



April 16, 2008

L-HU-08-005  
10 CFR 50.80, 50.90  
10 CFR 72.50, 72.56

US Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington, DC 20555

Prairie Island Nuclear Generating Plant,  
Units 1 and 2  
Dockets 50-282 and 50-306  
License Nos. DPR-42 and DPR-60

Monticello Nuclear Generating Plant  
Docket 50-263  
Renewed License No. DPR-22

Prairie Island Independent Spent Fuel  
Storage Installation  
Docket 72-10  
Materials License No. SNM-2506

References: 1. NRC to NMC letter "Monticello Nuclear Generating Plant and  
Prairie Island Nuclear Generating Plant, Unit 1 and 2 – Indemnity  
Agreements, dated April 3, 2008.  
(TAC Nos. MD8060, MD8061 and MD8062)

APPLICATION FOR ORDER AND CONFORMING LICENSE AMENDMENTS TO  
TRANSFER OPERATING AUTHORITY UNDER FACILITY OPERATING LICENSES  
DPR-22, DPR-42, DPR-60, AND MATERIALS LICENSE SNM-2506

Pursuant to Section 184 of the Atomic Energy Act of 1954, 10CFR 50.80 and  
10CFR 72.50, Nuclear Management Co., LLC. (NMC), licensed operator for the  
Monticello Nuclear Generating Plant (MNGP), Prairie Island Nuclear Generating Plant  
(PINGP) and the PINGP Independent Spent Fuel Storage Installation (ISFSI) and  
Northern States Power Company, a Minnesota corporation (NSPM), an Xcel Energy  
Company, licensed owner of the aforementioned assets, hereby request an order  
consenting to the transfer of operating authority for those facilities from NMC to NSPM.  
This application also requests, pursuant to 10CFR 50.90 and 10CFR 72.56, conforming  
amendments to Operating License Nos. DPR-22 for MNGP, DPR-42 and DPR-60 for  
PINGP, and to Materials License SNM-2506 for the PINGP ISFSI, to reflect NSPM as  
the licensed operator thereunder and to designate NSPM as the licensee authorized to  
use and operate the MNGP, PINGP and PINGP ISFSI in accordance with the terms and  
conditions of the licenses.

With the sale of other nuclear assets previously managed by NMC, the integration of  
NMC into the current NSPM organization combines the ownership and operating

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authority into a single organization thus providing a corporate arrangement that combines the continued commitment and qualifications for the safe, reliable and cost-effective operation of the facilities.

This request to transfer operating authority and the conforming license amendments involve no change in plant ownership. NSPM will remain as owner of the MNGP, PINGP and PINGP ISFSI. All costs associated with operating these facilities will continue to be borne by NSPM. Accordingly, there will be no change in the financial qualifications of the party (NSPM) with ultimate responsibility for the safe operation, maintenance and decommissioning of the facilities.

The parties expect to complete this transition on or before October 1, 2008. There are no state regulatory approvals required for the transition. Accordingly, NSPM and NMC request the NRC to review this application on a schedule that will permit the issuance of the NRC order consenting to the transfer and the approval of the conforming administrative license amendments as promptly as possible and in any event within 6 months of the submittal date, as discussed during a recent meeting held between NRC staff and NMC. Such consent should be immediately effective upon issuance and should permit the transfer and implementation of the conforming license amendments to occur up to one year after issuance or such later date as the NRC may permit. The parties will inform the NRC of any significant changes in the status or other developments that may affect the schedule.

In accordance with 10CFR 50.91, a copy of this application, with enclosures, is being provided to the designated Minnesota official.

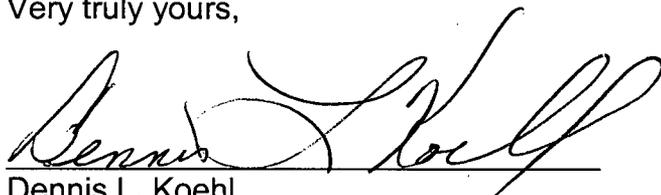
This letter contains no new commitments or revisions to existing commitments.

I declare under penalty of perjury that the foregoing is true and correct.

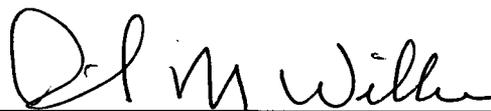
Executed on: APRIL 16, 2008

April 16, 2008

Very truly yours,



Dennis L. Koehl  
Vice President and Chief Nuclear Officer  
Nuclear Management Company, LLC  
Officer-Northern States Power Company



David M. Wilks  
Vice President and Officer  
Northern States Power Company

Enclosures: 4

cc: Regional Administrator, Region III, USNRC  
Project Manager, Monticello Nuclear Generating Plant, USNRC  
Project Manager, Prairie Island Nuclear Generating Plant, USNRC  
Resident Inspector, Monticello Nuclear Generating Plant, USNRC  
Resident Inspector, Prairie Island Generating Plant, USNRC  
Director, Spent Fuel Project Office  
State of Minnesota Representative

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the Matter of:

Monticello Nuclear Generating Plant	)	Docket No.	50-263
	)		
Prairie Island Nuclear Generating Plant	)	Docket Nos.	50-282
	)		50-306
	)		
Prairie Island Independent Spent Fuel	)	Docket No.	72-10
Storage Installation (ISFSI)	)		

**APPLICATION FOR ORDER AND CONFORMING LICENSE AMENDMENTS  
TO TRANSFER OPERATING AUTHORITY UNDER FACILITY OPERATING  
LICENSES DPR-22, DPR-42, DPR-60, AND MATERIALS LICENSE SNM-2506**

**I. Introduction/Overview**

Pursuant to Section 184 of the Atomic Energy Act of 1954, as amended (“AEA”), 10CFR 50.80, and 10CFR 72.50, Nuclear Management Company, LLC (“NMC”) and Northern States Power Company, a Minnesota corporation (“NSPM”) hereby apply to the Nuclear Regulatory Commission (“NRC”) for an order consenting to the transfer of the operating authority under Facility Operating Licenses DPR-22, DPR-42, DPR-60, and Materials License SNM-2506 (the “Licenses”) for the Monticello Nuclear Generating Plant (“Monticello”), the Prairie Island Nuclear Generating Plant (“Prairie Island”), and the Prairie Island Independent Spent Fuel Storage Installation (“Prairie Island ISFSI”) respectively. This Application seeks NRC’s consent to the transfer by NMC of its operating authority under the Licenses to NSPM. This Application also requests conforming amendments to the Licenses to delete references to NMC, and to authorize NSPM to operate Monticello, Prairie Island, and Prairie Island ISFSI, and to receive, possess, or use related licensed materials under the applicable conditions and authorizations included in the Licenses.

This Application does not request any amendments to the Licenses other than those administrative amendments necessary to reflect NSPM as the operator, and to delete provisions dealing solely with NMC. This Application does not request approval of any physical changes in Monticello, Prairie Island, or Prairie Island ISFSI or any changes to the conduct of operations. After transfer of the operating authority under the Licenses, Monticello, Prairie Island, and Prairie Island ISFSI will continue to be operated and maintained in accordance with Monticello, Prairie Island, and Prairie Island ISFSI's current licensing bases.

Marked-up pages showing the requested changes to the Licenses are provided as Enclosures 2, 3 and 4 to this Application. Pursuant to 10CFR 2.1315, these proposed amendments to the Licenses involve "no significant hazards consideration" and "no genuine issue as to whether the health and safety of the public will be significantly affected," because the Application does nothing more than conform the Licenses to reflect the administrative transfer of operating authority.

In summary, the proposed transfer of operating authority under the Licenses at Monticello, Prairie Island, and Prairie Island ISFSI to NSPM will be consistent with the requirements set forth in the AEA, NRC regulations, and relevant NRC licenses and orders. No physical changes will be made to Monticello, Prairie Island, or Prairie Island ISFSI, as a result of the proposed transfer and there will be no changes in the operation of the facilities. The proposed transfer of operating authority under the Licenses and conforming administrative amendments will not involve any changes to the current Monticello, Prairie Island, or Prairie Island ISFSI design or licensing bases, and will not have any adverse impact on the public health and safety nor be inimical to the common defense and security. This Application therefore requests that the NRC consent to the

transfer in accordance with 10CFR 50.80 and 10CFR 72.50 and approve the conforming administrative amendments pursuant to 10CFR 50.92 and 10CFR 72.58.

**II. Statement of Purpose of the Transfer of Licenses and the Nature of the Transaction Making the Transfer of Licenses Desirable**

In 2000, the NRC authorized NSPM, the owner of Monticello, Prairie Island, and Prairie Island ISFSI, to transfer operating authority for those facilities to the newly formed NMC.<sup>1</sup> NMC also obtained operating authority over facilities owned by IES Utilities, Inc., Consumers Energy Co., Wisconsin Electric Power Company, and Wisconsin Public Service Corporation. Because of the subsequent sale of those facilities to other entities, NMC now only has operating authority over facilities that continue to be owned by NSPM: Monticello, Prairie Island, and Prairie Island ISFSI. Thus, the integration of the NMC into NSPM permitted by the change in operating authority of the Licenses is focused primarily on the transfer of the personnel, processes, and procedures to ensure and enhance the continued safe, reliable, and effective operation of each of the units. NSPM continues to be committed to nuclear power as a key component of the company's balanced portfolio of generation assets.

Therefore, NMC and NSPM are requesting the transfer of the operating authority from NMC to NSPM under the Licenses.

Monticello is a single unit nuclear powered electric generating facility located on the Mississippi River in Monticello, Minnesota. Prairie Island is a dual unit nuclear powered electric generating facility located on the Mississippi River in Red Wing, Minnesota. The Prairie Island ISFSI is an independent spent fuel storage facility located on the PINGP site.

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<sup>1</sup> 65 Fed. Reg. 31,935 (May 19, 2000).

Upon completion of the transition, NSPM will resume full responsibility for the operation, maintenance and physical security of the facilities. NMC individuals who are employed at Monticello, Prairie Island, or whose work responsibilities are involved principally in the operation of Monticello, Prairie Island, or Prairie Island ISFSI assets will transition to become NSPM employees and thus maintaining the same structure, technical qualifications and processes currently used in the safe operation of the facilities. Upon transfer of the operating authority under the Licenses from NMC, NSPM will assume NMC labor agreements as they currently exist and honor those agreements for their term. During the term of the agreements, to the extent issues arise, NSPM will negotiate in the interim in accordance with the provisions of the labor agreements. Upon expiration of the agreements, NSPM will assume general negotiations as it is standard industry practice.

No physical changes to the facilities are being proposed as part of this Application. The conforming amendments that are being requested are limited to those amendments necessary to reflect the new operator and its organization, and to delete references to NMC. NSPM will assume all regulatory commitments and will continue to comply with the current licensing bases of the facilities.

### **III. General Information Regarding Transferee**

The information required in an application for the transfer of operating authority under licenses pursuant to 10CFR 50.80 is set forth below. This information demonstrates that the requested transfer complies with the requirements of the AEA and applicable NRC regulations.

**A. Name and Address**

The name and registered office of the transferee currently is:

Northern States Power Company, a Minnesota corporation  
414 Nicollet Mall  
Minneapolis, MN 55401-1927

**B. Description of Business**

Northern States Power Company, a Minnesota corporation (NSPM), is a utility principally involved in the generation, purchase, transmission, distribution and sale of electricity. NSPM is a wholly owned utility operating company subsidiary of Xcel Energy, Inc. ("Xcel Energy"). Xcel Energy, a Minnesota corporation, is a major U.S. electric and natural gas company that operates in eight Western and Midwestern states and provides a comprehensive portfolio of energy-related products and services to approximately 3.3 million electricity customers and 1.8 million natural gas customers.

**C. Organization and Management**

NSPM is a Minnesota corporation. Its principal place of business is Minneapolis, Minnesota.

The names and addresses of the directors and principal officers of NSPM, all of whom are U.S. citizens, are listed below:

**NSPM DIRECTORS**

Richard C. Kelly

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

Paul J. Bonavia

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

Benjamin GS Fowke III

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

David M. Sparby

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

NSPM PRINCIPAL OFFICERS

Richard C. Kelly  
Chairman

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

Cynthia L. Leshner  
President and Chief Executive Officer

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

David M. Sparby  
Executive Vice President, Acting President and Chief Executive Officer

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

Paul J. Bonavia  
Vice President

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

Raymond E. Gogel  
Vice President

Business address: 550 15<sup>th</sup> Street  
Denver, CO 80202

Michael C. Connelly  
Vice President and General Counsel

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

David M. Wilks  
Vice President

Business address: 4653 Table Mountain Drive  
Golden, CO 80403

Dennis L. Koehl  
Vice President and Chief Nuclear Officer

Business address: 250 Marquette Avenue,  
Minneapolis, MN 55401

Benjamin GS Fowke III  
Chief Financial Officer

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

Cathy J. Hart  
Vice President and Secretary

Business address: 414 Nicollet Mall,  
Minneapolis, MN 55401

**D. No Foreign Ownership or Control**

NSPM is not owned, controlled or dominated by an alien, a foreign corporation, or a foreign government.

**E. No Agency**

In seeking to become the licensed operator of Monticello, Prairie Island, and Prairie Island ISFSI, NSPM is not acting as the agent or representative of another person. As the licensed operator of Monticello, Prairie Island, and Prairie Island ISFSI after the transfer of operating authority under the Licenses, NSPM will act for itself.

**F. Relationship to Shareholders**

NSPM is a wholly owned utility operating company subsidiary of Xcel Energy.

## **G. Technical Qualifications**

Substantially all of Monticello, Prairie Island, and Prairie Island ISFSI's staff and on-site operating organization, as well as off-site employees involved principally in Monticello, Prairie Island, and Prairie Island ISFSI operation, are expected to become NSPM employees after the transfer of the Licenses. Therefore, the technical qualifications of the organization operating Monticello, Prairie Island, and Prairie Island ISFSI will be essentially unaffected. The attached organization chart (Figure 1) depicts the lines of accountability and decision making for the NSPM nuclear organization to be implemented upon license transfer approval.

The on-site organization and plant staff, including senior managers, will remain essentially unchanged by the transfer. (Refer to Figure 1). Similarly, other than realignment of administrative and support services (such as accounting, business services, and information technology), the organizational structure of the on-site organization, including lines of authority and communication, is not expected to be changed by the transfer. Certain off-site support services currently being performed by NMC will be assumed by NSPM. If NSPM determines that any senior management changes will be made contemporaneously with the transfer, NSPM will ensure that the new individuals meet all existing qualification requirements and will inform the NRC prior to the transfer of operating authority under the Licenses.

## **H. Financial Qualifications**

NSPM is an "electric utility" within the meaning of 10CFR 50.2, and as such, under 10CFR 50.33(f), it is not required to provide evidence of financial qualifications as part of this Application. In addition, the requested transfer of operating authority and the conforming license amendments involve no change in facilities ownership. NSPM remains the owner of Monticello, Prairie Island, and Prairie Island ISFSI, and all costs

associated with operating these facilities will continue to be borne by NSPM to the same extent as they are now. Accordingly, there will be no change in the financial qualifications of the party ultimately responsible for the safe operation, maintenance, and decommissioning of Monticello, Prairie Island, and Prairie Island ISFSI.

Compliance with Section 1.G of the MNGP Operating License and Sections 1.F of the PINGP Operating Licenses, (10CFR Part 140 requirements for Indemnity Agreements) was validated via NRC to NMC letter (Reference 1) dated April 3, 2008 which contains the NRC staff's evaluation that NSPM is in full compliance with 10CFR Part 140.

**I. Decommissioning Funding Assurance**

NSPM is already responsible for decommissioning of Monticello, Prairie Island and the Prairie Island ISFSI. Thus, the transfer of operating authority under the Licenses will have no impact on decommissioning financing.

**J. Antitrust Review**

The NRC has determined that antitrust reviews of post-operating license transfer applications are neither required nor authorized by the AEA, and therefore no antitrust information is required in connection with this Application.<sup>2</sup>

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<sup>2</sup> Final Rule, Antitrust Review Authority: Clarification, 65 Fed. Reg. 44,649 (July 19, 2000); see also *Kansas Gas and Electric Co.* (Wolf Creek Generating Station, Unit 1), CLI-99-19, 49 NRC 441 (June 1999).

## **K. Other Licensing Considerations**

### **1. Spent Fuel Contracts and Spent Fuel Management**

NSPM already has title to and financial responsibility for spent nuclear fuel at or associated with Monticello, Prairie Island, and Prairie Island ISFSI, including the rights and obligations under the Standard Contracts with the Department of Energy (“DOE”).

### **2. Nuclear Insurance**

NSPM is already responsible for the nuclear property damage insurance and nuclear energy liability insurance of Monticello, Prairie Island, and Prairie Island ISFSI. Thus, the transfer of operating authority under the Licenses has no impact on nuclear insurance.

### **3. Off-site Power**

Off-site power to Monticello and Prairie Island is currently provided over transmission and distribution facilities owned by NSPM. This arrangement will not change as a result of the proposed license transfer. NSPM will continue to operate its interconnection facilities in compliance with NRC’s maintenance rule (10CFR 50.65) and other NRC requirements and licensee commitments.

### **4. Control of Exclusion and Controlled Areas**

NSPM owns or controls the property within the exclusion areas of Monticello and Prairie Island and the controlled area for the Prairie Island ISFSI. Upon transfer of operating authority under the Licenses, NSPM will assume the right to control activities and remove or exclude personnel in these areas.

### **5. Continuation of the Current Licensing Basis**

This Application does not request approval of or involve any physical changes in the facilities, in plant configuration, or to the conduct of operations. After the transfer of the operating authority under the Licenses, the facilities will continue to be operated and

maintained in accordance with their licensing basis, and NSPM will assume all regulatory commitments. There will be no change in the current licensing basis for Monticello, Prairie Island, and Prairie Island ISFSI associated with the transfer of the operating authority under the Licenses.

NSPM will assume responsibility of documents, correspondence, books, records, medical records, operating, safety and maintenance manuals, inspection reports, drawings, models, engineering designs, blueprints, as-built plans, specifications, procedures, studies, reports, quality assurance records, purchasing records and equipment repair, data, safety, maintenance or service records relating to the design, construction, licensing, regulation, operation or decommissioning of the facilities. NSPM will also acquire rights to any documents owned by third parties and licensed to NMC which are used in or necessary to the licensing, operation, or decommissioning of the facility.

**a. Quality Assurance Program**

Upon transfer, NSPM will adopt the current 10CFR Part 50, Appendix B Quality Assurance Topical Report (QATR) that is currently implemented by NMC. NSPM anticipates that no substantive changes will be made to the existing QA organization as a result of the transfer of operating authority under the Licenses to NSPM. NSPM anticipates that no changes will be made as a result of the transfer of operating authority under the Licenses that will result in a reduction in the commitments in the QA Program descriptions previously approved by the NRC.

Any future changes that may be made to the existing Monticello and Prairie Island QA Program developed and implemented by the NMC will be made in accordance with 10CFR 50.54(a). If NSPM identifies any changes to the QA Program that would result in a reduction in commitments, application to the NRC will be made;

any such proposed changes will be implemented in accordance with the provisions of 10CFR 50.54 (a) (3) . Determinations as to whether any proposed change(s) would result in a reduction in commitments will be made in accordance with Monticello and Prairie Island's currently approved plans, programs and procedures in compliance with the requirements of 10CFR 50.54(a).

**b. Emergency Preparedness**

Upon transfer, NSPM will assume the authority and responsibility for functions necessary to fulfill the emergency planning and preparedness requirements specified in 10CFR 50.47(b) and 10CFR Part 50, Appendix E, and will assume the existing Monticello, Prairie Island, and Prairie Island ISFSI emergency plans. NSPM anticipates that no changes to the emergency plans will be made that will result in a decrease in the effectiveness of the plans, and that the plans will continue to meet the standards of 10CFR 50.47(b) and the requirements of 10CFR Part 50, Appendix E. The transfer of the operating authority under the Licenses will not adversely affect the effectiveness of the emergency planning organization or compliance with emergency preparedness requirements. The current Emergency Response Organization (ERO) will continue to perform the required duties under the respective Emergency Plans and implementing procedures.

Any changes made to the existing Monticello, Prairie Island, and Prairie Island ISFSI emergency plans will be made in accordance with 10CFR 50.54(q). Any specific emergency plan changes will be submitted to the NRC within thirty (30) days after the changes are made, pursuant to 10CFR 50.54(q) and 10CFR Part 50, Appendix E, Section IV. If NSPM were to identify any proposed changes that would decrease the effectiveness of the approved emergency plans, application to the NRC will be made and such proposed changes will not be implemented until approved by the NRC.

Determinations as to whether any proposed change(s) would result in a decrease in effectiveness will be made in accordance with Monticello, Prairie Island, and Prairie Island ISFSI currently approved plans, programs, and procedures in compliance with the requirements of 10CFR 50.54 (q).

In sum, the transfer of operating authority under the Licenses will not adversely affect compliance with emergency preparedness requirements.

**c. Security Plans**

Upon transfer of operating authority under the Licenses, NSPM will assume the authority and responsibility for the functions necessary to fulfill the security planning requirements specified in 10CFR Part 73, and will assume the existing NRC-approved physical security, guard training and qualification, and safeguards contingency plans, as well as all commitments in response to the NRC's Security Orders pertaining to Monticello, Prairie Island, and Prairie Island ISFSI. NSPM anticipates that no changes will be made as a result of the transfer of operating authority under the Licenses that will result in a decrease in the effectiveness of the plans, and that the plans will continue to meet existing regulatory requirements.

Any changes made to the plans will be made in accordance with 10CFR 50.54(p). Any specific security plan changes will be submitted to the NRC within two months after the changes are made, pursuant to 10CFR 50.54(p)(2). If NSPM identifies any proposed change that would decrease the effectiveness of the approved security plans, application to the NRC will be made, and such proposed changes will not be implemented until approved by the NRC. Determination as to whether any proposed change(s) would result in a decrease in effectiveness will be made in accordance with Monticello, Prairie Island, and Prairie Island ISFSI currently approved security plans, programs, and procedures in compliance with the requirements of 10CFR 50.54(p).

**d. Updated Safety Analysis Report**

The proposed transfer of operating authority under the Licenses and conforming administrative License amendments will not change or invalidate information presently appearing in the Updated Safety Analysis Reports (“USAR”) for Monticello and Prairie Island or the Safety Analysis Report for the Prairie Island ISFSI, with the exception of the information changed as a result of this Application. Changes necessary to accommodate the proposed transfer and conforming administrative license amendments will be incorporated into the USAR in accordance with 10CFR 50.71(e) following NRC approval of the request for consent to transfer operating authority under the Licenses. Changes necessary to accommodate the proposed transfer and conforming administrative license amendments will be incorporated into the Prairie Island ISFSI Safety Analysis Report in accordance with 10CFR 72.70(b) following NRC approval of the request for consent to transfer operating authority under the Licenses.

**L. Restricted Data and Classified Nuclear Security Information**

This Application does not contain any Restricted Data or other classified defense information, and it is not expected that any such information will be required by the licensed activities at Monticello, Prairie Island, and Prairie Island ISFSI. In the event that licensed activities do involve Restricted Data in the future, NSPM agrees to appropriately safeguard such information and it will not permit any individual to have access to Restricted Data or National Security Information until the Office of Personnel Management investigates and reports to the NRC on the character, associations and loyalty of such individual, and the NRC determines that permitting such person to have access to Restricted Data will not endanger the common defense and security of the United States.

#### **M. Environmental Considerations**

The proposed transfer of operating authority under the Licenses will not result in any change in the types, or any increase in the amounts, of any effluents that may be released off-site, and will not cause any increase in individual or cumulative occupational radiation exposure. Further, as specified in 10CFR 51.22(c) (21), the NRC has determined that license transfers are categorically exempted from further environmental review. Accordingly, the transfer of operating authority under the Licenses will involve no significant environmental impact.

#### **IV. Schedule**

The parties are seeking to complete the proposed transition promptly, consistent with receipt of all required regulatory approvals. NSPM and NMC anticipate completion of the transition into NSPM on or before October 1, 2008. Accordingly, the parties request that the NRC complete its review and issue the transfer consent and conforming license amendments expeditiously, with a target of 6 months from the submittal date. This would be consistent with the NRC's stated objective discussed during our recent meeting at your offices.

The parties request and expect that, consistent with past NRC practice, the NRC's consent will be effective immediately upon issuance and will permit the transfer and implementation of the conforming Licenses amendments at any time within twelve (12) months following the date of issuance by the NRC. Consistent also with past NRC practice, NSPM and NMC would provide notification to the NRC of the actual date and time of transfer of operating authority as approved by the consent order.

No approval or other action is required by any state regulatory agency, prior to the transition. The parties do not expect any delays beyond the staff's approval of this

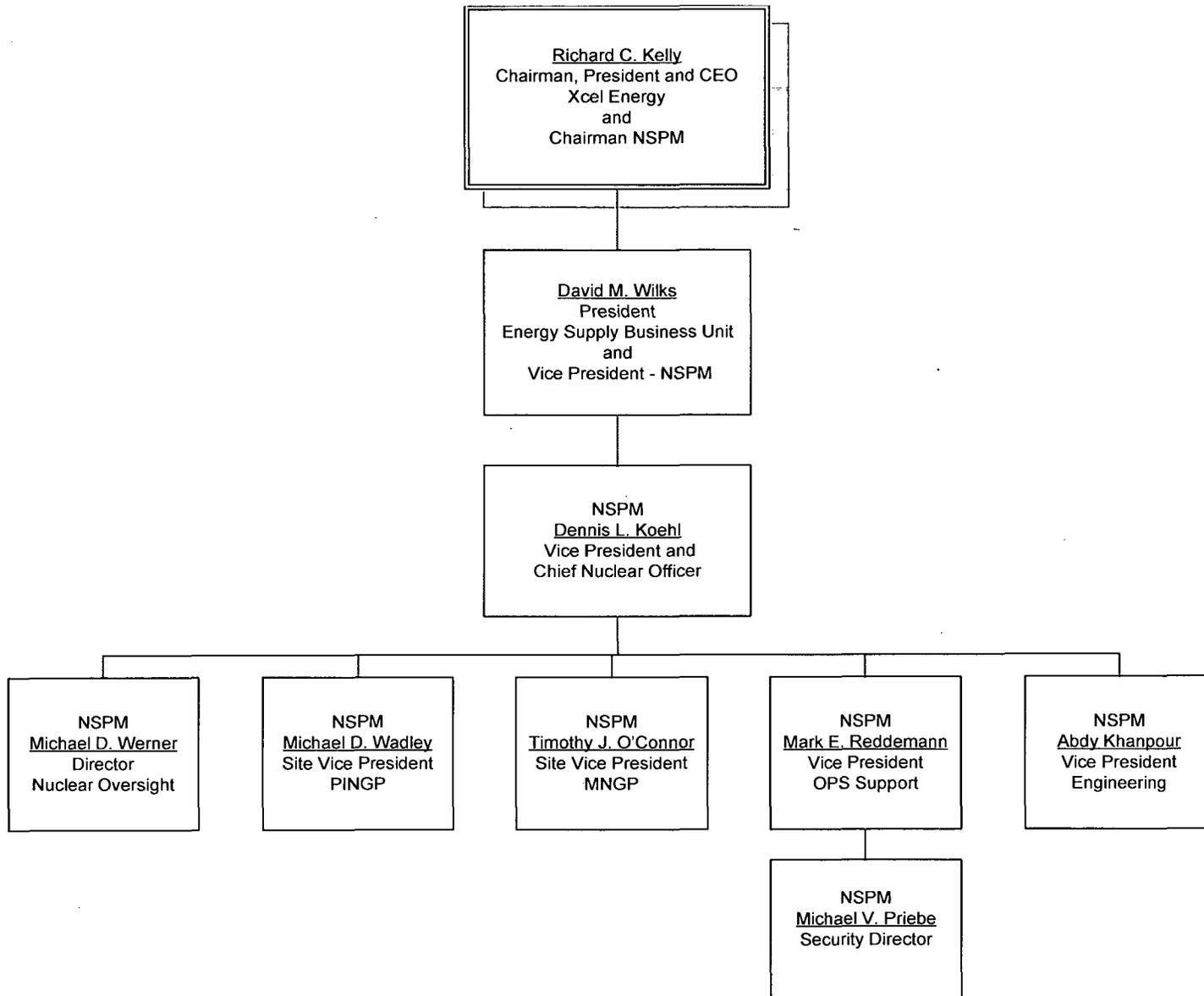
amendment and as such, request the issuance of the respective conforming amendments to the Licenses to be issued concurrent with the order approving the transfer of operating authority.

**V. Conclusions**

For the foregoing reasons, the proposed transfer of operating authority under the Licenses will not: (1) have any adverse impact on the operation of Monticello, Prairie Island, or Prairie Island ISFSI; (2) adversely affect the managerial, technical or financial qualifications of the licensed operator of the facilities; (3) impair any licensee's financial qualifications; (4) result in foreign ownership, control or domination over any NRC licensee; or (5) require any additional NRC reviews. In conclusion, the proposed transfer will not be inimical to the common defense and security or result in any undue risk to public health and safety, and will be consistent with the requirements of the AEA and the NRC regulations.

Accordingly, and based on the foregoing information, the parties respectfully request that the NRC issue (1) an Order approving the transfer of NMC's operating authority to NSPM, and (2) the associated conforming administrative amendments to Facility Operating Licenses DPR-22, DPR-42, DPR-60, and Materials License SNM-2506.

**FIGURE 1**  
**NSPM SIMPLIFIED ORGANIZATION EFFECTIVE UPON TRANSFER OF OPERATING AUTHORITY**



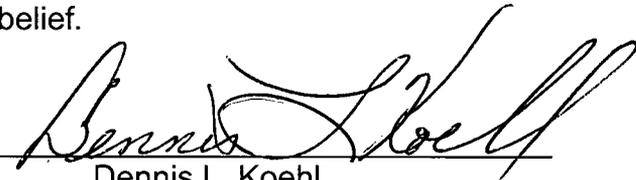
UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the Matter of:

Monticello Nuclear Generating Plant	)	Docket No. 50-263
	)	
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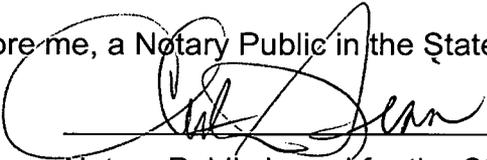
AFFIRMATION

I, Dennis L. Koehl, being duly sworn, hereby depose and state that I am the Vice President and Chief Nuclear Officer, for Nuclear Management Company, LLC (NMC); that I am duly authorized to file with the Nuclear Regulatory Commission the attached Application For Order And Conforming License Amendments To Transfer Operating Authority Under Facility Operating Licenses DPR-22, DPR-42, DPR-60, and Materials License SNM-2506; that I am familiar with the content thereof; and that the matters set forth therein pertaining to NMC and the Monticello Nuclear Generating Plant, the Prairie Island Nuclear Generating Plant, and the Prairie Island Independent Spent Fuel Storage Installation, including the information in Enclosures 1 thru 4 provided, are true and correct to the best of my knowledge and belief.

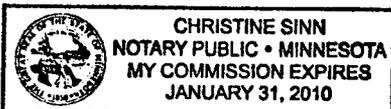
  
Dennis L. Koehl  
Vice President and Chief Nuclear Officer

STATE OF MINNESOTA )  
COUNTY OF Hennepin )

Subscribed and sworn to before me, a Notary Public in the State of Minnesota,  
this 16<sup>th</sup> day of April, 2008.

  
Notary Public in and for the State of Minnesota

My Commission expires: January 31, 2010



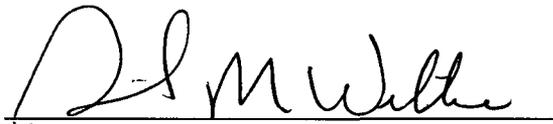
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Prairie Island Independent Spent Fuel Storage Installation (ISFSI)	)	Docket No. 72-10

AFFIRMATION

I, David M. Wilks, being duly sworn, hereby depose and state that I am Vice President of Northern States Power Company; that I am duly authorized to file with the Nuclear Regulatory Commission the attached Application For Order And Conforming License Amendments To Transfer Operating Authority Under Facility Operating Licenses DPR-22, DPR-42, DPR-60, and Materials License SNM-2506; that I am familiar with the content thereof; and that the matters set forth therein pertaining to NSPM and the Monticello Nuclear Generating Plant, the Prairie Island Nuclear Generating Plant, and the Prairie Island Independent Spent Fuel Storage Installation, including the information in Enclosures 1 thru 4 provided, are true and correct to the best of my knowledge and belief.



David M. Wilks  
Vice President

STATE OF MINNESOTA )

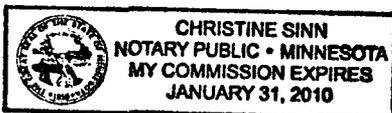
COUNTY OF HENNEPIN )

Subscribed and sworn to before me, a Notary Public in the State of Minnesota,  
this 14<sup>th</sup> day of April, 2008.



Notary Public in and for the State of Minnesota

My Commission expires: January 31, 2010



## LIST OF ENCLOSURES

Enclosure 1. Proposed Changes to Facility Operating Licenses and Materials License Associated with the Proposed Transfer of the Operating Authority of Monticello Nuclear Generating Plant, Prairie Island Nuclear Generating Plant, and Prairie Island Independent Spent Fuel Storage Installation from Nuclear Management Company, LLC to Northern States Power Company (NSPM).

Enclosure 2. Marked-up Operating License and Technical Specifications Pages for Monticello Nuclear Generating Plant.

Enclosure 3. Marked-up Operating License and Technical Specifications Pages for Prairie Island Nuclear Generating Plant.

Enclosure 4. Marked-up Special Nuclear Materials License and Technical Specifications for Prairie Island Independent Spent Fuel Storage Installation.

# ENCLOSURE 1

**Proposed Changes to Facility Operating Licenses and Materials License  
Associated with the Proposed Transfer of the Operating Authority of  
Monticello Nuclear Generating Plant, Prairie Island Nuclear Generating Plant,  
and Prairie Island Independent Spent Fuel Storage Installation  
from Nuclear Management Company, LLC to Northern States Power Company**

1. Reason for the Changes.

With the sale of other nuclear assets previously managed by NMC, the integration of NMC into the current NSPM organization combines the ownership and operating authority into a single organization thus providing a corporate arrangement that combines the continued commitment and qualifications for the safe , reliable and cost-effective operation of the those facilities thus necessitating the submittal of conforming changes to the Facility Operating Licenses (including appendices) for the Monticello Nuclear Generating Plant (“Monticello”), the Prairie Island Nuclear Generating Plant (“Prairie Island”), and Materials License for the Prairie Island Independent Spent Fuel Storage Installation (“Prairie Island ISFSI”). The proposed changes delete references to NMC as the operator of Monticello, Prairie Island, and the Prairie Island ISFSI and replace them with references to NSPM. Other minor administrative changes are also be implemented as shown below to facilitate the transfer of the operating authority under Licenses.

2. Basis for the Changes.

After the transfer of the Licenses, NMC will retain no responsibility for the regulatory obligations contained in Licenses DPR-22, DPR-42, DPR-60 and SNM-2506 for Monticello, Prairie Island, and Prairie Island ISFSI. Accordingly, the entity to which that responsibility is being transferred, NSPM, must be identified in the Facility Operating Licenses and Materials License.

### 3. Safety Assessment.

The proposed changes to the Facility Operating Licenses for Monticello, Prairie Island, and Prairie Island ISFSI identify NSPM as the operator of the facilities and make minor changes that support the transfer of the Licenses. No physical modifications are being made to plant systems or components nor are any significant changes in the operation of the facilities being made.

#### No Significant Hazards Consideration Determination

The proposed changes to the licenses are purely involved with the transfer of the licenses. The proposed changes delete the references in the licenses to the Nuclear Management Company (NMC) and maintain Northern States Power Co., a Minnesota corporation (NSPM), as the owner and operating authority.

In its regulations, at 10CFR 2.1315, The Nuclear Regulatory Commission (NRC) has made a generic determination regarding No Significant Hazards Consideration (NSHC) determinations required by 10CFR 50.92. The determination is applicable to license amendments involving license transfers. In brief, the rule states that the NRC has determined that any amendment to the license of a utilization facility which does no more than conform the license to reflect the transfer action, does not involve a NSHC.

The proposed changes contained in this license amendment application are intended solely to conform the Monticello, Prairie Island and Prairie Island ISFSI facility Operating Licenses and associated Technical Specifications to reflect the change in operating authority of the license transfers and thus meet the criteria specified by 10CFR 2.1315.

Therefore, the proposed changes are administrative in nature and will not adversely affect nuclear safety or safe plant operation.

4. Description of the Proposed Changes.

The proposed changes to the Facility Operating Licenses for Monticello and Prairie Island, and the and Materials License for the Prairie Island ISFSI include the following:

(1) the deletion of references to NMC as operator of Monticello, Prairie Island, and Prairie Island ISFSI, and (2) the authorization of NSPM to operate Monticello, Prairie Island, and Prairie Island ISFSI under essentially the same conditions and authorization included in the existing Licenses.

**ENCLOSURE 2**

**Marked-up Renewed Operating License**

**No. DPR-22**

**And**

**Technical Specifications Pages**

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**Monticello Nuclear Generating Plant**

**Docket No. 50-263**

FACILITY OPERATING LICENSE DPR-22  
FOR  
MONTICELLO NUCLEAR GENERATING  
PLANT - UNIT 1  
MONTICELLO, MINNESOTA  
NORTHERN STATES POWER COMPANY  
NUCLEAR MANAGEMENT COMPANY, LLC |  
DOCKET NO. 50-263

November 8, 2006

NORTHERN STATES POWER COMPANY  
NUCLEAR MANAGEMENT COMPANY, LLC

DOCKET NO. 50-263

MONTICELLO NUCLEAR GENERATING PLANT, UNIT NO. 1

RENEWED FACILITY OPERATING LICENSE

License No. DPR-22

1. The Nuclear Regulatory Commission (NRC or the Commission), having previously made the findings set forth in License No. DPR-22 issued on January 9, 1981, has now found that:
  - A. The application to renew operating License No. DPR-22 filed by Nuclear Management Company, LLC\* (NMC) 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, and all required notifications to other agencies or bodies have been duly made;
  - A.B. Construction of the Monticello Nuclear Generating Plant, Unit No. 1 (the facility), has been completed in conformity with Construction Permit No. CPPR-31 and the application, the provisions of the Act, and the regulations of the Commission;
  - B.C. Actions have been identified and have been or will be taken with respect to (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1), and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by this renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3, for the facility, and that any changes made to the facility's current licensing basis in order to comply with 10 CFR 54.29(a) are in accordance with the Act and the Commission's regulations;
  - D. The facility will operate in conformity with the application, the provisions of the Act, and regulations of the Commission;
  - E. There is reasonable assurance: (i) that the activities authorized by this renewed operating license 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 set forth in 10 CFR Chapter I;

\* Nuclear Management Company, LLC, hereinafter referred to as NMC, succeeds Northern States Power Company as operator of the Monticello Nuclear Generating Plant. Consequently, NMC is authorized to act as agent for Northern States Power Company and has exclusive responsibility and control over physical construction, operation, and maintenance of the facility. NMC is maintained as historical information.

- F. ~~Northern States Power Company (NSPM) NMC~~ is technically qualified and ~~Northern States Power Company~~ is financially qualified to engage in the activities authorized by this renewed operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
  - ~~A.G. Northern States Power Company and NMC have~~ NSPM has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
  - H. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
  - I. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this renewed 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 51 (formerly Appendix D to Part 50), of the Commission's regulations and all applicable requirements have been satisfied; and
  - J. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this renewed operating license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70.
2. The Facility Operating License No. DPR-22 dated January 9, 1981, is superseded by Renewed Facility Operating License No. DPR-22, hereby issued to Northern States Power Company<sup>1</sup> ~~(NSPM) and NMC~~ to read as follows:
- A. This renewed operating 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 (NSPM) 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 limitation set forth in this license;

<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.

2. Pursuant to the Act and 10 CFR Part 70, ~~NMC-NSPM~~ 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-NSPM~~ 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;
4. Pursuant to the Act and 10 CFR Parts 30, 40 and 70, ~~NMC-NSPM~~ to receive, possess, and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- ~~3.5.~~ Pursuant to the Act and 10 CFR Parts 30 and 70, ~~NMC-NSPM~~ to possess, but not separate, such byproduct and special nuclear material as may be produced by operation of the facility.

C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission, now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

1. Maximum Power Level

~~NMC-NSPM~~ is authorized to operate the facility at steady state reactor core power levels not in excess of 1775 megawatts (thermal).

~~1.2.~~ Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. ~~151~~, are hereby incorporated in the license. ~~NMC-NSPM~~ shall operate the facility in accordance with the Technical Specifications.

3. Physical Protection

~~NMC-NSPM~~ shall implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and

Renewed License No. DPR-22  
Amendment No. 1 thru 151

Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p)(2). The combined set of plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Monticello Nuclear Generating Plant Physical Security, Training and Qualification, and Safeguards Contingency Plan," with revisions submitted through May 12, 2006.

4. Fire Protection

~~NMC-NSPM~~ shall implement and maintain in effect all provisions of the approved fire protection program as described in the Updated Safety Analysis Report for the facility and as approved in the SER dated August 29, 1979, and supplements dated February 12, 1981 and October 2, 1985, subject to the following provision:

~~NMC-NSPM~~ may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

5. Emergency Preparedness Plan

~~NMC-NSPM~~ shall follow and maintain in effect emergency plans which meet the standards of 10 CFR 50.47(b) and the requirements in 10 CFR 50, Appendix E, including amendments and changes made pursuant to the authority of 10 CFR 50.54(q). The licensee shall meet the requirements of 10 CFR 50.54(s), 50.54(t), and 50.54(u).

6. TMI Action Plan

~~Northern States Power Company~~ ~~NSPM~~ has satisfactorily met all TMI-2 Lessons Learned Category "A" requirements applicable to the facility. Northern States Power Company shall make a timely submittal in response to the letter dated October 31, 1980 regarding post-TMI requirements from Darrell G. Eisenhut, Director, Division of Licensing, Office of Nuclear Reactor Regulation to All Licensees of Operating Plants and Applicants for Operating Licenses and Holders of Construction Permits (NUREG0737).

3-7. Repairs to the Recirculation System Piping

The repairs to the recirculation system piping are approved and the unit is hereby authorized to return to power operation, subject to the following condition:

Prior to the startup of Cycle 11, ~~Northern States Power Company~~ ~~NSPM~~ shall submit by August 1, 1983 for the Commission's review and

approval, a program for inspection and/or modification of the recirculation system piping.

8. Additional Conditions

The Additional Conditions contained in Appendix C, as revised through Amendment No. 140, are hereby incorporated into this license. ~~NMC-~~ NSPM shall operate the facility in accordance with the Additional Conditions.

9. Implementation of New and Revised Surveillance Requirements

For surveillance requirements that are new in Amendment No. 146, the first performance is due at the end of the first surveillance interval, which begins on the date of implementation of this amendment.

For surveillance requirements that existed prior to Amendment No. 146, whose intervals of performance are being reduced, the first reduced surveillance interval begins upon completion of the first surveillance performed after implementation of this amendment.

For surveillance requirements that existed prior to amendment No. 146 that have modified acceptance criteria, the first performance is due at the end of the first surveillance interval that began on the date the surveillance was last performed prior to the implementation of this amendment.

For surveillance requirements that existed prior to Amendment No. 146, whose intervals of performance are being extended, the first extended surveillance interval begins upon completion of the last surveillance performed prior to implementation of this amendment.

10. Removed Details and Requirements Relocated to Other Controlled Documents

License Amendment No. 146 authorizes the relocation of certain technical specifications to other licensee-controlled documents. Implementation of this amendment shall include relocation of these requirements to the specified documents, as described in (1) Section 5.0 of the NRC staff's Safety Evaluation, and (2) Table LA, Removed Detail Changes, and Table R, Relocated Specifications, attached to the NRC staff's Safety Evaluation.

- D. ~~NMC-~~ NSPM shall immediately notify the NRC of any accident at this facility which could result in an unplanned release of quantities of fission products in excess of allowable limits for normal operation established by the Commission.

- E. ~~Northern States Power Company~~ NSPM shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.
- F. ~~NMC~~ NSPM shall observe such standards and requirements for the protection of the environment as are validly imposed pursuant to authority established under Federal and State law and as determined by the Commission to be applicable to the facility covered by this renewed facility operating license.
- G. The Updated Safety Analysis Report supplement, as revised, submitted pursuant to 10 CFR 54.21(d), shall be included in the next scheduled update to the Updated Safety Analysis Report required by 10 CFR 50.71(e)(4) following the issuance of this renewed operating license. Until that update is complete, ~~NMC~~ NSPM may make changes to the programs and activities described in the supplement without prior Commission approval, provided that ~~NMC~~ NSPM evaluates such changes pursuant to the criteria set forth in 10 CFR 50.59 and otherwise complies with the requirements in that section.
- H. The Updated Safety Analysis Report supplement, as revised, describes certain future activities to be completed prior to the period of extended operation. ~~NMC~~ NSPM shall complete these activities no later than September 8, 2010, and shall notify the NRC in writing when implementation of these activities is complete and can be verified by NRC inspection.
- I. All capsules in the reactor vessel that are removed and tested must meet the test procedures and reporting requirements of the most recent NRC-approved version of the Boiling Water Reactor Vessels and Internals Project (BWRVIP) Integrated Surveillance Program (ISP) appropriate for the configuration of the specimens in the capsule. All capsules placed in storage must be maintained for future insertion. Any changes to storage requirements must be approved by the NRC, as required by 10 CFR Part 50, Appendix H.
- J. This renewed operating license is effective as of the date of issuance and shall expire at midnight, September 8, 2030.

FOR THE NUCLEAR REGULATORY COMMISSION

J. E. Dyer, Director  
Office of Nuclear Reactor Regulation

Attachments: 1. Appendix A - Technical Specifications  
2. Appendix B - (Deleted per Amendment 15, 12/17/82)  
3. Appendix C - Additional Conditions

Date of Issuance: ~~November 08, 2006~~

Renewed License No. DPR-22

APPENDIX A  
TO  
FACILITY OPERATING LICENSE DPR-22  
TECHNICAL SPECIFICATIONS  
FOR  
MONTICELLO NUCLEAR GENERATING PLANT  
UNIT 1  
MONTICELLO, MINNESOTA  
NORTHERN STATES POWER COMPANY  
NUCLEAR MANAGEMENT COMPANY, LLC  
DOCKET NO. 50-263

**ENCLOSURE 3**

**Marked-up Operating License**

**Nos. DPR-42 and DPR-60**

**And**

**Technical Specifications Pages**

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**Prairie Island Nuclear Generating Plant**

**Docket Nos. 50-282 and 50-306**

NORTHERN STATES POWER COMPANY

NUCLEAR MANAGEMENT COMPANY, LLC

DOCKET NO. 50-282

PRAIRIE ISLAND NUCLEAR GENERATING PLANT, UNIT 1

FACILITY OPERATING LICENSE

License No. DPR-42  
Amendment No. 153

1. The Atomic Energy Commission (the Commission) having found that:
  - A. The application for license filed by Northern States Power Company\* (NSPM) 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 and that all required notifications to other agencies or bodies have been duly made;
  - B. Construction of the Prairie Island Nuclear Generating Plant, Unit 1 (the facility), has been substantially completed in conformity with Provisional Construction Permit No. CPPR-45, as amended, the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
  - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
  - D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
  - E. ~~NMC is technically qualified and Northern States Power Company~~ NSPM is technically and is financially qualified to engage in the activities authorized by this operating license in accordance with the rules and regulations of the Commission;
  - F. ~~Northern States Power Company NSPM and NMC have~~ has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements", of the Commission's regulations;

\* ~~Nuclear Management Company, LLC, hereinafter referred to as NMC, succeeds Northern States Power Company as operator of the Prairie Island Nuclear Generating Plant, Unit 1. Consequently, NMC is authorized to act as agent for Northern States Power Company and has exclusive responsibility and control over physical construction, operation, and maintenance of the facility.~~

- G. The issuance of this amended license will not be inimical to the common defense and security or to the health and safety of the public;
  - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental costs and considering available alternatives, the issuance of Amendment No. 2 to Facility Operating License No. DPR-42 is in accordance with 10 CFR Part 50, Appendix D, of the Commission's regulations and all applicable requirements of said Appendix D 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 and 70, including 10 CFR Section 30.33, 70.23 and 70.31.
2. Pursuant to an Initial decision of the Atomic Safety and Licensing Board (ALB) dated April 2, 1974, Facility Operating License DPR-42 (issued to Northern States Power Company<sup>1</sup> on August 9, 1973, and amended on December 14, 1973) is hereby amended in its entirety to read as follows:
- A. This amended license applies to the Prairie Island Nuclear Generating Plant, Unit 1, a pressurized water nuclear reactor and associated equipment (the facility), owned by the ~~Northern States Power Company~~ NSPM. The facility is located in Goodhue County, Minnesota, and is described in the "Final Safety Analysis Report" as supplemented and amended (Amendments 1 through 36) and the Environmental Report as supplemented and amended (Supplements 1 and 2).
  - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
    - (1) Pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities, ~~Northern States Power Company~~ NSPM to possess, and to use, and operate the facility at the designated location in Goodhue 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~~ NSPM 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 operation, as described in the Final Safety Analysis Report, as supplemented and amended as of May 11, 1976.
    - (3) Pursuant to the Act and 10 CFR Parts 30, 40 and 70, ~~NMC~~ NSPM 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.

- (4) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, ~~NMC-NSPM~~ to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument and equipment calibration or associated with radioactive apparatus or components;
  - (5) Pursuant to the Act and 10 CFR Parts 30 and 70, ~~NMC-NSPM~~ to possess but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility;
  - (6) Pursuant to the Act and 10 CFR Parts 30 and 70, ~~NMC-NSPM~~ to transfer byproduct materials from other job sites owned by ~~NSPM Northern States Power Company~~ for the purpose of volume reduction and decontamination.
- C. This amended license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:
- (1) Maximum Power Level

~~NMC-NSPM~~ is authorized to operate the facility at steady state reactor core power levels not in excess of 1650 megawatts thermal.
  - (2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. ~~482~~ are hereby incorporated in the license. ~~NMC-NSPM~~ shall operate the facility in accordance with the Technical Specifications.
  - (3) Physical Protection

~~NMC-NSPM~~ shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains Safeguards Information protected under 10 CFR 73.21, is entitled: "Prairie Island Nuclear Generating Plant Security Plan, Training and Qualification Plan, Safeguards Contingency Plan, and Independent Spent Fuel Storage Installation Security Program," Revision 1, submitted by letters dated October 18, 2006 and January 10, 2007.

Unit 1

Amendment No. ~~482~~

(4) Fire Protection

~~NMC-NSPM~~ shall implement and maintain in effect all provisions of the approved fire protection program as described and referenced in the Updated Safety Analysis Report for the Prairie Island Nuclear Generating Plant, Units 1 and 2, and as approved in Safety Evaluation Reports dated February 14, 1978, September 6, 1979, April 21, 1980, December 29, 1980, July 28, 1981, October 27, 1989, and October 6, 1995, subject to the following provision:

~~NMC-NSPM~~ may make changes to the approved Fire Protection Program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

(5) Additional Conditions

The Additional Conditions contained in Appendix B, as revised through Amendment No. 161, are hereby incorporated into this license. ~~NMC-NSPM~~ shall operate the facility in accordance with the Additional Conditions.

(6) Mitigation Strategy License Condition

Develop and maintain strategies for addressing large fires and explosions and that include the following key areas:

- (a) Fire fighting response strategy with the following elements:
  - 1. Pre-defined coordinated fire response strategy and guidance
  - 2. Assessment of mutual aid fire fighting assets
  - 3. Designated staging areas for equipment and materials
  - 4. Command and control
  - 5. Training of response personnel
  
- (b) Operations to mitigate fuel damage considering the following:
  - 1. Protection and use of personnel assets
  - 2. Communications
  - 3. Minimizing fire spread
  - 4. Procedures for implementing integrated fire response strategy
  - 5. Identification of readily-available pre-staged equipment
  - 6. Training on integrated fire response strategy
  - 7. Spent fuel pool mitigation measures
  
- (c) Actions to minimize release to include consideration of:
  - 1. Water spray scrubbing
  - 2. Dose to onsite responders

2. D. This license is effective as of the date of issuance and shall expire at midnight August 9, 2013.

FOR THE ATOMIC ENERGY COMMISSION

Original Signed by  
Roger S Boyd

A. Giambusso, Deputy Director  
for Reactor Projects  
Directorate of Licensing

Attachments:

1. Appendix A - Technical Specifications
2. Appendix B - Additional Conditions

Date of Issuance: April 5, 1974

NORTHERN STATES POWER COMPANY

NUCLEAR MANAGEMENT COMPANY, LLC

DOCKET NO. 50-306

PRAIRIE ISLAND NUCLEAR GENERATING PLANT, UNIT 2

FACILITY OPERATING LICENSE

License No. DPR-60  
Amendment No. 444

1. The Atomic Energy Commission (the Commission) having found that:
  - A. The application for license filed by Northern States Power Company\* (NSPM) 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 CPR Chapter I and that all required notifications to other agencies or bodies have been duly made;
  - B. Construction of the Prairie Island Nuclear Generating Plant, Unit 2 (the facility), has been substantially completed in conformity with Provisional Construction Permit No. CPPR-46, as amended, the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
  - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
  - D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
  - E. ~~NMC is technically qualified and Northern States Power Company~~NSPM is technically and financially qualified to engage in the activities authorized by this operating license in accordance with the rules and regulations of the Commission;
  - F. ~~Northern States Power Company~~NSPM and NMC have ~~has~~ satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements", of the Commission's regulations;
  - G. The issuance of this amended license will not be inimical to the common defense and security or to the health and safety of the public;

\* ~~Nuclear Management Company, LLC, hereinafter referred to as NMC, succeeds Northern States Power Company as operator of the Prairie Island Nuclear Generating Plant, Unit 2. Consequently, NMC is authorized to act as agent for Northern States Power Company and has exclusive responsibility and control over physical construction, operation, and maintenance of the facility.~~

- H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental costs and considering available alternatives, the issuance of Facility Operating License No. DPR-60 is in accordance with 10 CFR Part 50, Appendix D, of the Commission's regulations and all applicable requirements of said Appendix D 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, including 10 CFR Section 30.33, 40.32, 70.23, and 70.31.
2. Facility Operating License No. DPR-60 is hereby issued to read as follows:
- A. This license applies to the Prairie Island Nuclear Generating Plant, Unit 2, a pressurized water nuclear reactor and associated equipment (the facility), owned by the Northern States Power Company<sup>1</sup> (NSPM). The facility is located in Goodhue County, Minnesota, and is described in the "Final Safety Analysis Report" as supplemented and amended (Amendments 1 through 38) and the Environmental Report as supplemented and amended (Supplements 1 and 2).
- B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
- (1) Pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," ~~Northern States Power Company~~NSPM to possess, and ~~NMC~~ to use, and operate the facility at the designated location in Goodhue 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~~NSPM 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 operation, as described in the Final Safety Analysis Report, as supplemented and amended as of May 11, 1976.
  - (3) Pursuant to the Act and 10 CFR Parts 30, 40 and 70, ~~NMC~~NSPM 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;
  - (4) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, ~~NMC~~NSPM to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument and equipment calibration or associated with radioactive apparatus or components;

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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.

- (5) Pursuant to the Act and 10 CFR Parts 30 and 70, ~~NMC-NSPM~~ to possess but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility;
  - (6) Pursuant to the Act and 10 CFR Parts 30 and 70, ~~NMC-NSPM~~ to transfer byproduct materials from other job sites owned by ~~NSPM Northern States Power Company~~ for the purposes of volume reduction and decontamination.
- C. This amended license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:
- (1) Maximum Power Level

~~NMC-NSPM~~ is authorized to operate the facility at steady state reactor core power levels not in excess of 1650 megawatts thermal.
  - (2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. ~~472~~, are hereby incorporated in the license. ~~NMC-NSPM~~ shall operate the facility in accordance with the Technical Specifications.
  - (3) Physical Protection

~~NMC-NSPM~~ shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains Safeguards Information protected under 10 CFR 73.21, is entitled: "Prairie Island Nuclear Generating Plant Security Plan, Training and Qualification Plan, Safeguards Contingency Plan, and Independent Spent Fuel Storage Installation Security Program," Revision 1, submitted by letters dated October 18, 2006 and January 10, 2007.

Unit 2

Amendment No. 472

(4) Fire Protection

~~NMC-NSPM~~ shall implement and maintain in effect all provisions of the approved fire protection program as described and referenced in the Updated Safety Analysis Report for the Prairie Island Nuclear Generating Plant, Units 1 and 2, and as approved in Safety Evaluation Reports dated February 14, 1978, September 6, 1979, April 21, 1980, December 29, 1980, July 28, 1981, October 27, 1989, and October 6, 1995, subject to the following provision:

~~NMC-NSPM~~ may make changes to the approved Fire Protection Program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

(5) Additional Conditions

The Additional Conditions contained in Appendix B, as revised through Amendment No. ~~152~~, are hereby incorporated into this license. ~~NMC-NSPM~~ shall operate the facility in accordance with the Additional Conditions.

(6) Mitigation Strategy License Condition

Develop and maintain strategies for addressing large fires and explosions and that include the following key areas:

- (a) Fire fighting response strategy with the following elements:
  1. Pre-defined coordinated fire response strategy and guidance
  2. Assessment of mutual aid fire fighting assets
  3. Designated staging areas for equipment and materials
  4. Command and control
  5. Training of response personnel
- (b) Operations to mitigate fuel damage considering the following:
  1. Protection and use of personnel assets
  2. Communications
  3. Minimizing fire spread
  4. Procedures for implementing integrated fire response strategy
  5. Identification of readily-available pre-staged equipment
  6. Training on integrated fire response strategy
  7. Spent fuel pool mitigation measures
- (c) Actions to minimize release to include consideration of:
  1. Water spray scrubbing
  2. Dose to onsite responders

2. D. This license is effective as of the date of issuance and shall expire at midnight October 29, 2014.

FOR THE ATOMIC ENERGY COMMISSION

Original Signed by  
A. Giambusso

A. Giambusso, Deputy Director  
for Reactor Projects  
Directorate of Licensing

Attachments:

1. Appendix A - Technical Specifications
2. Appendix B - Additional Conditions

Date of Issuance: October 29, 1974

APPENDIX B

ADDITIONAL CONDITIONS

FACILITY OPERATING LICENSE NO. DPR-42

~~Nuclear Management Company, LLC~~ Northern States Power Company (NSPM) shall comply with the following conditions on the schedules noted below:

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
128	1. NSPM* will provide a licensed operator in the control room on an interim basis for the dedicated purpose of identifying an earthquake which results in a decreasing safeguards cooling water bay level. This operator will be in addition to the normal NSPM administrative control room staffing requirements and will be provided until License Condition 2 is satisfied.	Prior to Unit 2 entering Mode 2  Completed – See Amendment No. 140
128	2. NSPM* will submit dynamic finite element analyses of the intake canal banks by July 1, 1997 for NRC review. By December 31, 1998, NSPM will complete, as required, additional analyses or physical modifications which provide the basis for extending the time for operator post-seismic cooling water load management and eliminating the dedicated operator specified in License Condition 1.	July 1, 1997, and December 31, 1998, as stated in Condition 2.  Completed – See Amendment No. 140
128	3. Based on the results of License Condition 2, NSPM* will revise the Updated Safety Analysis Report to incorporate the changes into the plant design bases. These changes will be included in the next scheduled revision of the Updated Safety Analysis Report following completion of License Condition 2 activities.	At the next USAR update following completion of Condition 2, but no later than June 1, 1999.
130	4. Prairie Island will assure that heavy loads do not present a potential for damaging irradiated fuel through use of: 1) a single-failure-proof crane with rigging and procedures which implement Prairie Island commitments to NUREG-0612; or 2) spent fuel pool covers with their implementing plant procedures for installation and use.	This is effective immediately upon issuance of the amendment.
133	5. <del>NMC-NSPM</del> will assure that during the implementation of steam generator repairs utilizing the voltage-based repair criteria, the total calculated primary to secondary side leakage from the faulted steam generator, under main steam line break conditions (outside containment and upstream of the main steam isolation valves), will not exceed 1.42 gallons per minute (based on a reactor coolant system temperature of 578 °F).	This is effective immediately upon issuance of the amendment

\*Reference to NSP is maintained for historical purposes.

APPENDIX B

ADDITIONAL CONDITIONS

FACILITY OPERATING LICENSE NO. DPR-60

~~Nuclear Management Company, LLC~~ Northern States Power Company (NSPM) shall comply with the following conditions on the schedules noted below:

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
120	1. NSP* <del>M</del> will provide a licensed operator in the control room on an interim basis for the dedicated purpose of identifying an earthquake which results in a decreasing safeguards cooling water bay level. This operator will be in addition to the normal NSPM administrative control room staffing requirements and will be provided until License Condition 2 is satisfied.	Prior to Unit 2 entering Mode 2  Completed – See Amendment No. 131
120	2. NSP* <del>M</del> will submit dynamic finite element analyses of the intake canal banks by July 1, 1997 for NRC review. By December 31, 1998, NSPM will complete, as required, additional analyses or physical modifications which provide the basis for extending the time for operator post-seismic cooling water load management and eliminating the dedicated operator specified in License Condition 1.	July 1, 1997, and December 31, 1998, as stated in Condition 2.  Completed – See Amendment No. 131.
120	3. Based on the results of License Condition 2, NSP* <del>M</del> will revise the Updated Safety Analysis Report to incorporate the changes into the plant design bases. These changes will be included in the next scheduled revision of the Updated Safety Analysis Report following completion of License Condition 2 activities.	At the USAR update following completion of Condition 2, but no later than June 1, 1999.
122	4. Prairie Island will assure that heavy loads do not present a potential for damaging irradiated fuel through use of: 1) a single-failure-proof crane with rigging and procedures which implement Prairie Island commitments to NUREG-0612; or 2) spent fuel pool covers with their implementing plant procedures for installation and use.	This is effective immediately upon issuance of the amendment.
125	5. <del>NMC-NSPM</del> will assure that during the implementation of steam generator repairs utilizing the voltage-based repair criteria, the total calculated primary to secondary side leakage from the faulted steam generator, under main steam line break conditions (outside containment and upstream of the main steam isolation valves), will not exceed 1.42 gallons per minute (based on a reactor coolant system temperature of 578 °F).	This is effective immediately upon issuance of the amendment

~~\*Reference to NSP is maintained for historical purposes.~~

## 5.0 ADMINISTRATIVE CONTROLS

### 5.3 Plant Staff Qualifications

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- 5.3.1 Each member of the plant staff shall meet or exceed the minimum qualifications of Regulatory Guide 1.8, Revision 1, September 1975 except for (1) personnel who perform the function of shift technical advisor shall hold an SRO license and have a bachelors degree or equivalent in a scientific or engineering discipline with specific training in plant design, and response and analysis of the plant for transients and accidents, (2) the operations manager who shall meet the requirements of ANSI N18.1-1971, except that NRC license requirements are as specified in TS 5.2.2.e, and (3) the education and experience eligibility requirements for operator license applicants, and changes thereto, shall be those previously reviewed and approved by the NRC, specifically those referenced in NMC\* letter dated March 19, 2003.
- 5.3.2 For the purpose of 10 CFR 55.4, a licensed senior reactor operator (SRO) and a licensed reactor operator (RO) are those individuals who, in addition to meeting the requirements of TS 5.3.1, perform the functions described in 10 CFR 50.54(m).
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\* NMC is maintained as historical information

**ENCLOSURE 4**

**Marked-up Special Nuclear Materials**

**License No. SNM-2506**

**And**

**Technical Specifications Pages for  
Independent Spent Fuel Storage Installation**

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**Prairie Island Nuclear Generating Plant**

**Docket No. 72-10**



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

Northern States Power Company  
~~NUCLEAR MANAGEMENT COMPANY, LLC~~

DOCKET NO. 72-10

PRAIRIE ISLAND INDEPENDENT SPENT FUEL STORAGE INSTALLATION  
AMENDMENT TO MATERIALS LICENSE NO. SNM-2506

Amendment 5<sup>e</sup>  
License SNM-2506

1. The Nuclear Regulatory Commission (the Commission) has found that:
  - A. The amendment application dated August 31, 1999, as supplemented November 8, 1999; March 13, April 6, and October 16, 2000, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I;
  - B. The Prairie Island Independent Spent Fuel Storage Installation will continue to operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
  - C. There is reasonable assurance that (i) the activities authorized by this amendment can be conducted without endangering public health and safety, and (ii) 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 public health and safety; 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 by the enclosed changes to Materials License No. SNM-2506, indicated by margin notations.
3. This license amendment is effective as of the date of its issuance.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

E. William Brach, Director  
Spent Fuel Project Office  
Office of Nuclear Material Safety and Safeguards

Enclosure: Revised License Pages

Date of Issuance of Amendment: February 12, 2001



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

~~NORTHERN STATES POWER COMPANY AND  
NUCLEAR MANAGEMENT COMPANY, LLC~~

DOCKET NO. 72-10

PRAIRIE ISLAND INDEPENDENT SPENT FUEL STORAGE INSTALLATION  
AMENDMENT TO MATERIALS LICENSE NO. SNM-2506

Amendment *le*  
License SNM-2506

1. The Nuclear Regulatory Commission (the Commission) has found that:
  - A. The amendment application dated October 29, 1999, as supplemented March 14, 2000, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I;
  - B. The Prairie Island Independent Spent Fuel Storage Installation will continue to operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
  - C. There is reasonable assurance that (i) the activities authorized by this amendment can be conducted without endangering public health and safety, and (ii) 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 public health and safety; 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 by the enclosed changes to Materials License No. SNM-2506, indicated by margin notations.

<sup>1</sup> Nuclear Management Company, LLC, hereinafter referred to as NMC, succeeds Northern States Power Company as operator of the Prairie Island Independent Spent Fuel Storage Installation. Consequently, NMC is authorized to act as agent for Northern States Power Company and has exclusive responsibility and control over physical construction, operation, and maintenance of the facility.

<sup>2</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 72, Section 72.50, to the license transfer approved by order dated May 12, 2000.

3. This license amendment is effective as of the date of its issuance.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION.



E. William Brach, Director  
Spent Fuel Project Office  
Office of Nuclear Material Safety  
and Safeguards

Enclosure: Revised License Pages

Date of Issuance of Amendment: August 18, 2000

NRC FORM 588  
(10-2000)  
10 CFR 72

## LICENSE FOR INDEPENDENT STORAGE OF SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter 1, Part 72, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, and possess the power reactor spent fuel and other radioactive materials associated with spent fuel storage designated below; to use such material for the purpose(s) and at the place(s) designated below; and to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified herein.

<p style="text-align: center;">Licensees</p> <p>1. Northern States Power Company<sup>2</sup> <del>Nuclear Management Company, LLC</del> <i>e</i></p>	<p>3. License No. SNM-2506</p> <p>Amendment No. 5</p>
<p>2. 414 Nicollet Mall Minneapolis, Minnesota 55440 <i>e</i> <span style="border: 1px solid black; border-radius: 50%; padding: 2px; display: inline-block;">55401</span></p>	<p>4. Expiration Date October 31, 2013</p> <p>5. Docket or Reference No. 72-10</p>

<p>6. Byproduct, Source, and/or Special Nuclear Material</p> <p>A. Spent fuel assemblies from Prairie Island Nuclear Station Units 1 and 2 reactors, using natural water for cooling and enriched not greater than 3.85 percent U-235, and associated radioactive materials related to receipt, storage and transfer of the fuel assemblies</p> <p>B. Irradiated fuel assembly inserts from the Prairie Island Nuclear Station Units 1 and 2 reactor. An insert may be a burnable poison rod assembly (BPRA) or a thimble plug device (TPD).</p>	<p>7. Chemical and/or Physical Form</p> <p>A. As UO<sub>2</sub> clad with zirconium or zirconium alloys</p> <p>B. SS 304 structure, Inconel 718 spring, and borated pyrex glass.</p>	<p>8. Maximum Amount That Licensee May Possess at Any One Time Under This License</p> <p>A. 715.29 TeU of spent fuel assemblies</p> <p>B. One BPRA or TPD per spent fuel assembly.</p>
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<sup>1</sup> Nuclear Management Company, LLC, hereinafter referred to as NMC, succeeds Northern States Power Company as operator of the Prairie Island Independent Spent Fuel Storage Installation. Consequently, NMC is authorized to act as agent for Northern States Power Company and has exclusive responsibility and control over physical construction, operation, and maintenance of the facility.

<sup>2</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 72, Section 72.50, to the license transfer approved by order dated May 12, 2000.

LICENSE FOR INDEPENDENT STORAGE OF SPENT NUCLEAR  
FUEL AND HIGH-LEVEL RADIOACTIVE WASTE  
SUPPLEMENTARY SHEET

License No: SNM-2506

Amendment No. 2

Docket or Reference No: 72-10

9. Authorized Use: For use in accordance with statements, representations, and the conditions of the Technical Specifications and Safety Analysis Report dated August 31, 1990, and supplements dated October 29, 1990; April 2, June 5, October 9 and 31, November 15, December 11, 20, and 23, 1991; January 17, February 6, 10, and 12, March 2 and 5, April 3, 22, and 23, July 10, August 12, 13, and 14, 1992; October 2, 1995; August 31, October 29 and November 24, 1999; and February 2, March 14, and October 16, 2000.

The material identified in 6 and 7 above is authorized for receipt, possession, storage, and transfer.

10. Authorized Place of Use: The licensed material is to be received, possessed, transferred, and stored at the Prairie Island ISFSI located on the Prairie Island Nuclear Generating Plant site in Goodhue County, Minnesota.

11. This site is described in Chapter 2 of the Technical Specifications and Safety Analysis Report (TS/SAR) for the Prairie Island ISFSI.

12. The Technical Specifications contained in Appendix A attached hereto are incorporated into the license. NMC shall operate the installation in accordance with the Technical Specifications in Appendix A.

- NSPM  
13. NMC shall fully implement and maintain in effect all provisions of the ISFSI physical security, guard training and qualification, and safeguards contingency plans previously approved by the Commission and all amendments made pursuant to the authority of 10 CFR 72.56, 72.44(e), and 72.186. The plans, which contain safeguards information protected under 10 CFR 73.21, are entitled: "Prairie Island Nuclear Generating Plant Independent Spent Fuel Storage Installation Physical Security Plan," Revision 0, submitted by letter dated March 10, 1992; "Prairie Island Nuclear Generating Plant Independent Spent Fuel Storage Installation Security Force Training and Qualification Plan," Revision 0, submitted by letter dated March 10, 1992, and "Prairie Island Nuclear Generating Plant Independent Spent Fuel Storage Installation Safeguards Contingency Plan," Revision 0, submitted by letter dated March 10, 1992.

14. The Technical Specifications for Environmental Protection contained in Appendix A attached hereto are incorporated into the license.

Specifications required pursuant to 10 CFR 72.44(d) stating limits on the release of radioactive materials for compliance with limits of 10 CFR Part 20 and "as low as is reasonably achievable objective" for effluents are not applicable. A 40 cask external surface contamination within the limits of Technical Specification 3.4.1 ensures that the offsite dose will be inconsequential. In addition, there are no normal or off-normal releases or effluents expected from the double-sealed storage casks of the ISFSI.

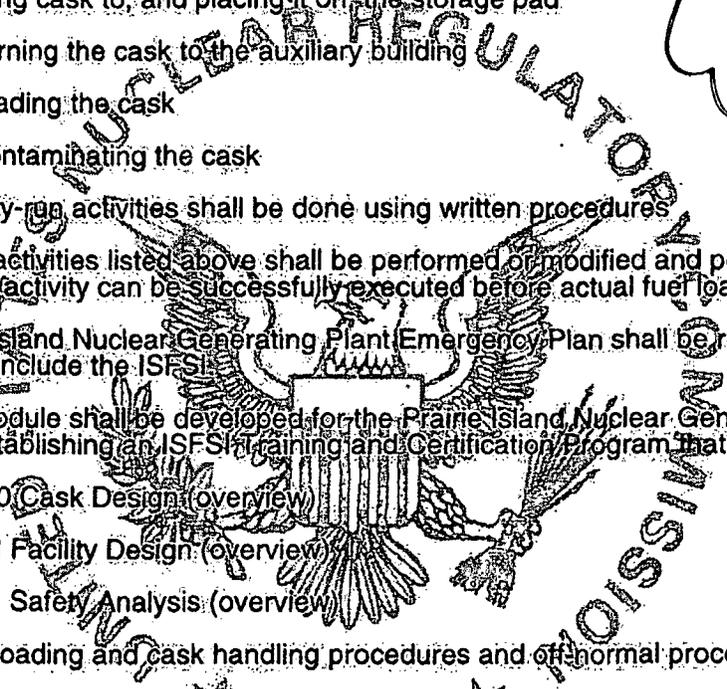
Specifications required pursuant to 10 CFR 72.44(d)(1), for operating procedures, for control of effluents, and for the maintenance and use of equipment in radioactive waste treatment systems, to meet the requirements of 10 CFR 72.104 are not applicable. There are, by the design of the sealed storage casks at the ISFSI, no effluent releases. Also, cask loading and unloading operations and waste treatment will occur at the Prairie Island Nuclear Generating Plant, under the specifications of its operating licenses.

**LICENSE FOR INDEPENDENT STORAGE OF SPENT NUCLEAR  
FUEL AND HIGH-LEVEL RADIOACTIVE WASTE  
SUPPLEMENTARY SHEET**

15. No spent nuclear fuel shall be allowed to be loaded until such time as the following preoperational license conditions are satisfied:

- A. A training exercise (Dry Run) of all TN-40 cask loading and handling activities shall be held, which shall include, but not be limited to, those listed, and which need not be performed in the order listed:
  - a. Moving cask in and out of spent fuel pool area
  - b. Loading fuel assembly (using dummy assembly)
  - c. Cask drying, sealing, and cover gas backfilling operations
  - d. Moving cask to, and placing it on, the storage pad
  - e. Returning the cask to the auxiliary building
  - f. Unloading the cask
  - g. Decontaminating the cask
  - h. All dry-run activities shall be done using written procedures
  - i. The activities listed above shall be performed or modified and performed to show that each activity can be successfully executed before actual fuel loading.
- B. The Prairie Island Nuclear Generating Plant Emergency Plan shall be reviewed and modified, as required, to include the ISFSI.
- C. A training module shall be developed for the Prairie Island Nuclear Generating Plant Training Program, establishing an ISFSI Training and Certification Program that will include the following:
  - a. TN-40 Cask Design (overview)
  - b. ISFSI Facility Design (overview)
  - c. ISFSI Safety Analysis (overview)
  - d. Fuel loading and cask handling procedures and off-normal procedures
  - e. ISFSI License (overview). ★ ★ ★ ★
- D. The Prairie Island Nuclear Generating Plant Radiation Protection Procedures shall be reviewed and modified, as required, to include the ISFSI.
- E. The Prairie Island Nuclear Generating Plant Administrative Procedures shall be reviewed and modified, as required, to include the ISFSI.
- F. A procedure shall be developed and implemented for the documentation of the characterizations performed to select spent fuel to be stored in the casks. Such procedure shall include independent verification of fuel assembly selection by an individual other than the original individual making the selection.
- G. A procedure shall be developed and implemented for two independent determinations (two samples analyzed by different individuals) of the boron concentration in the water used to fill the cask cavity for fuel loading and unloading activities.
- H. Written procedures shall be implemented to describe actions to be taken during operation, off-normal, and emergency conditions.

NO CHANGES



**LICENSE FOR INDEPENDENT STORAGE OF SPENT NUCLEAR  
FUEL AND HIGH-LEVEL RADIOACTIVE WASTE  
SUPPLEMENTARY SHEET**

License No.: SNM-2506

Amendment No.: 5

Docket or Reference No.: 72-10

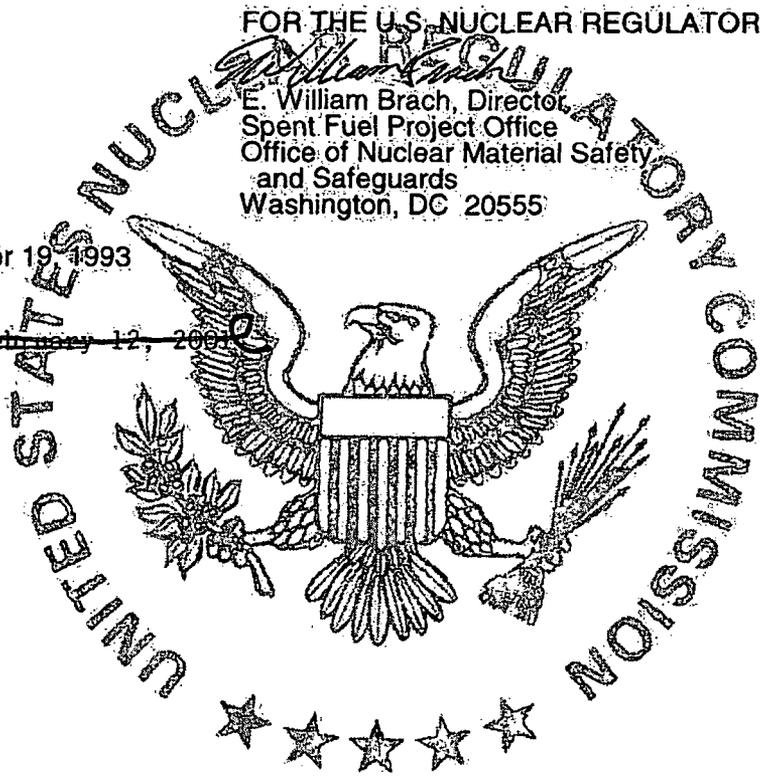
- 16. The design, construction, and operation of the ISFSI shall be accomplished in accordance with the U.S. Nuclear Regulatory Commission Regulations specified in Title 10 of the U.S. Code of Federal Regulations. All commitments to the applicable NRC regulatory guides and to engineering and construction codes shall be carried out.
- 17. Fuel and cask movement and handling activities that are to be performed in the Prairie Island Nuclear Generating Plant Auxiliary Building will be governed by the requirements of the Prairie Island Nuclear Generating Plant Facility Operating Licenses (DRP-42 and -60) and associated Technical Specifications.
- 18. This license is effective as of the date of issuance shown below.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

*E. William Brach*  
E. William Brach, Director  
Spent Fuel Project Office  
Office of Nuclear Material Safety  
and Safeguards  
Washington, DC 20555

Date of Issuance: October 19, 1993

As amended by  
Amendment 5 dated ~~February 12, 2000~~



PRAIRIE ISLAND  
INDEPENDENT SPENT FUEL STORAGE INSTALLATION

APPENDIX "A"  
TO  
MATERIALS LICENSE SNM-2506

TECHNICAL SPECIFICATIONS

ISSUED BY THE UNITED STATES NUCLEAR REGULATORY COMMISSION

**SECTION 6.0**  
**ADMINISTRATIVE CONTROLS**

6.0 ADMINISTRATIVE CONTROLS

6.1 GENERAL

The Prairie Island ISFSI is located on the Prairie Island Nuclear Generating Plant site and will be managed and operated by ~~Nuclear Management Company, LLC~~ staff. The administrative controls shall be in accordance with the requirements of the Prairie Island Nuclear Generating Plant Facility Operating Licenses (DPR-42 and -60) and associated Technical Specifications, as appropriate.

Northern States Power Co. (NSPM)

6.2 ENVIRONMENTAL MONITORING PROGRAM

The licensee shall include the Prairie Island ISFSI in the environmental monitoring program for the Prairie Island Nuclear Generating Plant. An environmental monitoring program is required pursuant to 10 CFR 72.44(d)(2). The licensee shall include the ISFSI in the environmental monitoring report for the Prairie Island Nuclear Generating Plant, and a copy shall be sent to the Director, Office of Nuclear Material Safety and Safeguards.

6.3 ANNUAL ENVIRONMENTAL REPORT

An annual report, as required by 10 CFR 72.44(d)(3), shall be submitted to the NRC Region III, Office, with a copy to the Director, Office of Nuclear Material Safety and Safeguards, within 60 days after January 1 of each year. This report should specify the quantity of each of the principal radionuclides released to the environment in liquid and in gaseous effluents during the previous year of operation and such other information as may be required by the Commission to estimate maximum potential radiation dose commitment to the public resulting from effluent release.