

August 31, 2006

Mr. T. Palmisano  
Site Vice President  
Prairie Island Nuclear Generating Plant  
Nuclear Management Company, LLC  
1717 Wakonade Drive East  
Welch, MN 55089

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

Dear Mr. Palmisano:

On August 7, 2006, the NRC staff completed its performance review of the Prairie Island Nuclear Generating Plant for the first half of the calendar year 2006 assessment cycle. Our technical staff reviewed the performance indicators (PIs) for the most recent quarter and inspection results over the previous 12 months. 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 physical protection information. A separate letter designated and marked as "Exempt from Public Disclosure in Accordance with 10 CFR 2.390" will include the physical protection review and resultant inspection plan.

Plant performance for the most recent quarter at the Prairie Island Nuclear Generating Plant Units 1 and 2 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, less those related to physical protection, scheduled through March 31, 2008. Significant inspections planned include a "Component Design Basis Inspection" in May 2007, an "Independent Spent Fuel Storage Installation (ISFSI) Operation Inspection" in June 2007, and a "Modifications/50.59 Inspection" in March 2008. In addition, the resident inspectors plan to perform Temporary Inspections 2515/166, "Pressurized Water Reactor Containment Sump Blockage" on Unit 2 and 2515/169, "Mitigating Systems Performance Index (MSPI) Verification," before the end of calendar year 2006. 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 end-of-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 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 the inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at (630) 829-9620 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

*/RA/*

Richard A. Skokowski, Chief  
Branch 3  
Division of Reactor Projects

Docket Nos. 50-282, 50-306  
License No. DPR-42; DPR-60

Enclosure:  
Prairie Island Nuclear Generating Plant Inspection/Activity Plan

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T. Palmisano

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cc w/encl: C. Anderson, Senior Vice President, Group Operations  
M. Sellman, Chief Executive Officer and Chief Nuclear Officer  
Regulatory Affairs Manager  
J. Rogoff, Vice President, Counsel & Secretary  
Nuclear Asset Manager  
State Liaison Officer, Minnesota Department of Health  
Tribal Council, Prairie Island Indian Community  
Administrator, Goodhue County Courthouse  
Commissioner, Minnesota Department  
of Commerce  
Manager, Environmental Protection Division  
Office of the Attorney General of Minnesota  
Council Administrator  
President, Prairie Island Tribal Council  
Goodhue County Sheriff  
Director, Pierce County Emergency  
Management Agency  
Chair, Pierce County Board of Commissioners  
Chair, Dakota County Board of Commissioners  
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**Prairie Island**  
**Inspection / Activity Plan**  
**09/01/2006 - 03/31/2008**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	<b>INSPECTI - ISFSI INSPECTION</b>		<b>2</b>			
1	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		08/01/2006	09/30/2006	Other Routine
	<b>ENF. F/U - OPERATOR LICENSING FOLLOWUP - IR 2006013</b>		<b>1</b>			
1,2	IP 7111111B	Licensed Operator Requalification Program		08/28/2006	09/29/2006	Baseline Inspections
	<b>BI - RAD INSTRUMENTATION</b>		<b>1</b>			
1,2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		09/11/2006	09/15/2006	Baseline Inspections
	<b>ISI - PRAIRIE ISLAND UNIT 2 ISI INSPECTION</b>		<b>1</b>			
2	IP 7111108P	Inservice Inspection Activities - PWR		11/13/2006	12/01/2006	Baseline Inspections
	<b>BI - OUTAGE ALARA AND OCC RP</b>		<b>1</b>			
2	IP 7112101	Access Control to Radiologically Significant Areas		11/27/2006	12/01/2006	Baseline Inspections
2	IP 7112102	ALARA Planning and Controls		11/27/2006	12/01/2006	Baseline Inspections
	<b>BI - POST OUTAGE ALARA AND ACCESS CONTROL</b>		<b>1</b>			
1	IP 7112101	Access Control to Radiologically Significant Areas		01/29/2007	02/02/2007	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		01/29/2007	02/02/2007	Baseline Inspections
	<b>EP BI - BASELINE EP INSPECTION</b>		<b>1</b>			
1,2	IP 7111402	Alert and Notification System Testing		04/09/2007	04/13/2007	Baseline Inspections
1,2	IP 7111403	Emergency Response Organization Augmentation Testing		04/09/2007	04/13/2007	Baseline Inspections
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		04/09/2007	04/13/2007	Baseline Inspections
1,2	IP 71151-EP01	Drill/Exercise Performance		04/09/2007	04/13/2007	Baseline Inspections
1,2	IP 71151-EP02	ERO Drill Participation		04/09/2007	04/13/2007	Baseline Inspections
1,2	IP 71151-EP03	Alert & Notification System		04/09/2007	04/13/2007	Baseline Inspections
	<b>CDBI - COMPONENT DESIGN BASIS INSPECTION</b>		<b>4</b>			
2	IP 7111121	Component Design Bases Inspection		05/14/2007	06/15/2007	Baseline Inspections
	<b>ISFSI - ISFSI INSPECTIONS</b>		<b>1</b>			
1,2	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		06/01/2007	06/30/2007	Other Routine
	<b>71122.03 - REMP AND RAM CONTROL</b>		<b>1</b>			
1,2	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control P		06/25/2007	06/29/2007	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		06/25/2007	06/29/2007	Baseline Inspections
	<b>HEATSINK - HEAT SINK INSPECTION</b>		<b>1</b>			
1,2	IP 7111107B	Heat Sink Performance		06/25/2007	07/02/2007	Baseline Inspections
	<b>FY 2007 - PRAIRIE ISLAND INIT PREP 07/2007</b>		<b>3</b>			
1	W90165	OL - INITIAL EXAM - PRAIRIE ISLAND - JUL/AUG 2007		07/09/2007	07/13/2007	Not Applicable
	<b>FY 2007 - PRAIRIE ISLAND INIT EXAM 07&amp;08/2007</b>		<b>3</b>			
1	W90165	OL - INITIAL EXAM - PRAIRIE ISLAND - JUL/AUG 2007		07/30/2007	08/10/2007	Not Applicable

**Prairie Island**  
**Inspection / Activity Plan**  
**09/01/2006 - 03/31/2008**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	<b>7112101</b>	<b>- ACCESS CONTROL AND ALARA</b>	<b>1</b>			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		09/24/2007	09/28/2007	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		09/24/2007	09/28/2007	Baseline Inspections
	<b>71111.11</b>	<b>- LIC OPERATOR REQUAL PROGRAM EVALUATION</b>	<b>2</b>			
1,2	IP 7111111B	Licensed Operator Requalification Program		10/15/2007	10/19/2007	Baseline Inspections
	<b>71122.02</b>	<b>- TRANSPORTATION</b>	<b>1</b>			
1,2	IP 7112202	Radioactive Material Processing and Transportation		12/03/2007	12/07/2007	Baseline Inspections
	<b>MOD/5059</b>	<b>- MODIFICATIONS/50.59 INSPECTION</b>	<b>2</b>			
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		03/03/2008	03/21/2008	Baseline Inspections
1,2	IP 7111117B	Permanent Plant Modifications		03/03/2008	03/21/2008	Baseline Inspections
	<b>MAIN</b>	<b>- MAINTENANCE EFFECTIVENESS INSPECTION</b>	<b>1</b>			
1,2	IP 7111112B	Maintenance Effectiveness		03/31/2008	04/04/2008	Baseline Inspections

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