

May 31, 2001

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

SUBJECT: ANNUAL ASSESSMENT LETTER - PRAIRIE ISLAND NUCLEAR PLANT
(REPORT 50-282/01-01; 50-306/01-01)

Dear Mr. Sorensen:

On May 1, 2001, the NRC staff completed its End-of-Cycle plant performance assessment of Prairie Island. The End-of-Cycle review for Prairie Island involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period April 2, 2000, to March 31, 2001. 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.

Overall, Prairie Island operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter was within the Regulatory Response Column of the NRC's Action Matrix. This is based on a White inspection finding in the Mitigating Systems Cornerstone identified in the 4th quarter of 2000. The White finding was caused by the simultaneous inoperability of the three safety-related cooling water (service water) pumps. The inoperability of the three pumps was the major cause of the five Performance Indicators going from Green to White. The PIs affected are: Unit 1 High Pressure Injection System and Residual Heat Removal System Unavailability PIs and the Unit 2 High Pressure Injection System, Auxiliary Feedwater System, and Residual Heat Removal System Unavailability PIs. Because the Significance Determination Process characterization pertains to the same underlying issue as the PIs, the NRC considers this to be a single issue within a cornerstone. A Supplemental Inspection, using Inspection Procedure 95001, will be conducted the week of June 25, 2001, to review the White inspection finding and the related White PIs.

The enclosure details the scheduled inspections that will occur through May 31, 2002. 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. For your information, the NRC is in the process of aligning the inspection and assessment cycle with the calendar year. In order to transition to a calendar year cycle (January 1 - December 31), the next inspection and assessment cycle will consist of only three quarters

(i.e., the second, third, and fourth calendar quarters of calendar year 2001). As a result, a quarterly review will be conducted for the third calendar quarter (July 1 - September 30) in lieu of a mid-cycle review. The impact on the inspection plan, which is included as an enclosure, is minimal. Activities planned for the transition cycle represent only 60-80 percent of those activities that would be accomplished during a typical 12-month inspection and assessment cycle.

In accordance with 10 CFR 2.790 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). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the changes as soon as possible. Please contact Roger Lanksbury at (630) 829-9631 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Geoffrey E. Grant, Director
Division of Reactor Projects

Docket Nos. 50-282; 50-306
License Nos. DPR-42; DPR-60

Enclosure: Prairie Island Inspection/Activity Plan

See Attached Distribution

DOCUMENT NAME: G:\EOC letters\Prairie Island 2001.wpd

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 M. Wadley, Chief Nuclear Officer
 Site Licensing Manager
 Nuclear Asset Manager
 J. Malcolm, Commissioner, Minnesota
 Department of Health
 State Liaison Officer, State of Wisconsin
 Tribal Council, Prairie Island Indian Community
 J. Silberg, Esquire
 Shawn, Pittman, Potts, and Trowbridge
 A. Neblett, Assistant Attorney General
 Office of the Attorney General
 S. Bloom, Administrator
 Goodhue County Courthouse
 Commissioner, Minnesota Department
 of Commerce

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