticello Nuclear Generating Plant (Monticello).

The violations involved two contractor technicians at Monticello who deliberately failed to perform nondestructive examinations (NDEs) on the Dry Shielded Canisters (DSCs) in accordance with procedural requirements, and the falsification of records when recording the NDE results, contrary to the requirements in Title 10 of the *Code of Federal Regulations* (10 CFR) 72.158, "Control of special processes," 10 CFR 72.11, "Completeness and accuracy of information," and 10 CFR 72.154(c), "Control of purchased material, equipment, and services."

In a letter dated July 23, 2015, the NRC provided the licensee with the results of the investigation, and offered the opportunity to provide a written response to the apparent violations, to attend a Predecisional Enforcement Conference, or to request ADR with the NRC.

In response to the NRC letter, the licensee requested ADR. An ADR mediation session was held on October 15, 2015, and a preliminary settlement agreement was reached. The settlement actions include, but are not limited to: (1) restore compliance for all affected DSCs, (2) revise procedures to require direct licensee oversight for contractors performing NDE on DSC closure welds, (3) present at an industry forum to discuss the events that led to the confirmatory order, (4) submit an article to an industry publication describing the circumstances of the violations, the root and contributing causes, and the corrective actions, and (5) assess the effectiveness of improvements in the oversight of supplemental workers.

It should be noted that the licensee has not been specifically informed of this enforcement action. The schedule of issuance and notification is:

Mailing of Notice	December 21, 2015
Telephone Notification of Licensee	December 21, 2015

The State of Minnesota will be notified.

CONTACTS: Kyle Hanley, OE/EB (301) 415-1975	John Wray, OE/EB (301) 415-1288
--	------------------------------------

DISTRIBUTION: EN-15-032 December 15, 2015

<u>OWFN</u> Chairman Burns Comm. Svinicki Comm. Ostendorff Comm. Baran SECY OCA OPA OIP	<u>OWFN</u> EDO DEDR DEDMRT OE OGC NRR OI OIG	<u>TWFN</u> OCFO OIS RES ACRS NRO NMSS	<u>3WFN</u> NSIR OP Center	<u>Regional Offices</u> RI RII RIII RIV <u>MAIL</u> ADAMS OE staff
---	---	--	----------------------------------	---

Electronic DISTRIBUTION:

P. Holahan, OE
N. Hilton, OE
K. Hanley, OE
OE r/f
EN binder

X PUBLIC
X NON-SENSITIVE

ADAMS ACCESSION NO.: ML15349A834

OFFICE	OE:ES	OE:BC
NAME	KHanley	JWray
DATE	12/15/2015	12/15/2015

OFFICIAL RECORD COPY