



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

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

March 4, 2014

Ms. Karen Fili  
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 FOR MONTICELLO NUCLEAR GENERATING  
PLANT (REPORT 05000263/2013001)**

Dear Ms. Fili:

On February 12, 2014, the U.S. Nuclear Regulatory Commission (NRC) completed its end-of-cycle performance review of Monticello Nuclear Generating Plant. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1, 2013 through December 31, 2013. This letter informs you of the NRC's assessment of your facility during this period and its plans for future inspections at your facility.

The NRC determined the performance of Monticello Nuclear Generating Plant during the most recent quarter was within the Degraded Cornerstone Column of the NRC's Reactor Oversight Process (ROP) Action Matrix because of one Yellow finding, with substantial safety significance, in the Mitigating Systems Cornerstone. The finding involved the failure to maintain a procedure addressing all of the effects of an external flooding scenario on the plant. This failure resulted in the site not being able to support the timely implementation of flood protection activities within the 12-day timeframe credited in the design basis as stated in the Updated Final Safety Analysis Report.

In addition to ROP baseline inspections, the NRC plans to conduct a supplemental inspection in accordance with Inspection Procedure (IP) 95002, "Supplemental Inspection for One Degraded Cornerstone or Any Three White Inputs in a Strategic Performance Area." Your staff has not yet notified the NRC of your readiness for a supplemental inspection to review the actions taken to address the performance issues.

The NRC identifies substantive cross-cutting issues (SCCIs) to communicate a concern with the licensee's performance in a cross-cutting area and to encourage the licensee to take appropriate actions before more significant performance issues emerge. The NRC identified a cross-cutting theme in the Human Performance Resources component. Specifically,

four or more inspection findings for the current 12-month assessment period were assigned a cross-cutting aspect of H.2(c), "Complete, accurate and up-to-date design documentation, procedures, and work packages, and correct labeling of components." The NRC determined that an SCCI exists because the NRC has a concern with your staff's scope of effort and progress in addressing the cross-cutting theme associated with H.2(c). The NRC noted that your staff had recognized this potential cross-cutting theme in the second quarter of the assessment period. Your staff performed an apparent cause evaluation and developed corrective actions. However, these actions have not yet proven effective in substantially mitigating the cross-cutting theme even though a reasonable duration of time has passed.

This human performance SCCI will remain open until the number of findings with a cross-cutting aspect of H.2(c) is reduced, the corrective actions taken to mitigate the cross-cutting theme prove effective, and sustained performance improvement is observed in the H.2(c) aspect of the human performance area. The NRC will monitor your staff's effort and progress in addressing the SCCI by evaluating your corrective action program, any root cause evaluations for the SCCI, and performance improvement initiatives.

As a result of the Safety Culture Common Language Initiative, the terminology and coding of cross-cutting aspects were revised. All cross-cutting aspects identified during inspections conducted in calendar year 2014 will reflect this revision to Inspection Manual Chapter (IMC) 0310. The CY 2013 end-of-cycle assessments were conducted using the IMC 0310 guidance in effect in CY 2013 (dated October 28, 2011). Cross-cutting aspects identified in 2013 using the 2013 terminology will be converted to the latest revision in accordance with the cross-reference in IMC 0310 during the mid-cycle assessment review and evaluated for cross-cutting themes and potential substantive cross-cutting issues in accordance with IMC 0305. The SCCI in the Human Performance area identified during this assessment period will be carried forward to the mid-cycle assessment period using the revised terminology.

The enclosed inspection plan lists the inspections scheduled through June 30, 2015. Routine inspections performed by resident inspectors are not included in the inspection plan. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the mid-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes. This inspection plan does not include security related inspections, which will be sent via separate, non-publicly available correspondence.

Additionally, an NRC audit of licensee efforts towards compliance with Order EA-12-049, "Order Modifying Licenses with Regard to Requirements for Mitigation Strategies for Beyond-Design-Basis External Events" is ongoing. This audit includes an onsite component in order for the NRC to evaluate mitigating strategies as described in licensee submittals, and to receive and review information relative to associated open items. This onsite activity will occur in the months prior to a declaration of compliance for the first unit at each site, and will ultimately aid

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staff in development of Safety Evaluation for the site. The date for the onsite component at your site is being coordinated with your staff. A site-specific audit plan for the visit will be provided in advance to allow sufficient time for preparations.

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 System (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Please contact Kenneth Riemer at (630) 829-9628 with any questions you have regarding this letter.

Sincerely,

*/RA/*

Cynthia D. Pederson  
Regional Administrator

Docket Nos. 50-263  
License Nos. DPR-22

Enclosure:  
Monticello Nuclear Generating Plant  
Inspection/Activity Plan

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Letter to Karen Fili from Cynthia Pederson dated March 4, 2014

SUBJECT: ANNUAL ASSESSMENT LETTER FOR MONTICELLO NUCLEAR GENERATING  
PLANT (REPORT 05000263/2013001)

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**Monticello**  
**Inspection / Activity Plan**  
**03/01/2014 - 06/30/2015**

Unit Number	Planned Dates		Inspection Activity	Title	No. of Staff on Site
	Start	End			
			<b>BI ENG - FIRE PROTECTION INSPECTION &amp; BAG TRIP</b>		<b>7</b>
1	02/24/2014	03/28/2014	IP 7111105T	Fire Protection [Triennial]	
			<b>ISFSI - ISFSI OPERATION INSPECTION</b>		<b>2</b>
1	02/01/2014	05/31/2014	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants	
			<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
1	03/24/2014	03/28/2014	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
			<b>BI EPR - EP ROUTINE INSPECTION / PI VERIFICATION</b>		<b>2</b>
1	07/07/2014	07/11/2014	IP 7111402	Alert and Notification System Testing	
1	07/07/2014	07/11/2014	IP 7111403	Emergency Preparedness Organization Staffing and Augmentation System	
1	07/07/2014	07/11/2014	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
1	07/07/2014	07/11/2014	IP 71151	Performance Indicator Verification	
			<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
1	08/04/2014	08/08/2014	IP 71124.05	Radiation Monitoring Instrumentation	
			<b>PI&amp;R - BIENNIAL PI&amp;R INSPECTION</b>		<b>1</b>
1	09/22/2014	10/10/2014	IP 71152B	Problem Identification and Resolution	
			<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>2</b>
1	10/27/2014	10/31/2014	IP 71124.06	Radioactive Gaseous and Liquid Effluent Treatment	
1	10/27/2014	10/31/2014	IP 71151-BI01	Reactor Coolant System Activity	
1	10/27/2014	10/31/2014	IP 71151-OR01	Occupational Exposure Control Effectiveness	
1	10/27/2014	10/31/2014	IP 71151-PR01	RETS/ODCM Radiological Effluent	
			<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
1	12/01/2014	12/06/2014	IP 71124.08	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
			<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
1	01/12/2015	01/16/2015	IP 71124.03	In-Plant Airborne Radioactivity Control and Mitigation	
1	01/12/2015	01/16/2015	IP 71124.04	Occupational Dose Assessment	
			<b>BI RP - RADIATION PROTECTION BASELINE INSPECTION</b>		<b>1</b>
1	03/02/2015	03/06/2015	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
1	03/02/2015	03/06/2015	IP 71124.02	Occupational ALARA Planning and Controls	
			<b>BI ISI - ISI INSPECTION</b>		<b>1</b>
1	04/11/2015	05/11/2015	IP 7111108G	Inservice Inspection Activities - BWR	
			<b>OL PREP - INIT EXAM/JUNE 2015</b>		<b>3</b>
1	05/11/2015	05/15/2015	W90331	OL - INITIAL EXAM - 2015 MAY-JUN - MONTICELLO	

This report does not include INPO and OUTAGE activities.  
This report shows only on-site and announced inspection procedures.

**Monticello**  
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**03/01/2014 - 06/30/2015**

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	Start	End			
			<b>OL PREP - INITIAL EXAM - 10/2014</b>		<b>3</b>
1	06/01/2015	06/05/2015	W90307	OL - INITIAL EXAM - 2014 AUG-APR - MONT	
			<b>OL EXAM - INIT EXAM/JUNE 2015</b>		<b>3</b>
1	06/01/2015	06/12/2015	W90331	OL - INITIAL EXAM - 2015 MAY-JUN - MONTICELLO	
			<b>OL PREP - INITIAL EXAM - 10/2014</b>		<b>3</b>
1	06/08/2015	06/12/2015	W90307	OL - INITIAL EXAM - 2014 AUG-APR - MONT	
			<b>BI ENG - COMPONENT DESIGN BASIS INSPECTION</b>		<b>1</b>
1	06/22/2015	07/24/2015	IP 7111121	Component Design Bases Inspection	

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