

# PRIORITY 1

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AUTH. NAME AUTHOR AFFILIATION  
STEWART, W.L. Arizona Public Service Co. (formerly Arizona Nuclear Power I  
RECIP. NAME RECIPIENT AFFILIATION  
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SUBJECT: Responds to NRC 950622 ltr re violations noted in insp repts O  
50-528/95-11, 50-529/95-11 & 50-530/95-11. Corrective actions:  
suspended unescorted access for individuals in cited cases R  
upon discovery.

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WILLIAM L. STEWART  
EXECUTIVE VICE PRESIDENT  
NUCLEAR

102-03430-WLS/AKK/DRL  
July 28, 1995

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Mail Station: P1-37  
Washington, DC 20555-0001

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station (PVNGS)  
Units 1, 2, and 3  
Docket Nos. STN 50-528/529/530  
Reply to Notice of Violation 50-528/529/530/95-11-01**

Arizona Public Service Company (APS) has reviewed NRC Inspection Report 50 528/529/530/95-11 and the Notice of Violation (NOV) dated June 22, 1995. Pursuant to the provisions of 10 CFR 2.201, APS' response is enclosed. Enclosure 1 to this letter is a restatement of the NOV. APS' response is provided in Enclosure 2.

APS accepts the violation and while the facts stated are correct, additional clarification is needed. Corrective action to prevent recurrence was implemented in November 1994 upon identification of the first two incidents of failure to verify periods of unemployment over 30 days. A similar issue identified in January 1995 actually occurred prior to November 1994. The corrective action to prevent recurrence for the first two incidents encompasses the third. While other issues related to fingerprints not being submitted to the FBI, the MMPI test proctor leaving the two employees alone while taking the test, and an individual's paperwork not having the signature authorizing unescorted access represent personnel errors, they are not viewed as repetitive.

APS realizes that the station is being cited because it appears that corrective actions may have been ineffective; however, as described above, the three examples for failure to verify periods of unemployment over 30 days occurred prior to November 1994 when corrective action to prevent recurrence was put into place.

The six incidents cited in the NRC notice of violation and discussed above were self-identified and involve low safety risk because, ultimately, none of the individuals would have been denied access authorization.

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U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Reply to Notice of Violation 50-528/529/530/95-11-01  
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The corrective action which was implemented in November, 1994 and additional measures taken since that time involving the incorporation of secondary reviews and ensuring test proctors fully understand their responsibilities have been effective in precluding recurrence of these specific issues. APS continues to take the same type of pro-active approach in self-identification and resolution through corrective action as in this case.

Should you have any further questions, please contact Ms. Angela K. Krainik at (602) 393-5421.

Sincerely,

*Gregg M. Quaker*  
*for WLS*

WLS/AKK/DRL

Enclosures:

1. Restatement of Notice of Violation
2. Reply to Notice of Violation

cc: L. J. Callan  
B. E. Holian  
K. E. Johnston  
K. E. Perkins

**ENCLOSURE 1**

**RESTATEMENT OF NOTICE OF VIOLATION 50-528/529/530/95-11-01**

**NRC INSPECTION CONDUCTED MAY 15 THROUGH**

**MAY 19, 1995**

**INSPECTION REPORT No. 50-528/529/530/95-11**

## RESTATEMENT OF NOTICE OF VIOLATION 50-528/529/530/95-11-01

During an NRC inspection conducted on May 15-19, 1995, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C, the violation is listed below:

### Inadequate Access Authorization

Paragraph 1.3.1 of the licensee Physical Security Plan requires the access authorization program to meet the requirements of Regulatory Guide 5.66.

Paragraph 6.2.1e of the Appendix to Regulatory Guide 5.66 (NUMARC 89-01) requires the verification of periods of unemployment that exceed 30 days prior to granting unescorted access. Paragraph 6.4e requires that the licensee provide evidence that a criminal history check through the Federal Bureau Investigation (FBI) was submitted prior to granting temporary unescorted access.

Paragraph 3.3.6 of licensee's Procedure 20DP-OSK11 requires the verification of any periods of unemployment exceeding 30 days prior to granting unescorted access. Paragraph 3.6.3 requires that the licensee submit fingerprints to the FBI to gain criminal history prior to granting unescorted access.

Paragraph 3.1 of licensee's Procedure 20DP-OSK18 requires that the request for unescorted access be signed by only certain responsible individuals prior to granting unescorted access. Paragraph 3.2.6 of licensee's Procedure 20DP-OSK12 requires that the Minnesota Multiphasic Personality Inventory (MMPI) test be proctored continuously until completion of the test.

Contrary to the above requirements, the licensee granted individuals unescorted access without ensuring that background investigations and screen requirements had been completed. Specifically, as identified and reported by the licensee.

- On July 19, 1994, the licensee discovered an individual was granted temporary unescorted access on June 29, 1994, without fingerprints being submitted to the FBI for a criminal history check. The individual had left the site and no further action could be taken.
- On November 2, 1994, the licensee discovered an individual was granted unescorted access on March 31, 1994, prior to verification of a period of unemployment over 30 days.

- On November 16, 1994, the licensee discovered an individual was granted unescorted access on October 4, 1994, prior to verification of a period of unemployment over 30 days.
- On January 10, 1995, the licensee discovered an individual was granted unescorted access on July 12, 1994, prior to verification of a period of unemployment over 30 days.
- On March 29, 1995, a quality assurance surveillance discovered that on February 8, 1995, an MMPI test proctor left two employees alone while taking the test. The employees admitted talking while the proctor was out of the room.
- On April 18, 1995, the licensee discovered an individual was granted unescorted access on April 14, 1995, without a signature authorizing their unescorted access. The personnel administering the access program failed to recognize that the access authorization document was not signed.

This is a Severity Level IV violation (Supplement III) (528/9511-01, 529/9511-01, 530/9511-01).

**ENCLOSURE 2**

**REPLY TO NOTICE OF VIOLATION 50-528/529/530/95-11-01**

**NRC INSPECTION CONDUCTED MAY 15 THROUGH**

**MAY 19, 1995**

**INSPECTION REPORT Nos. 50-528/529/530/95-11**

REPLY TO NOTICE OF VIOLATION 50-528/529/530/95-11-01

Reason For The Violation

In November 1994, APS identified a failure to verify unemployment periods exceeding 30 days. The specific cause for the failure was the common practice of verifying the month and year versus the specific date. During November 1994, when two of the three unemployment periods exceeding 30 days were identified, the Access Control Section was processing personnel for an outage and at the same time implementing an extensive three phase action plan to revamp all of the access control processes. Additionally, there was a significant backlog of background investigation files pending. In an effort to complete the files and identify potential errors in the temporary clearances in an expedient manner, APS sent approximately 100 files to our contract agency and continued to review additional backlog files as time permitted. It was during this ongoing review that APS discovered the third unemployment period which had not been verified and led to the January 1995, 73.71 log entry.

The individual's fingerprints which had not been submitted to the FBI for a criminal history check was due to information received through the Integrated Nuclear Data Exchange System (INDEX) which reflected that the individual had held temporary unescorted access within the last 180 days. Therefore, fingerprints were not required to be submitted by APS. During subsequent review of this file, it was discovered that the facility which entered the information into INDEX had inappropriately accepted the fingerprints from the originating utility.



The event involving improper MMPI proctoring was due to the proctor failing to maintain continuous observation of the individuals taking the test. This was a result of the proctor not fully understanding that when more than one individual is taking the test in the same room, at the same time, they must be continuously observed until the test is completed. This incident and several other non-loggable issues were self-identified and resolved through programmatic changes and enhanced proctor training.

Finally, in the case of the missing authorization signature for unescorted access, this was an individual performance issue and the lack of a secondary review of the authorizing form prior to ACAD issuance.

The issues related to fingerprints not being submitted to the FBI, the MMPI test proctor leaving the two employees alone while taking the test, and an individual's paperwork not having the signature authorizing unescorted access are unrelated to the unemployment periods exceeding 30 days. Since their identification, the implementation of corrective action has been effective in preventing recurrence.

#### **Corrective Steps That Have Been Taken and Results Achieved**

- **Unemployment Periods Exceeding 30 Days:**

Approximately mid-November 1994, individuals assigned to conduct background investigations were informed that verifying specific dates was a requirement, and if a specific date could not be verified, the screeners were instructed to assume either the first or last day of the month, whichever would result in a longer period of time. Unescorted access for individuals in the cited cases was suspended immediately upon discovery, unless the individual had already been terminated, and the periods of

unemployment were verified. The periods verified did not identify any derogatory information. Since implementation of the above corrective action, no further discrepancies of this specific issue have been identified. A process for secondary review of background investigation packages to include checklists and specific review criteria has been implemented. This process is now performed prior to ACAD issuance and will provide additional assurance that action to prevent recurrence is effective.

- **Minnesota Multiphasic Personnel Inventory (MMPI) Proctoring:**

APS employees who perform proctoring duties have been informed of the requirement for continuous observation when more than one person is taking the test in the same room, at the same time. Contract proctors were re-trained, and contracts were revised to incorporate the proctoring requirements. The two individuals in question were re-tested on April 26, 1995, with satisfactory results. Additional process modifications were made to clarify requirements and expectations.

- **Signature Authorization:**

An expanded review process for the "Authority For Unescorted Access To Protected/Vital Areas" (AVA) form has been established. Screeners are responsible for ensuring that the authorization forms are complete. A secondary review has been added to ensure required information is on the form prior to issuing the badge.

### **Corrective Steps That Will Be Taken To Avoid Further Violations**

Background investigation files that are still pending and were used to grant temporary unescorted access prior to mid-November 1994 will be reviewed to ensure there are no unemployment periods exceeding 30 days. This action will be completed by September 30, 1995.

The Access Authorization Section will complete implementation of the improvement plan during the first quarter of 1996 with the move to a new central processing facility. Security Performance Assessment and Nuclear Assurance will continue to follow-up on corrective actions to verify effectiveness.

### **Date When Full Compliance Will Be Achieved**

- Full compliance for these specific issues dealing with verification of a period of unemployment over 30 days was achieved in mid-November 1994.
- Full compliance for dealing with fingerprints being submitted to the FBI was achieved in November 1994.
- Full compliance for MMPI test proctoring was achieved in May 1995.
- Full compliance for proper signature authorization on the AVA form was achieved in April 1995.