

**SAFEGUARDS INFORMATION**

May 5, 2008

Mr. Timothy J. O'Connor  
Site Vice President  
Monticello Nuclear Generating Plant  
Nuclear Management Company, LLC  
2807 West County Road 75  
Monticello, MN 55362-9637

SUBJECT: MONTICELLO NUCLEAR GENERATING PLANT  
NRC SECURITY BASELINE INSPECTION REPORT 05000263/2008402(DRS)

Dear Mr. O'Connor:

On April 2, 2008, the U. S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Monticello Nuclear Generating Plant. The inspection covered one or more of the key attributes of the security cornerstone of the NRC's Reactor Oversight Process. The enclosed inspection report documents the inspection results, which were discussed on April 2, 2008, with Mr. B. Sawatzke and other members of your staff.

The inspection examined activities conducted under your license as they relate to security and compliance with the Commission's rules and regulations and with the conditions of your license. The inspector reviewed selected procedures and records, observed activities, and interviewed personnel.

Based on the results of this inspection, no findings of significance were identified. However, a licensee-identified violation which was determined to be of very low security significance is listed in this report. NRC is treating this violation as a non-cited violation (NCV) consistent with Section VI.A.1 of the NRC Enforcement Policy because of the very low security significance of the violation and because it is entered into your corrective action program. If you contest this non-cited violation, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN.: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator, Region III; the Director, Office of Enforcement, United States Nuclear Regulatory Commission,

**EXEMPT FROM PUBLIC DISCLOSURE**  
May be exempt from public release under the Freedom of Information Act (5 U.S.C. 552)  
  
Exemption number: 5  
Nuclear Regulatory Commission review required before public release.  
  
Dale Lawver, RIII/DRS/PSB  
Name and organization of person making determination.  
  
Date of determination: 04/15/2008

Enclosure Contains Safeguards Information. Upon separation, this page is decontrolled.

**SAFEGUARDS INFORMATION**

T. O'Connor

-2-

Washington, DC 20555-0001; and the NRC Resident Inspector at the Monticello Nuclear Generating Plant.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records System (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosures, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

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

Sincerely,

*/RA/*

Eric Duncan, Chief  
Plant Support Branch  
Division of Reactor Safety

Docket No. 50-263  
License No. DPR-22

Nonpublic Enclosure: Inspection Report 05000263/2008402(DRS)  
w/Attachment: Supplemental Information  
**(SAFEGUARDS INFORMATION)**

cc w/encl **(SAFEGUARDS INFORMATION)**:  
D. Riffle (NSIR/DSO/DDS0)

See Attached Distribution

Enclosure Contains Safeguards Information. Upon separation, this page is decontrolled.
--

**SAFEGUARDS INFORMATION**

**SAFEGUARDS INFORMATION**

T. O'Connor

-2-

Washington, DC 20555-0001; and the NRC Resident Inspector at the Monticello Nuclear Generating Plant.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records System (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosures, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

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

Sincerely,

*/RA/*

Eric Duncan, Chief  
Plant Support Branch  
Division of Reactor Safety

Docket Nos. 50-263  
License Nos. DPR-22

Nonpublic Enclosure: Inspection Report 05000263/2008402(DRS)  
w/Attachment: Supplemental Information  
**(SAFEGUARDS INFORMATION)**

cc w/encl **(SAFEGUARDS INFORMATION)**:  
D. Riffle (NSIR/DSO/DDSO)

See Attached Distribution

Enclosure Contains Safeguards Information. Upon separation, this page is decontrolled.

DOCUMENT NAME: MON 2008 402 DRS SGI COVER LTR.DOC

Publicly Available     Non-Publicly Available     Sensitive     Non-Sensitive

To receive a copy of this document, indicate in the concurrence box "C" = Copy without attach/encl "E" = Copy with attach/encl "N" = No copy

OFFICE	RIII	RIII	RIII	RIII
NAME	DLawver:co	DFunk	EDuncan	KRiemer
DATE	05/01/08	05/02/08	05/02/08	05/05/08

**OFFICIAL RECORD COPY**

**SAFEGUARDS INFORMATION**

**SAFEGUARDS INFORMATION**

Letter to Timothy J. O'Connor from Eric Duncan dated May 5, 2008.

SUBJECT: MONTICELLO NUCLEAR GENERATING PLANT  
NRC SECURITY BASELINE INSPECTION REPORT 05000263/2008402(DRS)

cc w/o encl (**SAFEGUARDS INFORMATION**):

D. Koehl, Chief Nuclear Officer  
Manager, Nuclear Safety Assessment  
P. Glass, Assistant General Counsel  
Nuclear Asset Manager, Xcel Energy, Inc.  
R. Nelson, President  
Minnesota Environmental Control Citizens  
Association (MECCA)  
Commissioner, Minnesota Pollution Control Agency  
R. Hiivala, Auditor/Treasurer,  
Wright County Government Center  
Commissioner, Minnesota Department of Commerce  
Manager - Environmental Protection Division  
Minnesota Attorney General's Office

Enclosure Contains Safeguards  
Information. Upon separation, this page is  
decontrolled

**SAFEGUARDS INFORMATION**

**SAFEGUARDS INFORMATION**

Letter to Timothy J. O'Connor from Eric Duncan dated May 5, 2008.

SUBJECT: MONTICELLO NUCLEAR GENERATING PLANT  
NRC SECURITY BASELINE INSPECTION REPORT 05000263/2008402(DRS)

cc w/o encl (**SAFEGUARDS INFORMATION**):

D. Koehl, Chief Nuclear Officer  
Manager, Nuclear Safety Assessment  
P. Glass, Assistant General Counsel  
Nuclear Asset Manager, Xcel Energy, Inc.  
R. Nelson, President  
Minnesota Environmental Control Citizens  
Association (MECCA)  
Commissioner, Minnesota Pollution Control Agency  
R. Hiivala, Auditor/Treasurer,  
Wright County Government Center  
Commissioner, Minnesota Department of Commerce  
Manager - Environmental Protection Division  
Minnesota Attorney General's Office

DISTRIBUTION: w/o encl (**SAFEGUARDS INFORMATION**)

TEB  
PST  
RidsNrrDirslrib  
MAS  
KGO  
JKH3  
Monticello SRI  
CAA1  
LSL (electronic IR's only)  
C. Pederson, DRP (hard copy - IR's only)  
GLS  
DRPIII  
DRSIII  
PLB1  
TXN  
[ROPreports@nrc.gov](mailto:ROPreports@nrc.gov)

Enclosure Contains Safeguards Information. Upon separation, this page is decontrolled
---

**SAFEGUARDS INFORMATION**