

March 3, 2008

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

SUBJECT: ANNUAL ASSESSMENT LETTER - MONTICELLO NUCLEAR GENERATING
PLANT (05000263/2008001)

Dear Mr. O'Connor:

On February 13, 2008, 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, 2007. 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 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).

T. O'Connor

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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 me at 630-829-9628 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Kenneth Riemer, Chief
Branch 2
Division of Reactor Projects

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

Enclosure: Monticello Inspection/Activity Plan

DISTRIBUTION:
See next page

Letter to T. O'Connor from K. Riemer dated March 3, 2008

SUBJECT: ANNUAL ASSESSMENT LETTER - MONTICELLO NUCLEAR GENERATING PLANT (05000263/2008001)

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
INPO

T. O'Connor

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Sincerely,

/RA/

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PLANT (05000263/2008001)

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ROPreports@nrc.gov (inspection reports, final SDP letters, any letter with an IR number)

Monticello
Inspection / Activity Plan
03/01/2008 - 06/30/2009

Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	End	Inspection Type
BI ENG - TRIENNIAL FIRE PROTECTION INSPECTION		3			
IP 7111105T	Fire Protection [Triennial]		03/31/2008	04/18/2008	Baseline Inspections
BI ENG - FIRE PROTECTION INFO GATHERING TRIP		3			
IP 7111105T	Fire Protection [Triennial]		03/17/2008	03/21/2008	Baseline Inspections
2515/171 - TI 2515/171 B5B PHASE 2 AND 3		2			
IP 2515/171	VERIFICATION OF SITE SPECIFIC IMPLEMENTATION OF B.5.B PHASE 2 & 3 MITIGATING STRATEGIES		04/14/2008	04/18/2008	Generic Safety Inspectio
BI RP - RADIATION PROTECTION BASELINE INSPECTION		1			
IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		04/28/2008	05/02/2008	Baseline Inspections
IP 71151-PR01	RETS/ODCM Radiological Effluent		04/28/2008	05/02/2008	Baseline Inspections
BI EP - EP ROUTINE INSPECTION / PI VERIFICATION		1			
IP 7111402	Alert and Notification System Testing		06/23/2008	06/27/2008	EP Baseline Inspection
IP 7111403	Emergency Response Organization Augmentation Testing		06/23/2008	06/27/2008	EP Baseline Inspection
IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		06/23/2008	06/27/2008	EP Baseline Inspection
IP 71151-EP01	Drill/Exercise Performance		06/23/2008	06/27/2008	Baseline Inspections
IP 71151-EP02	ERO Drill Participation		06/23/2008	06/27/2008	Baseline Inspections
IP 71151-EP03	Alert & Notification System		06/23/2008	06/27/2008	Baseline Inspections
BI RP - RADIATION PROTECTION BASELINE INSPECTION		1			
IP 7112202	Radioactive Material Processing and Transportation		07/07/2008	07/11/2008	Baseline Inspections
IP 71151-BI01	Reactor Coolant System Activity		07/07/2008	07/11/2008	Baseline Inspections
ISFSI - ISFSI INSPECTION		1			
IP 60854.1	Preoperational Testing of Independent Spent Fuel Storage Facility Installation at Operating Plants		07/01/2008	07/15/2008	Other Routine
IP 60854	Preoperational Testing Of An ISFSI		07/16/2008	07/30/2008	Other Routine
IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		08/01/2008	09/30/2008	Other Routine
BI RP - RADIATION PROTECTION BASELINE INSPECTION		1			
IP 7112101	Access Control to Radiologically Significant Areas		09/29/2008	10/03/2008	Baseline Inspections
IP 7112102	ALARA Planning and Controls		09/29/2008	10/03/2008	Baseline Inspections
IP 71151-OR01	Occupational Exposure Control Effectiveness		09/29/2008	10/03/2008	Baseline Inspections
BI PI&R - BIENNIAL PI&R INSPECTION		3			
IP 71152B	Identification and Resolution of Problems		10/20/2008	11/07/2008	Baseline Inspections
OL EXAM - OPERATOR LICENSING EXAM		3			
W90198	OL - INITIAL EXAM - JAN 2009 - MONT		02/02/2009	02/06/2009	Not Applicable
W90198	OL - INITIAL EXAM - JAN 2009 - MONT		02/23/2009	03/06/2009	Not Applicable
BI ENG - ENGINEERING INSERVICE INSPECTION		1			
IP 7111108G	Inservice Inspection Activities - BWR		03/16/2009	05/01/2009	Baseline Inspections

Monticello
Inspection / Activity Plan
03/01/2008 - 06/30/2009

Inspection Activity	Title	No. of Staff on Site	Planned Dates Start End		Inspection Type
RENEWAL - POST-APPROVAL SITE INSP. FOR LR		1			
IP 71003	Post-Approval Site Inspection for License Renewal		03/16/2009	05/01/2009	License Renewal Inspect
BI RP - RADIATION PROTECTION BASELINE INSPECTION		1			
IP 7112101	Access Control to Radiologically Significant Areas		04/13/2009	04/17/2009	Baseline Inspections
IP 7112102	ALARA Planning and Controls		04/13/2009	04/17/2009	Baseline Inspections
IP 71151-OR01	Occupational Exposure Control Effectiveness		04/13/2009	04/17/2009	Baseline Inspections
BI RP - RADIATION PROTECTION BASELINE INSPECTION		1			
IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control Program		05/18/2009	05/22/2009	Baseline Inspections
IP 71151-PR01	RETS/ODCM Radiological Effluent		05/18/2009	05/22/2009	Baseline Inspections