



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

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

March 3, 2010

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 (05000263/2010001)**

Dear Mr. O'Connor:

On February 11, 2010, 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, 2009. 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 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.

In the Annual Assessment Letter dated March 4, 2009, the NRC opened a substantive cross-cutting issue (SCCI) in the area of Human Performance with themes in the aspects of oversight of work controls (H.4(c)) and correct and adequate procedures (H.2(c)). In the Mid-Cycle Assessment Letter dated September 1, 2009, the NRC closed the cross-cutting issue associated with the theme of correct and adequate procedures (H.2(c)) based on a reduction of human performance issues in this area. The SCCI in the area of Human Performance remained open due to continued issues associated with the oversight of work activities theme. In that letter, we stated that in order to clear this theme, an assessment on whether corrective actions have resulted in a positive sustainable improvement in this area and a decrease in the number of findings associated with this cross-cutting aspect should be evident.

During the last two quarters of the assessment cycle, the NRC has seen a decrease in the number of findings associated with the cross-cutting aspect of oversight of work activities (H.4(c)). You have also implemented actions to improve performance in this area. Based on an assessment of these actions, the NRC has gained confidence in your ability to identify and correct issues associated with the oversight of work activities. As a result, the cross-cutting aspect theme of H.4(c) will be cleared. Also, based on your sustained progress and a decrease in the number of issues in the area of Human Performance, the substantive cross-cutting issue is closed. Although we are closing the substantive cross-cutting issue in the area of Human Performance and have recently seen some positive changes in the behaviors that contributed to the SCCI, we will continue to monitor your actions to sustain performance improvements in this area and the associated themes as part of the baseline inspection program.

The enclosed inspection plan details the inspections, including baseline and other infrequently conducted inspections, less those related to security, scheduled through June 30, 2011. We also plan on conducting several special and infrequently performed inspection procedures which include: Inspection Procedure (IP) 71003, "Post-Approval Site Inspection For License Renewal"; "IP 71004, "Power Uprate"; and IP 92709, "Licensee Strike Contingency Plans."

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 9 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 made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Website 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/**

Steven West, Director  
Division of Reactor Projects

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

Enclosure: Monticello Inspection/Activity Plan

cc w/encl: Distribution via ListServ

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Letter to T. O'Connor from S. West dated March 3, 2010

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PLANT (05000263/2010001)

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**Monticello**  
**Inspection / Activity Plan**  
**03/01/2010 - 06/30/2011**

Planned Dates		Inspection Activity	Title	No. of Staff on Site
Start	End			
		<b>BI&amp;UPRAT - ENG MODS/50.59 &amp; EXTENDED POWER UPRATE</b>		<b>3</b>
03/08/2010	03/26/2010	IP 71004	Power Uprate	
03/08/2010	03/26/2010	IP 7111117T	Evaluations of Changes, Tests, or Experiments and Permanent Plant Modifications	
03/08/2010	03/26/2010	IP 7111121	Component Design Bases Inspection	
		<b>BI ENG - TRIENNIAL HEAT SINK INSPECTION</b>		<b>2</b>
04/26/2010	04/30/2010	IP 7111107T	Heat Sink Performance	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
05/24/2010	05/28/2010	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
06/14/2010	06/18/2010	IP 71124.02	Occupational ALARA Planning and Controls	
06/14/2010	06/18/2010	IP 71151-BI01	Reactor Coolant System Activity	
06/14/2010	06/18/2010	IP 71151-OR01	Occupational Exposure Control Effectiveness	
06/14/2010	06/18/2010	IP 71151-PR01	RETS/ODCM Radiological Effluent	
		<b>RENEWAL - LICENSE RENEWAL 71003 - PHASE 2</b>		<b>6</b>
06/28/2010	07/16/2010	IP 71003	Post-Approval Site Inspection for License Renewal	
		<b>BI EP - EP ROUTINE INSPECTION / PI VERIFICATION</b>		<b>2</b>
06/28/2010	07/02/2010	IP 7111402	Radiological Environmental Monitoring Program	
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	
		<b>STRIKE - STRIKE CONTINGENCY-OPS/MAINT/RP/PLN/ETC</b>		<b>2</b>
09/01/2010	12/31/2010	IP 92709	Licensee Strike Contingency Plans	
		<b>BI PI&amp;R - BIENNIAL PI&amp;R INSPECTION</b>		<b>3</b>
09/13/2010	10/01/2010	IP 71152B	Identification and Resolution of Problems	
		<b>OL PREP - MONTICELLO INIT PREP - NOV. 2010</b>		<b>2</b>
11/15/2010	11/19/2010	W90221	OL - INITIAL EXAM - DEC 2010 - MONT	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
11/29/2010	12/03/2010	IP 71124.08	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
		<b>OL EXAM - MONTICELLO INIT EXAM - DEC. 2010</b>		<b>3</b>
12/06/2010	12/17/2010	W90221	OL - INITIAL EXAM - DEC 2010 - MONT	
		<b>UPRATE - POWER UPRATE - FAC/EC NON-OUTAGE PORTION</b>		<b>1</b>
02/07/2011	02/11/2011	IP 71004	Power Uprate	

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Planned Dates		Inspection Activity	Title	No. of Staff on Site
Start	End			
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
01/31/2011	02/04/2011	IP 2515/179	Verification of Licensee Responses to NRC Requirement for Inventories of Materials Tracked in NSTS	
01/31/2011	02/04/2011	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
		<b>BI ENG - ENGINEERING INSERVICE INSPECTION</b>		<b>1</b>
03/05/2011	05/09/2011	IP 7111108G	Inservice Inspection Activities - BWR	
		<b>UPRATE - POWER UPRATE FAC/EC OUTAGE PORTION</b>		<b>1</b>
03/05/2011	05/09/2011	IP 71004	Power Uprate	
		<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
03/14/2011	03/18/2011	IP 71124.05	Radiation Monitoring Instrumentation	
		<b>BI ENG - TRIENNIAL FIRE PROTECTION INSPECTION</b>		<b>3</b>
06/13/2011	07/15/2011	IP 7111105T	Fire Protection [Triennial]	