



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

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

March 4, 2009

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: ANNUAL ASSESSMENT LETTER - MONTICELLO NUCLEAR GENERATING  
PLANT (05000263/2009001)**

Dear Mr. O'Connor:

On February 11, 2009, the NRC staff completed its performance review of Monticello Nuclear Generating Plant. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2008. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only – Security Related Information" will include the Security Cornerstone review and resultant inspection plan.

Overall, Monticello Nuclear Generating Plant operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first three quarters of the assessment cycle, was within the Licensee Response column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct reactor oversight process (ROP) baseline inspections at your facility.

The staff identified that there were two areas in which there were more than three green inspection findings for the current 12-month assessment period, both with documented human performance (HP) cross-cutting aspects. The first group of findings had a cross-cutting theme in the aspect associated with oversight of work practices [H.4(c)]. The second group of findings had a cross-cutting theme in the aspect associated with correct and accurate procedures [H.2(c)]. The findings involved the Initiating Events, Mitigating Systems, and Barrier Integrity cornerstones. There were 19 findings documented with cross-cutting aspects in the HP area. In evaluating the licensee's scope of efforts and progress in addressing these cross-cutting themes, the staff determined that the licensee has not yet resolved the issues associated with these cross-cutting area performance deficiencies. Because of the decline in the area of HP, the NRC has concluded that a substantive cross-cutting issue exists in this area. Therefore, a new substantive cross-cutting issue with a theme in the aspect of [H.2(c)] and with a theme of [H.4(C)] will be opened. This substantive cross-cutting issue will remain open until the NRC gains confidence in your efforts and progress in addressing this issue.

The enclosed inspection plan details the inspections, including baseline and other infrequently conducted inspections, less those related to security, scheduled through June 30, 2009. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the mid-cycle review.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact Kenneth Riemer at 630-829-9628 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

**/RA/**

Cynthia D. Pederson, Director  
Division of Reactor Projects

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

Enclosure: Monticello Inspection/Activity Plan

cc w/encl: D. Koehl, Chief Nuclear Officer  
Manager, Nuclear Safety Assessment  
P. Glass, Assistant General Counsel  
Nuclear Asset Manager, Xcel Energy, Inc.  
J. Stine, State Liaison Officer, Minnesota Department of Health  
R. Nelson, President  
Minnesota Environmental Control Citizens  
Association (MECCA)  
Commissioner, Minnesota Pollution Control Agency  
R. Hiivala, Auditor/Treasurer,  
Wright County Government Center  
Commissioner, Minnesota Department of Commerce  
Manager - Environmental Protection Division  
Minnesota Attorney General's Office  
Chairman, Wright County Board  
Mayor of Monticello  
Chairperson, Sherburne County  
Administrator, City of Monticello  
G. Mortensen, INPO

**Monticello**  
**Inspection / Activity Plan**  
**03/01/2009 - 06/30/2010**

Planned Dates		Inspection Activity	Title	No. of Staff on Site
Start	End			
		<b>OL EXAM - MONTICELLO INITIAL LICENSE EXAMINATION</b>		<b>3</b>
02/23/2009	03/06/2009	W90198	OL - INITIAL EXAM - JAN 2009 - MONT	
		<b>RENEWAL - POST-APPROVAL SITE INSP. FOR LR</b>		<b>4</b>
03/23/2009	04/03/2009	IP 71003	Post-Approval Site Inspection for License Renewal	
		<b>BI ENG - ENGINEERING INSERVICE INSPECTION</b>		<b>1</b>
03/23/2009	04/03/2009	IP 7111108G	Inservice Inspection Activities - BWR	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
04/13/2009	04/17/2009	IP 7112101	Access Control to Radiologically Significant Areas	
04/13/2009	04/17/2009	IP 7112102	ALARA Planning and Controls	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
05/18/2009	05/22/2009	IP 2515/173	Review of the Implementation of the Industry Ground Water Protection Voluntary Initiative	
05/18/2009	05/22/2009	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control Program	
05/18/2009	05/22/2009	IP 71151-PR01	RETS/ODCM Radiological Effluent	
		<b>PWR UPR - EROSION/CORROSION PORTION OF IP 71004</b>		<b>1</b>
06/22/2009	06/26/2009	IP 7111108G	Inservice Inspection Activities - BWR	
		<b>BI EP - EP EXERCISE INSPECTION / PI VERIFICATION</b>		<b>4</b>
08/17/2009	08/21/2009	IP 2515/175	Emergency Response Organization, Drill/Exercise Performance Indicator, Program Review	
08/17/2009	08/21/2009	IP 7111401	Exercise Evaluation	
08/17/2009	08/21/2009	IP 71151-EP01	Drill/Exercise Performance	
08/17/2009	08/21/2009	IP 71151-EP02	ERO Drill Participation	
08/17/2009	08/21/2009	IP 71151-EP03	Alert & Notification System	
		<b>BI ENG - COMPONENT DESIGN BASES INSPECTION</b>		<b>6</b>
08/31/2009	10/02/2009	IP 7111121	Component Design Bases Inspection	
		<b>BI OL - LIC. OPERATOR REQUAL. PROGRAM EVALUATION</b>		<b>2</b>
09/28/2009	10/02/2009	IP 7111111B	Licensed Operator Requalification Program	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
10/19/2009	10/23/2009	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment	
10/19/2009	10/23/2009	IP 71151-BI01	Reactor Coolant System Activity	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
12/14/2009	12/18/2009	IP 7112101	Access Control to Radiologically Significant Areas	
12/14/2009	12/18/2009	IP 7112102	ALARA Planning and Controls	
12/14/2009	12/18/2009	IP 71151-OR01	Occupational Exposure Control Effectiveness	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
01/04/2010	01/08/2010	IP 7112101	Access Control to Radiologically Significant Areas	
01/04/2010	01/08/2010	IP 7112102	ALARA Planning and Controls	

**Monticello**  
**Inspection / Activity Plan**  
**03/01/2009 - 06/30/2010**

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		<b>BI ENG - HEAD DROP ANALYSES</b>		<b>1</b>
01/25/2010	02/12/2010	IP 7111120	Refueling and Other Outage Activities	
		<b>BI ENG - ENGINEERING MODIFICATIONS / 50.59</b>		<b>3</b>
03/08/2010	03/26/2010	IP 7111117T	Evaluations of Changes, Tests, or Experiments and Permanent Plant Modifications	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
03/15/2010	03/19/2010	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems	
03/15/2010	03/19/2010	IP 71151-BI01	Reactor Coolant System Activity	
03/15/2010	03/19/2010	IP 71151-PR01	RETS/ODCM Radiological Effluent	
		<b>BI ENG - TRIENNIAL HEAT SINK INSPECTION</b>		<b>1</b>
04/12/2010	04/16/2010	IP 7111107T	Heat Sink Performance	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
05/24/2010	05/28/2010	IP 7112202	Radioactive Material Processing and Transportation	
		<b>RENEWAL - LICENSE RENEWAL PHASE 2</b>		<b>2</b>
06/14/2010	07/02/2010	IP 71003	Post-Approval Site Inspection for License Renewal	
		<b>BI EP - EP ROUTINE INSPECTION / PI VERIFICATION</b>		<b>1</b>
06/28/2010	07/02/2010	IP 7111402	Alert and Notification System Testing	
06/28/2010	07/02/2010	IP 7111403	Emergency Response Organization Augmentation Testing	
06/28/2010	07/02/2010	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
06/28/2010	07/02/2010	IP 71151-EP01	Drill/Exercise Performance	
06/28/2010	07/02/2010	IP 71151-EP02	ERO Drill Participation	
06/28/2010	07/02/2010	IP 71151-EP03	Alert & Notification System	

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Sincerely,

Cynthia D. Pederson, Director  
Division of Reactor Projects

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Enclosure: Monticello Inspection/Activity Plan

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Letter to T. O'Connor from C. Pederson dated March 4, 2009

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PLANT (05000263/2009001)

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