

**MISSOURI
BASIN
POWER
PROJECT**

PROJECT PARTICIPANTS

Tri-State G & T Association
P.O. Box 33695
Denver, CO 80233-0695
Phone: 303/452-6111

Missouri River
Energy Services
P.O. Box 88920
Sioux Falls, SD 57108-5750
Phone: 605/338-4042

Heartland Consumers
Power District
P.O. Box 248
Madison, SD 57042-0248
Phone: 605/256-6536

Lincoln Electric System
P.O. Box 80869
Lincoln, NE 68501-0869
Phone: 402/475-4211

Wyoming Municipal Power Agency
P.O. Box 900
Lusk, WY 82225-0900
Phone: 307/334-2170

Basin Electric Power Cooperative
1717 East Interstate Avenue
Bismarck, ND 58503-0564
Phone: 701/223-0441

LARAMIE RIVER STATION

**Operating Agent
Basin Electric Power Cooperative**

Phone: 307-322-9601

**P.O. Box 489
Wheatland, Wyoming 82201-0489**

RECEIVED

JUL 29 2010

DNMS

July 27, 2010

Arthur T. Howell III
United States Nuclear Regulatory Commission
Region IV
612 East Lamar Boulevard Suite 400
Arlington, TX 76011-4125

David Cummings, RSO
Unit 3 Feeder Deck Incident
NRC License #33-18224-01

Re: Supplemental Report Following PEC – Report #030-14682/2009-001

Dear Mr. Howell:

I wanted to take a moment and thank you and your team for the opportunity on July 14, 2010 for Basin Electric to present the results of the investigation regarding the Unit 3 Feeder Deck Incident in September 2009. We also appreciated your thoughts on the incident and Basin Electric's completed and planned corrective actions to prevent recurrence of a similar incident. After the conference, the management team for the Laramie River Station has refined and executed previously considered additional opportunities to prevent recurrence of a similar incident at LRS or other Basin Electric facilities. These additional actions as explained below include (1) significant change to the management of work; (2) multiple opportunities for affected employees to have a medical consultation; (3) the implementation of an annual training package specific to supervisory employees regarding nuclear gauges; and (4) a directive from the Vice President of Plant Operations to all plant managers regarding the prevention of a similar incident through heightened awareness at other sites using nuclear gauges.

1. Work Management:

First, work order templates are being built and will be installed on equipment that has the potential for nuclear source exposure. These templates can be installed to the equipment so that they are identified as either “requirements” or “permits”. The information will automatically transfer to both the Work Request and the subsequent Work Order so that information is transparent and will be addressed depending on the work being performed and the location. Second, finalized formal work flows are being established that will dictate the process for work identification and processing. Part of that process will require final approval for Work Requests from Group Supervisors which will involve greater oversight of work and particular hazards presented. Strict limitations will be in effect for emergent work that circumvents the normal work flows to ensure that potential nuclear hazards are identified early.

Taken together, these changes mentioned by Brad Thompson at the PEC will cause the presence of a gauge to be identified much earlier in the planning process, resulting in its inclusion in the development of job safety analyses, pre-job briefings, etc. As a systemic, written change to work management, these institutionalized changes will continue regardless of management and supervisory staff turnover in the future.

2. Medical Consultation:

A representative of the Wyoming Department of Health attended the PEC. Following the conference, he offered the services of his department to the Laramie River Station in whatever manner is needed. We will schedule a date for consultation for all affected employees to have the opportunity to consult with the Department regarding the incident.

Additionally, Basin Electric does employ a doctor who routinely visits the Laramie River Station. All employees are encouraged to take advantage of his services, privately and at no cost to them. Although not briefed at the PEC, the affected employees were already encouraged to visit with him since the incident occurred, and they will be reminded that our doctor is available for them to consult at any of his monthly visits.

3. Supervisor Training:

During discussions at the PEC, it became apparent that the comprehensive training regimen Basin Electric previously developed to raise awareness and prevent recurrence of a similar incident should also include supervisors and their responsibilities related to nuclear gauge safety. Therefore, we will conduct a formal training event for supervisors, with follow up in the ‘protocol meetings’ conducted by the Plant Manager with all supervisors. These meetings are typically held two or three times a year, and the Radiation Safety Officer will be assigned an agenda item to review training needs, address concerns and answer questions related to gauges and safety at each meeting. As new supervisors assume their duties, part of their initial

training will also include their responsibilities as supervisors related to nuclear gauges. The Radiation Safety Officer will be responsible to provide this training.

4. Directive to All Basin Electric Facilities:

Mike Fluharty, Vice President of Plant Operations for Basin Electric, has issued a directive to all facilities regarding the safe usage of nuclear gauges and the requirement to follow all License conditions and applicable regulations. As Mr. Fluharty discussed at the PEC, he will also ensure that other Basin Electric facilities having nuclear gauges will be informed of this incident to heighten awareness of Licensee requirements and incident prevention.

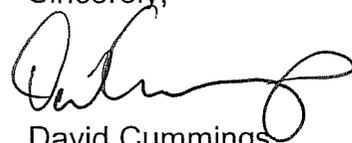
We expect implementation of the above actions not already completed (#1, 2 and 3) to be completed by September 1, 2010.

In addition to the above actions, we want to respond to your question during the PEC regarding the 2007 incident and possible MOP exposures from that incident. Given the location of the gauge (20' above the floor) and the measured dose rate of 80 millirems/hour at two feet, as was previously reported in November 2009, it was determined that MOP exposure above regulatory limits was extremely unlikely given this distance from the gauge. The radiation worker conducting the leak check on the gauge, who was wearing a badge and was close to the gauge for only a few minutes, received a dose of less than 100 millirem.

Basin Electric believes it had taken comprehensive corrective actions at the time of the PEC but wants to ensure that the NRC is aware of the additional refinement and execution of those actions as outlined above. Since the purpose of a civil penalty is not retributive but remedial, to encourage licensees to take effective and lasting corrective actions to avoid future problems (NRC Enforcement Manual, Section 4.5.E.), Basin Electric therefore believes that no penalty is required here. We hope and trust that you and NRC decision-makers will agree that Basin Electric has "stepped up" to its Licensee responsibilities. We thank you again for the opportunity to explain all of our corrective actions and the productive PEC meeting with you.

Please do not hesitate to contact me if I can be of further assistance.

Sincerely,



David Cummings
Radiation Safety Officer
Laramie River Station

cc: B. Larson, LRS
B. Eriksen, HQ