

January 22, 2016

Xcel Energy, Inc.
ATTN: Kevin Davison
Site Vice President
Prairie Island Nuclear Generating Plant
1717 Wakonade Drive East
Welch, MN 55089-9642

SUBJECT: LICENSE FEE BILLING ERROR

Dear Mr. Davison:

The U.S. Nuclear Regulatory Commission (NRC) identified an error related to the amount billed to Xcel Energy, Inc. (formerly known as Nuclear Management Co., LLC) under Title 10 of the *Code of Federal Regulations* (10 CFR), Part 170, *Fees for Facilities, Materials, Import and Export Licenses, and Other Regulatory Services under the Atomic Energy Act of 1954, as amended*. During fiscal years 2013 and 2014, the NRC made payments to a contractor for technical assistance services in support of work related to docket 07200010, Prairie Island (license number SNM-2506). Payments in the amount of \$297,590 were incorrectly recorded in our financial system without the associated cost activity code, L24592 - Prairie Island ISFSI License Renewal Application. The omitted cost activity code prevented the payments from being accumulated for license fee billing. Therefore, NRC has not yet billed Xcel Energy, Inc. for these charges totaling \$297,590.

Staff from the Office of the Chief Financial Officer (OCFO) and Office of Nuclear Material Safety and Safeguards (NMSS) identified these errors while performing an audit of fee recoverable contract costs. NMSS staff substantiated all charges by performing a thorough review of the original invoices and monthly letter status reports provided by the contractor. Please note that since this error occurred, the NRC has implemented internal control measures to prevent reoccurrence of this type of error.

Based on the information stated above, the NRC will include these charges on the next quarterly Part 170 invoice which will be issued to Xcel Energy, Inc., in January 2016. I sincerely regret the inconvenience this has caused. If you have questions related to this matter, please contact Ms. Meghan Blair of the OCFO at 301-415-5242 or Meghan.Blair@nrc.gov.

Sincerely,

/RA/

Maureen E. Wylie
Chief Financial Officer

January 22, 2016

Xcel Energy, Inc.
ATTN: Kevin Davison
Site Vice President
Prairie Island Nuclear Generating Plant
1717 Wakonade Drive East
Welch, MN 55089-9642

SUBJECT: LICENSE FEE BILLING ERROR

Dear Mr. Davison:

The U.S. Nuclear Regulatory Commission (NRC) identified an error related to the amount billed to Xcel Energy, Inc. (formerly known as Nuclear Management Co., LLC) under Title 10 of the *Code of Federal Regulations* (10 CFR), Part 170, *Fees for Facilities, Materials, Import and Export Licenses, and Other Regulatory Services under the Atomic Energy Act of 1954, as amended*. During fiscal years 2013 and 2014, the NRC made payments to a contractor for technical assistance services in support of work related to docket 07200010, Prairie Island (license number SNM-2506). Payments in the amount of \$297,590 were incorrectly recorded in our financial system without the associated cost activity code, L24592 - Prairie Island ISFSI License Renewal Application. The omitted cost activity code prevented the payments from being accumulated for license fee billing. Therefore, NRC has not yet billed Xcel Energy, Inc. for these charges totaling \$297,590.

Staff from the Office of the Chief Financial Officer (OCFO) and Office of Nuclear Material Safety and Safeguards (NMSS) identified these errors while performing an audit of fee recoverable contract costs. NMSS staff substantiated all charges by performing a thorough review of the original invoices and monthly letter status reports provided by the contractor. Please note that since this error occurred, the NRC has implemented internal control measures to prevent reoccurrence of this type of error.

Based on the information stated above, the NRC will include these charges on the next quarterly Part 170 invoice which will be issued to Xcel Energy, Inc., in January 2016. I sincerely regret the inconvenience this has caused. If you have questions related to this matter, please contact Ms. Meghan Blair of the OCFO at 301-415-5242 or Meghan.Blair@nrc.gov.

Sincerely,
/RA/
Maureen E. Wylie
Chief Financial Officer

Docket Number: 07200010
License Number: SNM-2506

Distribution:

OCFO/DOC RF

Adams: Yes No Initials: _____ SUNSI Review By: _____

Publicly Available Non-Publicly Available Sensitive Non-Sensitive

ADAMS ML: ML15323A367 *see previous concurrence

OFFICE	OCFO/DOC/ARB		OCFO/DOC/ARB		NMSS	
NAME	MBlair/rsh		DD'Abate		JNguyen	
DATE	11/19/15		11/19/15		11/24/15	
OFFICE	NMSS		NMSS		OCFO/DOC	
NAME	JTrefethen		SMoore		KWilliams	
DATE	11/25/15		12/1/15		12/ /15	
OFFICE	OCFO/DOC		OCFO/DCFO		OCFO/CFO	
NAME	GPeterson		MMuessle		MWylie	
DATE	12/ /15		12/ 22 /15		12/ 22 /15	