



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

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

December 8, 2014

EA-14-165

Ms. Karen Fili  
Site Vice President  
Monticello Nuclear Generating Plant  
Northern States Power Company, Minnesota  
2807 West County Road 75  
Monticello, MN 55362-9637

SUBJECT: MONTICELLO NUCLEAR GENERATING PLANT  
NRC SECURITY BASELINE INSPECTION REPORT 05000263/2014406  
PRELIMINARY GREATER THAN GREEN FINDING

Dear Ms. Fili:

On November 13, 2014, the U.S. Nuclear Regulatory Commission (NRC) completed an 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 November 13, 2014, with you 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.

The attached inspection report documents one or more findings that have preliminarily been determined to have greater than very low security significance that may require additional inspections, regulatory actions, and oversight. Each finding was assessed based on the best available information, using the Physical Protection Significance Determination Process (SDP). The deficiencies were promptly 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. The NRC will inform you in writing when the final significance has been determined.

The finding(s) are also apparent violation(s) of NRC requirements and are being considered for escalated enforcement action in accordance with the Enforcement Policy, which appears on the NRC's Web site at <http://www.nrc.gov/reading-rm/doc-collections/enforcement>.

Enclosure contains Sensitive Unclassified Non-Safeguards Information. When separated from enclosure, this transmittal document is decontrolled.

K. Fili

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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 SDP 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's Public Document Room or the NRC's Agencywide Documents Access and Management 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 Steven Orth, 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.

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

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public Inspections, Exemptions, Requests for Withholding," of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

K. Fili

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However, the material enclosed herewith contains Security-Related Information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the PARS component of NRC's ADAMS. If you choose to provide a response and Security-Related Information is necessary to provide an acceptable response, please mark your entire response "Security-Related Information-Withhold from public disclosure under 10 CFR 2.390" in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response..

Sincerely,

*/RA/*

Kenneth G. O'Brien, Director  
Division of Reactor Safety

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

Nonpublic Enclosure:  
IR 05000263/2014406  
w/Attachment: Supplemental Information

cc w/encl: N. Simonian, NSIR/DSO/DDSO/ST  
E. Wharton, NSIR  
T. Dimitriadis, RI  
B. Desai, RII  
M. Haire, RIV

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Sincerely,

/RA/

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Division of Reactor Safety

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IR 05000263/2014406  
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cc w/encl: N. Simonian, NSIR/DSO/DDSO/ST  
E. Wharton, NSIR  
T. Dimitriadis, RI  
B. Desai, RII  
M. Haire, RIV

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Letter to Ms. Karen Fili from Mr. Kenneth G. O'Brien dated December 8, 2014

SUBJECT: MONTICELLO NUCLEAR GENERATING PLANT  
NRC SECURITY BASELINE INSPECTION REPORT 05000263/2014406  
PRELIMINARY GREATER THAN GREEN FINDING

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