



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

August 18, 2000

Mr. Wayne H. Brunetti  
Chairman, President and Chief Executive Officer  
Northern States Power Company  
414 Nicollet Mall  
Minneapolis, MN 55401

SUBJECT: MONTICELLO NUCLEAR GENERATING PLANT - ISSUANCE OF  
CONFORMING AMENDMENT RE: TRANSFER OF FACILITY OPERATING  
LICENSE FROM NORTHERN STATES POWER COMPANY TO A NEW UTILITY  
OPERATING COMPANY SUBSIDIARY (TAC NO. MA7003)

Dear Mr. Brunetti:

By Order dated May 12, 2000, the Nuclear Regulatory Commission (NRC) approved the transfer of Facility Operating License No. DPR-22, held by Northern States Power Company (NSP) for the Monticello Nuclear Generating Plant to a newly formed utility operating company subsidiary of Northern States Power Company merged with New Century Energies, Inc., and approved a conforming amendment, pursuant to 10 CFR 50.80 and 10 CFR 50.90. The Order was published in the *Federal Register* on May 19, 2000 (65 FR 31937). By letter dated July 26, 2000, NSP provided proof that the required insurance has been obtained. By letter dated July 27, 2000, as supplemented August 17, 2000, NSP notified the NRC that all required regulatory approvals of the transfer have been received and that the closing of the transfer would occur on August 18, 2000. Your letters of July 26, July 27, and August 17, 2000, satisfied required conditions of the Order.

Accordingly, the Commission has issued the enclosed Amendment No. 111 to Facility Operating License No. DPR-22 for Monticello. This conforming amendment reflects the transfer of the license to New NSP. The safety evaluation supporting the conforming amendment was an enclosure to the above mentioned Order, issued on May 12, 2000.

Enclosure 2 contains two copies of Indemnity Agreement No. B-42 Amendment No. 14, which is required in connection with the transfer of the licenses. Please keep one copy for your records and sign and return the other copy.

The Notice of Issuance will be included in the Commission's biweekly *Federal Register* notice.

Sincerely,

Carl F. Lyon, Project Manager, Section 1  
Project Directorate III  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. 50-263

Enclosures: 1. Amendment No. 111 to DPR-22  
2. Indemnity Agreement

cc w/encls: See next page

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/RA/

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Office of Nuclear Reactor Regulation

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OFFICIAL RECORD COPY

Monticello Nuclear Generating Plant

cc:

J. E. Silberg, Esquire  
Shaw, Pittman, Potts and Trowbridge  
2300 N Street, N. W.  
Washington, DC 20037

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Resident Inspector's Office  
2807 W. County Road 75  
Monticello, MN 55362

Plant Manager  
Monticello Nuclear Generating Plant  
ATTN: Site Licensing  
Northern States Power Company  
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Monticello, MN 55362-9637

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414 Nicollet Mall  
Minneapolis, MN 55401



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

NORTHERN STATES POWER COMPANY

DOCKET NO. 50-263

MONTICELLO NUCLEAR GENERATING PLANT

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 111  
License No. DPR-22

1. The Nuclear Regulatory Commission (the Commission) has found that:
  - A. The application for amendment by Northern States Power Company (the licensee) dated October 29, 1999, as supplemented March 14 and April 25, 2000, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
  - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
  - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
  - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
  - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, the license is amended as indicated in the attachment to this license amendment.

3. This license amendment is effective as of its date of issuance and shall be implemented within 45 days.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "Samuel J. Collins". The signature is fluid and cursive, with a large initial 'S'.

Samuel J. Collins, Director  
Office of Nuclear Reactor Regulation

Attachment: Changes to the License

Date of Issuance: August 18, 2000

ATTACHMENT TO LICENSE AMENDMENT NO. 111

FACILITY OPERATING LICENSE NO. DPR-22

DOCKET NO. 50-263

Replace the following page of the License with the attached revised page. The revised page is identified by amendment number and contains marginal lines indicating the areas of change.

REMOVE

2

INSERT

2

- H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of the full-term Facility Operating License No. DPR-22, subject to the conditions for protection of the environment set forth herein, is in accordance with 10 CFR Part 50, Appendix D, of the Commission's regulations and all applicable requirements have been satisfied; and
  - I. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70.
2. The Provisional Operating License dated September 8, 1970, is superseded by Facility Operating License No. DPR-22 hereby issued to Northern States Power Company<sup>1</sup> and NMC to read as follows:
- A. This license applies to the Monticello Nuclear Generating Plant, Unit No. 1, a single cycle, forced circulation, boiling water nuclear reactor and electric generating equipment (the facility). The facility is located in Wright County on the Northern States' site in Wright and Sherburne Counties, Minnesota, and is described in the "Final Safety Analysis Report," as supplemented and amended (Amendment Nos. 9 through 28) and in its Environmental Report, as supplemented and amended.
  - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
    - 1. Pursuant to Section 104(b) of the Act, and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," Northern States Power Company to possess, and NMC to use, and operate the facility as a utilization facility at the designated location in Wright County, Minnesota, in accordance with the procedures and limitations set forth in this license.
    - 2. Pursuant to the Act and 10 CFR Part 70, NMC to receive, possess, and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operations, as described in the Final Safety Analysis Report, as supplemented and amended, and the licensee's filings dated August 16, 1974 (those portions dealing with handling of reactor fuel) and August 17, 1977 (those portions dealing with fuel assembly storage capacity);
    - 3. Pursuant to the Act and 10 CFR Parts 30, 40 and 70, NMC to receive, possess, and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;

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<sup>1</sup> Northern States Power Company was incorporated in Minnesota as a wholly owned subsidiary of Xcel Energy, Inc. effective August 18, 2000. This license, as amended, was amended effective this date to reflect the Commission's consent per 10 CFR Part 50, Section 50.80 to the license transfer approved by Order dated May 12, 2000.



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

Docket No. 50-263

AMENDMENT TO INDEMNITY AGREEMENT NO. B-42  
AMENDMENT NO. 14

Effective August 18, 2000, Indemnity Agreement No. B-42, between Northern States Power Company, and the Atomic Energy Commission, dated October 3, 1969, as amended, is hereby further amended to clarify that the licensee, "Northern States Power Company," is a newly formed utility operating company subsidiary of Northern States Power Company merged with New Century Energies, Inc.

FOR THE UNITED STATES NUCLEAR REGULATORY COMMISSION

A handwritten signature in cursive script, reading "Cynthia A. Carpenter", is positioned above the printed name.

Cynthia A. Carpenter, Chief  
Generic Issues, Environmental, Financial  
and Rulemaking Branch  
Division of Regulatory Improvement Programs  
Office of Nuclear Reactor Regulation

Accepted \_\_\_\_\_, 2000

By \_\_\_\_\_  
Northern States Power Company