



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, IL 60532-4352

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December 7, 2011

EA-11-203

Mr. Mark A. Schimmel
Site Vice President
Prairie Island Nuclear Generating Plant
Northern States Power Company, Minnesota
1717 Wakonade Drive East
Welch, MN 55089

**SUBJECT: PRAIRIE ISLAND NUCLEAR GENERATING PLANT, UNITS 1 AND 2
NRC SECURITY BASELINE INSPECTION REPORT 05000282/2011405(DRS);
05000306/2011405(DRS) PRELIMINARY GREATER THAN GREEN FINDING**

Dear Mr. Schimmel:

On October 28, 2011, the U. S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Prairie Island Nuclear Generating Plant, Units 1 and 2. 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 October 28, 2011, with Mr. K. Davidson 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 inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

This report documents a finding that has the potential for significance of greater than very low security significance (i.e., greater than Green as determined by the Physical Protection Significance Determination Process). The final resolution of this finding will convey the increment in the importance to safety by assigning the corresponding color. The deficiencies were corrected or compensated for, and the plant was in compliance with applicable physical protection and security requirements within the scope of this inspection before the inspector left the site.

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A cross-cutting aspect was identified in the area of Human Performance (H.1(b)) because the licensee failed to conduct an effectiveness review of safety significant decisions to verify the validity of the underlying assumptions, and identify possible unintended consequences. The finding is also an apparent violation (AV) of NRC requirements and is being considered for escalated enforcement action in accordance with the NRC Enforcement Policy. The current Enforcement Policy can be found at the NRC's Web site at <http://www.nrc.gov/reading-rm/doc-collections/enforcement>.

In accordance with Inspection Manual Chapter (IMC) 0609, Significance Determination Process (SDP), we intend to complete our evaluation using the best available information and issue our final determination of security significance within 90 days of the date of this letter.

The Significance Determination Process encourages an open dialogue between the NRC staff and the licensee; however, the dialogue should not impact the timeliness of the staff's final determination. Before the NRC makes its enforcement decision, we are providing you an opportunity to either: (1) present to the NRC your perspectives on the facts and assumptions used by the NRC to arrive at the finding and its significance at a Regulatory Conference, or (2) submit your position on the finding to the NRC in writing. If you decline to request a Regulatory Conference or submit a written response, your ability to appeal the final SDP determination can be affected, in that by not doing either, you fail to meet the appeal requirements stated in the Prerequisite and Limitation Sections of Attachment 2 of IMC 0609.

If you request a Regulatory Conference, it should be held within 30 days of the receipt of this letter and we encourage you to submit supporting documentation at least one week prior to the conference in an effort to make the conference more efficient and effective. In the interest of protecting sensitive, security-related information, if a Regulatory Conference is held, it will not be open for public observation. If you decide to submit only a written response, such submittals should be sent to the NRC within 30 days of the receipt of this letter. Because this issue involves security-related information, if you choose to respond, your response will not be made available electronically for public inspection in the NRC Public Document Room or the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. If Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.22. Otherwise, mark your entire response "Security-Related Information – Withhold Under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Please contact Richard Skokowski, Chief, Plant Support Branch at (630) 829-9757 and in writing within 10 days of the date of this letter to notify the NRC of your intended response. If we have not heard from you within 10 days, we will continue with our significance determination and enforcement decision and you will be advised by separate correspondence of the results of our deliberations on this matter.

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Since the NRC has not made a final determination in this matter, no Notice of Violation is being issued for these inspection findings at this time. In addition, please be advised that the number and characterizations of the AVs described in the enclosed inspection report may change as a result of further NRC review.

Additionally, one licensee-identified violation, which was determined to be of very low security significance, is listed in Section 4OA7 of this report. However, because of the very low security significance and because it was entered into your corrective action program, the NRC is treating this violation as a Non-Cited Violation (NCV) consistent with Section 2.3.2 of the NRC Enforcement Policy.

If you contest the subject or severity of an NCV, 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 a copy 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 Resident Inspector Office at the Prairie Island Nuclear Generating Plant.

In addition, if you disagree with the cross-cutting aspect assigned to the finding in this report, you should provide a response within 30 days of the date of this inspection report, with the basis for your disagreement, to the Regional Administrator, Region III, and the NRC Resident Inspector at the Prairie Island 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 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). However, because of the security-related concerns 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.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. This practice will ensure that your response will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system, ADAMS. If Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21. Otherwise, mark your entire response "Security-Related Information-Withhold Under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

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

Sincerely,

/RA by Kenneth O'Brien Acting for/

Steven A. Reynolds
Division Director
Division of Reactor Safety

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

Nonpublic Enclosure: Inspection Report 05000282/2011405(DRS); 05000306/2011405(DRS)
w/Attachment: Supplemental Information
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cc w/encl: S. Coker, NSIR/DSO/DDSO/ST
R. Albert, NSIR/DSO/RSOB
C. Johnson, NSIR
J. Trapp, Region I
B. Desai, RII
M. Hay, RIV

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