

SAFEGUARDS INFORMATION

August 1, 2003

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

SUBJECT: PRAIRIE ISLAND NUCLEAR GENERATING PLANT
NRC SAFEGUARDS INSPECTION OF COMPLIANCE WITH ORDER
INSPECTION REPORT 50-282/03-06;50-306/03-06

Dear Mr. Solymossy:

On June 27, 2003, the NRC completed an inspection at your Prairie Island Nuclear Generating Plant. The enclosed report documents the inspection findings which were discussed on June 27, 2003, with you and other members of your staff.

The inspection examined activities conducted under your license as they relate to safety and compliance with an Order issued on February 25, 2002, which required your site to implement specific measures related to the security of your facility. The inspection utilized Temporary Instruction 2515/148, "Inspection of Nuclear Reactor Safeguards Interim Compensatory Measures," to verify implementation of the Order as clarified in your responses dated March 18, 2002, and June 11, 2002. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

On the basis of the results of this inspection, no findings of significance were identified.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material will not be placed in the Public Document Room.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, without enclosure, will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

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J. Solymossy

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Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

/RA/

Cynthia D. Pederson, Director
Division of Reactor Safety

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

Enclosure: Inspection Report 50-282/03-06(DRS);50-306/03-06(DRS)
(SAFEGUARDS INFORMATION)

cc w/encl: Plant Manager, Prairie Island
R. Anderson, Executive Vice President
Mano K. Nazar, Senior Vice President
John Paul Cowan, Chief Nuclear Officer
Manager, Regulatory Affairs
Jonathan Rogoff, Esquire General Counsel
Nuclear Asset Manager
E. McNeil, NSIR/DNS/RSS

cc w/encl w/o SAFEGUARDS INFORMATION:
Commissioner, Minnesota
Department of Health
State Liaison Officer, State of Wisconsin
Tribal Council, Prairie Island Indian Community
Adonis A. Neblett, Assistant Attorney General
Office of the Attorney General
Administrator, Goodhue County Courthouse
Gene Wilson Commissioner, Minnesota Department
of Commerce

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Administrator, Goodhue County Courthouse
Gene Wilson Commissioner, Minnesota Department
of Commerce

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J. Solymossy

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U. S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket Nos. 50-282; 50-306

License Nos. DPR-42; DPR-60

Report No: 50-282/03-06(DRS); 50-306/03-06(DRS)

Licensee: Nuclear Management Company, LLC

Facility: Prairie Island Nuclear Generating Plant

Location: 1717 Wakonade Drive East
Welch, Minnesota 55089

Dates: June 23-27, 2003

Inspectors: J. Creed, Safeguards Program Manager
G. Pirtle, Physical Security Inspector
D. Karjala, Resident Inspector
T. Ploski, Senior Emergency Preparedness Inspector

Approved by: Cynthia D. Pederson, Director
Division of Reactor Safety

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SUMMARY OF FINDINGS

IR 50282/2003-006(DRS); 50306/2003-006(DRS); Nuclear Management Company, LLC; on 06/23/03 - 06/27/03, Prairie Island Nuclear Generating Plant; TI 2515/148, Verification of Compliance with Interim Compensatory Measures Order.

The inspection was conducted by two regional physical security inspectors, one regional emergency preparedness inspector, and the Resident Inspector.

Cornerstone: Physical Security and Emergency Preparedness

- On February 25, 2002, the NRC imposed by Order, Interim Compensatory Measures to enhance physical security. The inspectors determined that the licensee appropriately incorporated the Interim Compensatory Measures into the site protective strategy and access authorization program; developed and implemented relevant procedures; ensured that the emergency plan could be implemented; and established and effectively coordinated interface agreements with offsite organizations.
- The inspectors identified two unresolved items related to the implementation of compensatory measures. These items remain open pending review of the Office of Nuclear Security and Incident Response (**Sections V.A.2 and V.E.2**).
- A Green finding and Non-Cited Violation was identified related to Contingency Equipment (**Section V.F.2**).

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