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May 19, 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
TI 2515/171 VERIFICATION OF SITE SPECIFIC IMPLEMENTATION OF B.5.b
PHASE 2 AND 3 MITIGATING STRATEGIES
INSPECTION REPORT NO. 05000263/2008007(DRS)

Dear Mr. O'Connor:

On April 18, 2008, the U. S. Nuclear Regulatory Commission (NRC) completed a team inspection at your Monticello Nuclear Generating Plant. The enclosed report documents the results of the inspection, which were discussed on April 18, 2008, with Mr. B. Sawatzke and other members of your staff.

The inspection examined activities conducted under your license as they relate to the implementation of B.5.b Phase 2 and 3 mitigating strategies, your compliance with the Commission's rules and regulations, and with the conditions of your operating license. Within these areas, the inspection involved examination of selected procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of the inspection, two NRC-identified findings of very low significance were identified. However, because these violations were of very low safety significance and because they were entered into your corrective action program, the NRC is treating the issues as Non-Cited Violations in accordance with Section VI.A.1 of the NRC's Enforcement Policy.

Enclosure Contains Sensitive Unclassified
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If you contest any finding or the subject or severity of any Non-Cited Violation in this report, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to the Regional Administrator, U. S. Nuclear Regulatory Commission – Region III, 2443 Warrenville Road, Suite 210, Lisle, IL 60532-4352; the Director, Office of Enforcement, U. S. Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector Office 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 sensitive information contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

Sincerely,

/RA/

Hironori Peterson, Chief
Operations Branch
Division of Reactor Safety

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

Nonpublic Enclosure: Inspection Report 05000263/2008007(DRS)
w/Attachment: Supplemental Information

See Attached Distribution

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DATE	05/08/08		05/12/08		05/19/08		

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cc w/encl: D. Nelson, NRR/DPR/PSPB

cc w/o encl: 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

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