



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION III
801 WARRENVILLE ROAD
LISLE, ILLINOIS 60532-4351

Public

June 3, 1996

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

SUBJECT: NRC INTEGRATED INSPECTION REPORT 50-263/96003
NOTICE OF VIOLATION

Dear Mr. Watzl:

On April 22, 1996, the NRC completed an inspection at your Monticello reactor facility. The enclosed report presents the results of that inspection.

Areas examined during the inspection are identified in the report. Within these areas, the inspections consisted of a selective examination of procedures and representative records, interviews with personnel, and observation of activities in progress. The purpose of the inspection effort was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements.

You should note that this inspection report represents an integrated product of a number of diverse inspections that were conducted during the inspection period. The summary contained in the report provides an overview of our assessment of your performance in the four functional areas (Operations, Maintenance, Engineering, and Plant Support) in which inspections were performed.

We are concerned about a violation of NRC requirements involving the failure of maintenance and quality control personnel to follow installation procedures during a modification to an electrical panel for the #12 emergency diesel generator. A second example involved operations personnel's failure to follow and make changes to a control rod drive removal procedure. This violation is cited in the enclosed Notice of Violation, and the circumstances surrounding the violation is described in detail in the enclosed report. Please note that you are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

We have also held several discussions with your staff regarding the inappropriate use of leak before break assumptions in operability determinations associated with high energy line break (HELB) piping. This issue is discussed in section 3.2 of the enclosed report and is considered an Unresolved Item. We request that you include a discussion of your bases for assuming leak before break will provide sufficient notice to ensure future

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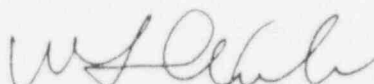
E. Watzl

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leaks would be detected prior to HELB pipe failure with your response to the enclosed Notice.

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

Sincerely,



W. L. Axelson, Director
Division of Reactor Projects

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

Enclosures: Notice of Violation
Inspection Report 50-263/96003

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

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John W. Ferman, Ph.D.,
Nuclear Engineer, MPCA
State Liaison Officer, State
of Minnesota

Distribution:

Docket File w/encl
PUBLIC IE-01 w/encl
OC/LFDCB w/encl
SRI Monticello,
Prairie Island w/encl
A. B. Beach, w/encl

DRP w/encl
RIII PRR w/encl
Project Manager, NRR w/encl
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(See attached concurrence)

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OFFICE	NRR		RIII		RIII		RIII	
NAME	Reinhard		Creed/Gardner		Jordan <i>mg</i>		Axelson <i>WA</i>	
DATE	05/ /96		05/ /96		05/3/96		05/3/96	

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Sincerely,

W. L. Axelson, Chief
Division of Reactor Projects

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H. J. Miller, w/encl

(See attached concurrence)

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OFFICE	NRR	RIII	E	RIII	RIII	E
NAME	<i>Reinhard</i>	<i>Creed</i>		Gardner	<i>Jordan</i>	
DATE	05/21/96	05/21/96		05/ /96	05/21/96	

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

Sincerely,

M. J. Jordan, Chief
Reactor Projects Branch 7

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OFFICE	NRR		RIII		RIII	N	RIII
NAME	Reinhard		Creed		Gardner <i>AG</i>		Jordan
DATE	05/ /96		05/ /96		05/14/96		05/ /96

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