

March 13, 2012

Mr. Timothy J. O'Connor
Site Vice President
Monticello Nuclear Generating Plant
2807 West County Road 75
Monticello, MN 55362-9637

SUBJECT: MONTICELLO NUCLEAR GENERATING PLANT – NRC SECURITY
INSPECTION REPORT 05000263/2011201

Dear Mr. O'Connor:

On December 8, 2011, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection at the 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 December 8, 2011, and February 14, 2012, with you and other members of the site 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.

The report documents one NRC-identified finding of very low safety significance (i.e., Green as determined by the Physical Protection Significance Determination Process). This finding was determined to involve a violation of NRC requirements. The deficiency was 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 inspectors left the site.

This finding was determined to involve a violation of NRC requirements. The NRC is treating the violation as a non-cited violation (NCV) consistent with Section 2.3.2 of the Enforcement Policy. If you contest any NCV in the enclosed report, 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 copies to the Director, Office of Nuclear Security and Incident Response (NSIR); the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; the Branch Chief, Security Training and Support Branch, NSIR; and the NRC Resident Inspectors at Monticello.

The enclosure transmitted herewith contains SUNSI. When separated from the enclosure, this transmittal document is decontrolled.

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T. O'Connor

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The finding had a cross-cutting aspect in the area of Human Performance related to the component of decision-making because the licensee did not use a systematic process to make risk-significant decisions to ensure safety was maintained [H.1(a)]. 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 Director, NSIR, and the Branch Chief, Security Training and Support Branch, NSIR.

In accordance with Title 10 of the *Code of Federal Regulations* (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 component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, the material enclosed herewith contains "Security-Related Information" 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 NRC's document system (ADAMS). If security-related information is necessary to provide an acceptable response, please mark your entire response security-related information 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/

Garmon West, Chief
Security Training and Support Branch
Division of Security Operations
Office of Nuclear Security and Incident Response

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

Enclosure: Inspection Report 05000263/2011201 Supplemental Information
w/Attachment

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T. O'Connor

-2-

The finding had a cross-cutting aspect in the area of Human Performance related to the component of decision-making because the licensee did not use a systematic process to make risk-significant decisions to ensure safety was maintained [H.1(a)]. 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 Director, NSIR, and the Branch Chief, Security Training and Support Branch, NSIR.

In accordance with Title 10 of the *Code of Federal Regulations* (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 component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, the material enclosed herewith contains "Security-Related Information" 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 NRC's document system (ADAMS). If security-related information is necessary to provide an acceptable response, please mark your entire response security-related information 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/

Garmon West, Chief
Security Training and Support Branch
Division of Security Operations
Office of Nuclear Security and Incident Response

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