

SAFEGUARDS INFORMATION

January 28, 2008

EA-07-195

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: ISSUANCE OF ORDER FOR IMPLEMENTATION OF ADDITIONAL SECURITY MEASURES AND FINGERPRINTING FOR UNESCORTED ACCESS FOR CERTAIN SPENT FUEL STORAGE LICENSEES - MONTICELLO NUCLEAR GENERATING PLANT INDEPENDENT SPENT FUEL STORAGE INSTALLATION

Dear Mr. O'Connor:

The U.S. Nuclear Regulatory Commission (NRC or the Commission) has issued the enclosed Order, which modifies the general license for your proposed independent spent fuel storage installation (ISFSI), to require compliance with the specified: (a) Additional Security Measures (ASMs) for Physical Protection of Dry Independent Spent Fuel Storage Installations (ISFSIs) (Attachment 1 to Enclosure 1); and (b) Additional Security Measures for Access Authorization and Fingerprinting at Independent Spent Fuel Storage Installations (Attachment 2 to Enclosure 1). Enclosure 2 is the Guidance for Licensee's Evaluation of Access Authorization to ISFSIs With the Inclusion of Criminal History (Fingerprint) Records Checks. Enclosure 3 is the Process to Challenge NRC Denials or Revocations of Unescorted Access to ISFSIs. Enclosure 4 is the NRC Regulatory Information Summary on the NRC Threat Advisory and Protective Measures System for ISFSIs. Attachment 1 to Enclosure 1, and Enclosure 4 contain Safeguards Information (SGI).

The Commission has determined that the ASMs are required, since the events of September 11, 2001, and has concluded that the security measures should be embodied in an Order, consistent with the established regulatory framework. The requirements of the enclosed Order must be in place before the first day spent fuel is initially placed in the ISFSI.

The Order does not obviate the need for licensees to continue to meet and maintain the effectiveness of existing security measures taken in response to the events of September 11, 2001. The requirements will remain in effect until the Commission determines otherwise.

WARNING: Violation of Section 147 of the Atomic Energy Act, "Safeguards Information," is subject to Civil and Criminal Penalties.

Notice: Upon removal of Attachment 1 to Enclosure 1, and Enclosure 4 to the Letter, this document and the enclosed Order (Enclosure 1) are DECONTROLLED.

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The enclosed Order calls for responses and actions within specified time frames. With respect to the notices and submission mandated by Sections III.B and III.C of the Order, for any requirement of the ASMs, that necessitates an analysis or is contingent on completion of another requirement of the ASMs, it will be a sufficient response if the licensee states in its 20-day submission:

- (1) That completion of the requirement depends on completion of an analysis or other requirement;
- (2) The expected date of completion of the analysis or other requirement; and,
- (3) That on such completion, the licensee will promptly submit the results of such analysis, or inform NRC of the completion of the other requirement and the actions thereafter proposed, with respect to the requirement at issue, as well as the projected date of completion.

If Nuclear Management Company, LLC wishes to preserve its right to request a hearing on any requirement, contingent on completion of an analysis or other requirement, a request for an extension of time to ask for a hearing must be filed within 20 days of the date of this Order, in accordance with Section IV of the Order. Such a request may seek a reasonable period of time to request a hearing beyond the date that the staff informs the licensee whether the actions proposed and completion date for the requirement(s), contingent on an analysis or other requirement, are satisfactory.

Please note that letters of response to Sections III.B and III.C of the Order should be addressed to ATTN: Document Control Desk, Director, Division of Spent Fuel Storage and Transportation, Office of Nuclear Material Safety and Safeguards, Washington, DC 20555-0001. Answers to the Order should be addressed to the Secretary, Office of the Secretary of the Commission, Washington, DC 20555-0001, as stated in Section IV of the Order.

Please contact Paul J. Kelley, Jr., at 301-415-6101, for the ASM Order, in the Office of Nuclear Security and Incident Response; or L. Raynard Wharton, at 301-492-3316, of my staff, to facilitate resolution of any issues related to compliance with the requirements in the enclosed Order, or to facilitate answers to any other questions you may have. The enclosed Order has been forwarded to the Office of the Federal Register, for publication.

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The material in Attachment 1 to Enclosure 1, and in Enclosure 4 contains SGI, 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, those documents will not be made available for public inspection. However, Enclosure 1 without Attachment 1, will be made available electronically, for public inspection in the NRC Public Document Room, or from NRC's Agencywide Documents Access and Management System, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Michael F. Weber, Director
Office of Nuclear Material Safety
and Safeguards

Docket No.: 72-58

- Enclosures:
1. Order for Implementation of Additional Security Measures and Fingerprinting for Unescorted Access to Certain Spent Fuel Storage Licensees [with Attachments 1 (**SGI**), 2, and 3]
 2. Guidance for Licensee's Evaluation of Access Authorization to Spent Fuel Storage Facilities With the Inclusion of Criminal History (Fingerprint) Records Checks
 3. Process to Challenge NRC Denials or Revocations of Unescorted Access to Independent Spent Fuel Storage Installations
 4. Regulatory Issue Summary 2002-12D (**SGI**)

cc: w/Enclosure 1 [without Attachment 1(SGI)], see next page.
Mr. Jesus Arias, Principal Licensing Engineer (w/SGI)

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cc: w/Enclosure 1 [without Attachment 1(SGI)], see next page.
Mr. Jesus Arias, Principal Licensing Engineer (w/SGI)

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C = COVER E = COVER & ENCLOSURE 1 w/o Attachment 1(non-SGI only) N = NO COPY

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