September 11, 1998

Mr. M. Wadley, President
Nuclear Generation
Northern States Power Company
414 Nicollet Mall
Minneapolis, MN 55401

SUBJECT: NRC INSPECTION REPORT 50-263/98013(DRS)

Dear Mr. Wadley:

On August 13, 1998, the NRC completed a follow-up inspection of your implementation of 10 CFR 50.65, "Requirements for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants" (the maintenance rule) at the Monticello Nuclear Generating Plant. The enclosed report presents the results of that inspection.

Your program for implementing the requirements of the maintenance rule followed the guidance provided in Nuclear Management Resource Council 93-01, "Industry Guideline for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants," dated April 1996, which was endorsed in Regulatory Guide 1.160, "Monitoring the Effectiveness of Maintenance at Nuclear Power Plants," dated March 1997. The deficiencies and open issues identified during the June 1997 baseline inspection were adequately resolved and your program was accordingly revised to meet the requirements of the maintenance rule.

No violations of NRC requirements were identified during the course of this inspection.

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,

Original /s/ J. A. Grobe

John A. Grobe, Director
Division of Reactor Safety

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

Enclosure: Inspection Report 50-263/98013(DRS)

See Attached Distribution

DOCUMENT NAME: G:DRS\MON98013.DRS

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

| OFFICE | RIII | E | RIII | N | RIII | E | RIII | |
|---|---|---|---|---|---|---|---|---|
| NAME | Dunlop:sd | | Gavula | | Kunowski | MAK | Grobe | |
| DATE | 09/4/98 | | 09/9/98 | | 09/8/98 | | 09/10/98 | |

**OFFICIAL RECORD COPY**

9809160179 980911
PDR ADOCK 05000263
G PDR

cc w/encl: Plant Manager, Monticello
State Liaison Officer, State
of Minnesota

Distribution:
CAC (E-Mail)
R. Correia, NRR
Project Mgr., NRR w/encl
J. Caldwell, RIII w/encl
C. Pederson, RIII w/encl
B. Clayton, RIII w/encl
SRI Monticello w/encl
DRP w/encl
TSS w/encl
DRS (2) w/encl
RIII PRR w/encl
PUBLIC IE-01 w/encl
Docket File w/encl
GREENS
IEO (E-Mail)
DOCDESK (E-Mail)

150021