SAFEGUARDS INFORMATION

June 14, 2004

Mr. Joseph Solymossy Site Vice-President Prairie Island Nuclear Generating Plant Nuclear Management Company, LLC 1717 Wakonade Drive East Welch, MN 55089

SUBJECT: PRAIRIE ISLAND NUCLEAR GENERATING PLANT, UNITS 1 AND 2, INSPECTION REPORT NO. 05000282/2004004(DRS); 05000306/2004004(DRS)

Dear Mr. Solymossy:

This refers to the inspection conducted between April 6 - 29, 2004 at the Nuclear Management Company Corporate Headquarters and the Prairie Island Nuclear Generating Plant, Units 1 and 2. The purpose of the inspection was to compete a security baseline inspection. The enclosed report presents the results of this inspection.

This inspection examined activities conducted under your licenses as they relate to public health and safety, the common defense and security, and to compliance with the Commission's rules and regulations, orders, and with the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of this inspection, the NRC has identified an issue that was evaluated under the risk significance determination process as having very low safety significance (Green). The NRC has also determined that a violation is associated with this issue. The violation is being treated as a Non-Cited Violation (NCV), consistent with Section VI.A of the Enforcement Policy. The NCV is described in the subject inspection report.

PROPRIETARY INFORMATION

May be exempt form public release under the Freedom of Information Act (5 U.S.C.552).

Exemption Number

Name and Organization of person making determination:

Date of Determination

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J. Solymossy

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If you contest the violation or significance of the 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, Region III, and the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the Resident Inspector at the Prairie Island Nuclear Generating Plant. Because this issue involves security-related information, 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), 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 73.21. Otherwise, mark your entire response "Proprietary Information in accordance with 10 CFR 2.390(d)(1)" and follow the instruction 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.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material will <u>not</u> be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <u>http://www.nrc.gov/reading-rm/adams.html</u>.

Sincerely,

/Terry Madeda Acting for/

James R. Creed Safeguards Program Manager Division of Reactor Safety

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

Enclosure: Inspection Report 05000282/2004004(DRS); 05000306/2004004(DRS) w/Attachment: Supplemental Information (SAFEGUARDS INFORMATION)

See Attached Distribution

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cc w/encl: (SAFEGUARDS INFORMATION)

E. McNeil (NSIR/DNS/RSS)

B. Westreich (NSIR/DNS)

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