

"Public"

November 22, 1995

EA 95-244

Mr. E. Watzl, Vice President  
Nuclear Generation  
Northern States Power Company  
414 Nicollet Mall  
Minneapolis, MN 55401

SUBJECT: NRC SPECIAL INSPECTION REPORT NO. 50-263/95011(DRP)

Dear Mr. Watzl:

Enclosed are the results of our special inspection conducted by A.M. Stone of this office on October 16 through November 3, 1995. The inspector reviewed activities authorized for your Monticello Nuclear Station. The purpose of the inspection was to determine whether activities authorized by your licenses were conducted safely and in accordance with NRC requirements. At the conclusion of the inspection, the inspector discussed our findings with members of your staff.

Areas examined during the inspection are identified in the report. The inspection consisted of selective examinations of procedures and representative records and interviews with personnel.

Based on the results of this inspection, three apparent violations were identified and are being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600 (60 FR 34381; June 30, 1995). On October 12, 1995, a plant equipment operator identified that a manual drywell spray valve was closed with an isolation tag on its handwheel. Our review of your documentation revealed that the valve was closed since October 1994 and as such rendered the "B" drywell spray inoperable for about one year. Two of the apparent violations discussed in this report concern the failure to maintain two drywell spray subsystems operable as required by technical specifications. The third apparent violation concerns operations personnel failure to follow the equipment isolation procedure and residual heat removal system lineup checklist. Accordingly, no Notice of Violation is presently being issued for these inspection findings. In addition, please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review.

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A predecisional enforcement conference to discuss these apparent violations has been scheduled for December 15, 1995. The decision to hold a predecisional enforcement conference does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. This conference is being held to obtain information to enable the NRC to make an enforcement decision, such as a common understanding of the facts, root causes, missed opportunities to identify the apparent violation sooner, corrective actions, significance of the issues and the need for lasting and effective corrective action. In particular, we expect you to address the root cause of the event, missed opportunities to identify the problem, and your perspective on the safety significance of this valve mispositioning. It appears your staff failed to identify the mispositioned valve during performances of the system prestart checklist, the locked valve alignment procedure, and the temporary lift process. We are concerned that these three mechanisms to ensure proper valve alignment failed in this event. Your independent verification process also failed to identify the problem. Further, two valve mispositioning events also occurred in January and March 1995 indicate weaknesses in your equipment isolation process.

In addition, the conference provides you an opportunity to point out any errors in our inspection report and for you to provide any information concerning your perspectives on 1) the severity of the violations, 2) the application of the factors that the NRC considers when it determines the amount of a civil penalty that may be assessed in accordance with Section VI.B.2 of the Enforcement Policy, and 3) any other application of the Enforcement Policy to this case, including the exercise of discretion in accordance with Section VII.

This conference will be open to public observation in accordance with the Commission's continuing trial program as discussed in the enclosed excerpt from the Enforcement Policy (Enclosure 2). Although not required, we encourage you to provide your comments on how you believe holding this conference open to public observation affected your presentation and your communications with the NRC.

You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding these apparent violations is required at this time.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

Sincerely,

W. L. Axelson, Director  
Division of Reactor Projects

Docket No. 50-263  
License No. DPR-22

Enclosures:

- 1. Inspection Report
- 2. Enforcement Policy: Section V,  
"Predecisional Enforcement Conferences")

cc w/enc1: Plant Manager, Monticello  
John W. Ferman, Ph.D.,  
Nuclear Engineer, MPCA  
State Liaison Officer, State  
of Minnesota  
Plant Manager, Prairie Island

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UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION III  
801 WARRENVILLE ROAD  
LISLE, ILLINOIS 60532-4351

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