

SAFEGUARDS INFORMATION

February 25, 2002

Michael B. Sellman
President and CEO
Monticello Nuclear Generating Plant
Nuclear Management Company, LLC
700 First Street
Hudson, WI 54016

SUBJECT: ISSUANCE OF ORDER FOR INTERIM SAFEGUARDS AND SECURITY
COMPENSATORY MEASURES FOR - MONTICELLO NUCLEAR
GENERATING PLANT

Dear Mr. Sellman:

The U.S. Nuclear Regulatory Commission (NRC) has issued the enclosed Order that modifies the current operating license for your facility to require compliance with the specified interim safeguards and security compensatory measures. The Order applies to all Addressees listed in Attachment 1 to the enclosed Order. These interim compensatory measures are listed in Attachment 2 (contains Safeguards Information) to the enclosed Order. The Commission recognizes that you have voluntarily and responsibly implemented additional security measures following the events of September 11, 2001, but, in light of the continuing generalized high-level threat environment, the Commission concludes that the security measures should be embodied in an Order, consistent with the established regulatory framework. The Commission has determined that the generalized high-level threat environment requires that the enclosed Order be effective immediately.

These actions are interim and the basis for the Order is the need to take prudent actions to address security requirements in the present generalized high-level threat environment. This Order does not obviate the need for licensees to continue to meet the objectives of Security Level III described in NRC Information Notice 98-35, and maintain the effectiveness of existing security measures taken in response to the events of September 11, 2001. The requirements will remain in effect pending notification from the Commission that a significant change in the threat environment has occurred, or until the Commission determines that other changes are needed following a more comprehensive re-evaluation of current safeguards and security programs.

The enclosed Order calls for responses and actions within specified time frames. Please contact your Licensing Project Manager to facilitate resolution of any issues related to compliance with the requirements in the enclosed Order, or if you have any other questions.

NOTICE: Attachment 2 to the Order (Interim Compensatory Measures) contains "Safeguards Information." Upon separation of Attachment 2 to the Order, this letter, the enclosed Order, and Attachment 1 to the Order (Address List) are "DECONTROLLED."

SAFEGUARDS INFORMATION

M. Sellman

-2-

The enclosed Order has been forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Docket No. 50-263

Enclosures:

1. Order
2. Order Attachment 1 - Address List
3. Order Attachment 2 - Interim Compensatory Measures for High Threat Environment (Safeguards Information)

cc w/enclosures 1 and 2 only: See next page

Monticello Nuclear Generating Plant

cc:

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

U.S. Nuclear Regulatory Commission
Resident Inspector's Office
2807 W. County Road 75
Monticello, MN 55362

Site Licensing Manager
Monticello Nuclear Generating Plant
Nuclear Management Company, LLC
2807 West County Road 75
Monticello, MN 55362-9637

Robert Nelson, President
Minnesota Environmental Control
Citizens Association (MECCA)
1051 South McKnight Road
St. Paul, MN 55119

Commissioner
Minnesota Pollution Control Agency
520 Lafayette Road
St. Paul, MN 55155-4194

Regional Administrator, Region III
U.S. Nuclear Regulatory Commission
801 Warrenville Road
Lisle, IL 60532-4351

Commissioner
Minnesota Department of Health
717 Delaware Street, S. E.
Minneapolis, MN 55440

Douglas M. Gruber, Auditor/Treasurer
Wright County Government Center
10 NW Second Street
Buffalo, MN 55313

Commissioner
Minnesota Department of Commerce
121 Seventh Place East
Suite 200
St. Paul, MN 55101-2145

Adonis A. Neblett
Assistant Attorney General
Office of the Attorney General
445 Minnesota Street
Suite 900
St. Paul, MN 55101-2127

Mr. Roy A. Anderson
Executive Vice President and
Chief Nuclear Officer
Nuclear Management Company, LLC
700 First Street
Hudson, WI 54016

Nuclear Asset Manager
Xcel Energy, Inc.
414 Nicollet Mall
Minneapolis, MN 55401

Mr. Jeffrey S. Forbes
Site Vice President
Monticello Nuclear Generating Plant
Nuclear Management Company, LLC
2807 West County Road 75
Monticello, MN 55362-9637

The enclosed Order has been forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Docket No. 50-263

- Enclosures: 1. Order
2. Order Attachment 1 - Address List
3. Order Attachment 2 - Interim Compensatory Measures for High Threat Environment (Safeguards Information)

cc w/enclosures 1 and 2 only: See next page

DISTRIBUTION (with enclosures 1 and 2 only):

PUBLIC
SCollins/JJohnson
VDricks
JShea
OGC
ACRS
SECY
GHill (2 copies per docket)
PD3-1
SMiranda
RBouling
SBajwa
WReckley
RidsRgn3MailCenter

Accession No. ML020490063 (Package)
Accession No. ML020 (Cover Letter)
Accession No. ML020510635 (Order)
Accession No. ML020520654 (Order Attachment 1 - Address List)
Accession No. ML020520654 (Order Attachment 1 - Address List)

OFFICE	DLPM/PM	DLPM//LA	DLPM/SC	DIPM/D
NAME	REnnis	BClayton	JClifford	BBoger
DATE	2/21/02	2/21/02	2/21/02	2/22/02
OFFICE	OGC	DLPM/D	NRR/ADPT	NRR/D
NAME	LChandler	JZwolinski	BSheron N/A	SCollins
DATE	2/22/02	2/22/02		2/25/02

OFFICIAL RECORD COPY

The enclosed Order has been forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Docket No(s).

Enclosures: 1. Order
2. Order Attachment 1 - Address List
3. Order Attachment 2 - Interim Compensatory Measures for High Threat Environment (Safeguards Information)

cc w/enclosures 1 and 2 only: See next page

DISTRIBUTION (with enclosures 1 and 2 only):

PUBLIC

SCollins/JJohnson

VDricks

JShea

OGC

ACRS

SECY

Ghill (2 copies per docket)

PD Reading

Project Director

Section Chief

Project Manager

Licensing Assistant

Region Contact

Accession No. ML020520754 (Package)

Accession No. ML020510637 (Cover Letter)

Accession No. ML020510635 (Order)

Accession No. ML020520654 (Order Attachment 1 - Address List)

OFFICE	DLPM/PM	DLPM/LA	DLPM/SC	DIPM/D
NAME	REnnis	BClayton	JClifford	BBoger
DATE	2/21/02	2/21/02	2/21/02	2/22/02
OFFICE	OGC	DLPM/D	NRR/ADPT	NRR/D
NAME	LChandler	JZwolinski	BSheron N/A	SCollins
DATE	2/22/02	2/22/02		2/25/02

OFFICIAL RECORD COPY