

August 23, 2002

Mr. J. Forbes
Site Vice-President
Monticello Nuclear Generating Plant
Nuclear Management Company, LLC
2807 West County Road 75
Monticello, MN 55362-9637

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN MONTICELLO
NUCLEAR GENERATING PLANT

Dear Mr. Forbes:

On July 31, 2002, the NRC staff completed its mid-cycle plant performance assessment of Monticello Nuclear Generating Plant. In accordance with NRC Inspection Manual Chapter 0305 "Operating Reactor Assessment Program," the mid-cycle review involved the participation of all technical divisions in evaluating the performance of your Monticello Nuclear Generating Plant facility for the first half of the current assessment cycle, January 1 - December 31, 2002. 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 so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities.

Plant performance for the most recent quarter 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 only baseline inspections at your facility through September 30, 2003.

The enclosed inspection plan details the inspections scheduled through September 30, 2003. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspection plan for the last 6 months is tentative and may be revised at the end-of-cycle review.

In addition, the NRC is in the process of finalizing a Temporary Instruction (TI) that will be used to review implementation of the Interim Compensatory Measures required by the Agency's Security Order to all commercial nuclear power plants dated February 25, 2002. Schedules have not yet been finalized, but it is anticipated that these inspections will begin within the next calendar quarter. Once finalized, the details will be communicated by separate correspondence.

In accordance with 10 CFR 2.790 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 document system (ADAMS). ADAMS is 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 the inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at 630/829-9629 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Bruce Burgess, Chief
Branch 2
Division of Reactor Projects

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

Enclosure: Monticello Nuclear Generating Plant Inspection/Activity Plan

cc w/encl: J. Purkis, Plant Manager
R. Anderson, Executive Vice President
and Chief Nuclear Officer
Nuclear Asset Manager
Site Licensing Manager
Commissioner, Minnesota Department of Health
J. Silberg, Esquire
Shaw, Pittman, Potts, and Trowbridge
R. Nelson, President
Minnesota Environmental Control Citizens
Association (MECCA)
Commissioner, Minnesota Pollution Control Agency
D. Gruber, Auditor/Treasurer
Wright County Government Center
Commissioner, Minnesota Department of Commerce
P. Marker, Assistant Attorney General
P. Sawatzke, Chairman, Wright County Board
The Honorable Roger Belsaas
M. Johnson, Chairman, Sherburne County
R. Wolfsteller, Administrator, City of Monticello
INPO

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Monticello
Inspection / Activity Plan
09/01/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	HT SNK B - HEAT SINK BIENNIAL (DRS)		1			
1	IP 7111107B	Heat Sink Performance		10/07/2002	10/11/2002	Baseline Inspections
	CONT A - SAFEGUARDS INSPECTION-RESPONSE ADMN		2			
1	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Strategy)		10/07/2002	10/11/2002	Baseline Inspections
	FY 2002 - MONTICELLO INIT EXAM 09/2002		2			
1	W90058	OL - INITIAL EXAM - MONTICELLO - JUL/SEP 2002		10/14/2002	10/18/2002	Not Applicable
	IP 71121 - RAD INSTRUMENTATION INSPECTION		1			
1	IP 7112101	Access Control to Radiologically Significant Areas		12/16/2002	12/20/2002	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		12/16/2002	12/20/2002	Baseline Inspections
	SSDI - SAFETY SYSTEM BIENNIAL & MOD/5059 (DRS)		6			
1	IP 7111102	Evaluation of Changes, Tests, or Experiments		02/03/2003	02/21/2003	Baseline Inspections
1	IP 711117B	Permanent Plant Modifications		02/03/2003	02/21/2003	Baseline Inspections
1	IP 7111121	Safety System Design and Performance Capability		02/03/2003	02/21/2003	Baseline Inspections
	71111.11 - LIC OPERATOR REQUAL PROGRAM EVALUATION		2			
1	IP 7111111B	Licensed Operator Requalification		02/24/2003	02/28/2003	Baseline Inspections
	MR - MAINTENANCE RULE		1			
1	IP 711112B	Maintenance Effectiveness		04/14/2003	04/18/2003	Baseline Inspections
	IP 71121 - OUTAGE ALARA INSPECTION		1			
1	IP 7112101	Access Control to Radiologically Significant Areas		04/28/2003	05/02/2003	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		04/28/2003	05/02/2003	Baseline Inspections
	ISI - ISI		1			
1	IP 7111108	Inservice Inspection Activities		05/19/2003	05/23/2003	Baseline Inspections
	INSP - REMP INSPECTION		1			
1	IP 7112101	Access Control to Radiologically Significant Areas		06/16/2003	06/20/2003	Baseline Inspections
1	IP 7112203	Radiological Environmental Monitoring Program		06/16/2003	06/20/2003	Baseline Inspections
	FY 2003 - MONTICELLO INIT PREP 08/2003		2			
1	W90080	OL - INITIAL EXAM - MONTICELLO - AUG/SEP 2003		08/04/2003	08/08/2003	Not Applicable
	FY 2003 - MONTICELLO INIT EXAM 09/2003		2			
1	W90080	OL - INITIAL EXAM - MONTICELLO - AUG/SEP 2003		09/15/2003	09/26/2003	Not Applicable