

U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket No: 50-440
License No: NPF-58

Report No: 50-440/96010(DRS)

Licensee: Cleveland Electric Illuminating Company

Facility: Perry Nuclear Power Plant, Unit 1

Location: Post Office Box 5000
Cleveland, OH 44101

Dates: September 23-27, 1996

Inspectors: J. L. Belanger, Senior Physical Security Inspector
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Approved by: James R. Creed, Chief, Plant Support Branch 1
Division of Reactor Safety

EXECUTIVE SUMMARY

Perry Nuclear Power Plant, Unit 1
NRC Inspection Report No. 50-440/96010

The licensee's access authorization program provided assurance that individuals who were authorized unescorted access to Perry Nuclear Plant were trustworthy and reliable, and did not constitute an undue risk to the health and safety of the public as a result of their unescorted access. No violations were noted. The following items were considered program strengths:

- The knowledge of regulatory requirements and competence of the Access Authorization Unit were excellent.
- The scope, depth and documentation of reviewed audits was excellent.
- The method of monitoring licensee and contractor use of security badges and absence from a behavior observation program for more than 30 days developed by the licensee was excellent.

The following item was considered a program weakness:

- Some investigative reports for temporary unescorted access did not contain information about the answers or responses given by the applicant for unescorted access concerning the series of questions about past drug use and character and reputation that are addressed in 10 CFR Part 26 and Regulatory Guide 5.66.

The weakness was corrected prior to the conclusion of the inspection.

The following item was considered an Unresolved Item:

- Members of the offsite safety review committee are routinely granted unescorted access without confirmation that they were under a continuous observation program between site visits or by "ascertaining" their activities between visits.

Report Details

Plant Support

S1 Conduct of Security and Safety Activities

S1.1 Temporary instruction 2515/127 "Access Authorization"

a. Inspection scope (TI 2515/127)

The inspection included an evaluation to determine whether the access authorization program requirements identified in the Perry Plant security plan were adequately implemented.

The inspectors reviewed records and conducted interviews to evaluate the adequacy of the licensee's program to verify true identity of an applicant and to develop information concerning employment, education, credit, and criminal histories; military service; and the character and reputation of an individual prior to granting them unescorted access to protected and vital areas.

Areas examined during the inspection included all relevant aspects of the access authorization program as identified in TI 2515/127. Within these areas, the inspection consisted of a selective examination of procedures and representative records, interviews with personnel, and observations of activities in progress.

b. Observations and Findings

b.1. AA Program Administration and Implementation

The licensee committed in their security plan to implement all elements of Regulatory Guide 5.66 to satisfy the requirements of 10 CFR 73.56. Perry Administrative Procedure (PAP) 0222 and the Security Administrative Instruction (SAI) series of instructions provided the guidance for implementation of the program. The licensee's procedures were detailed to provide adequate guidance/direction to those responsible for implementing the program.

The access authorization (AA) program was effectively administered through an established organization consisting of several independent groups to which responsibilities were assigned.

The Access Authorization Unit (AAU) staff at the Perry Plant consisted of an AAU Supervisor, two AA Administrators (one permanent and one temporary/rotational assignment from within the Site Protection Section), an AA Clerk, and a Fitness-for-Duty Administrator. During outages, this staff was augmented with three temporary workers. The AAU administered the fingerprinting, performed and coordinated background screening for authorized companies and coordinated all

administrative activates from the point when an individual is authorized unescorted access to the issuance of a badge and key. The AAU Supervisor reported to the Manager, Site Protection Section. Staff interviewed were knowledgeable of program responsibilities and procedures. This aspect of the program was a strength. A strong sense of ownership was evident.

The Manager, Corporate Security completed the background investigation for company employees and new hires who required unescorted access. Human Resources Section coordinated the processing of company new hires and administered the psychological tests for these employees.

Two vendors performed the background investigations for contractors without approved screening programs. The inspectors reviewed the licensee's contracts with these vendors and found that the contracts met regulatory requirements.

The licensee approved screening programs for five contractors. The inspectors reviewed the agreement letters with the self-screening contractors and found that the self-screeners committed to performing work in accordance with PAP-0222.

b.2. Background Investigations

The background investigation case files reviewed were well documented and no deficiencies were noted. Background investigation elements were being completed to the depth required by the Rule and Regulatory Guide 5.66.

The inspector reviewed the results of the background investigations of 20 personnel. Inspection results showed that the scope and depth of background investigations (BIs) satisfied NRC regulatory requirements and provided an adequate level of background information on which to base a determination for access authorization. The BIs covered the specified time period and number of required contacts for each element referenced above. In those cases where derogatory information had been developed, the licensee reviewed and evaluated the derogatory information in a timely manner.

A weakness was noted pertaining to some investigative reports provided by the two background investigation contract agencies for temporary unescorted access authorization. NRC rules require information about past drug use and character and reputation to be obtained before unescorted access is granted. This information is obtained by asking past employers and personal references a series of questions addressed in 10 CFR Part 26 and Regulatory Guide 5.66.

Some reviewed investigation reports for temporary unescorted access stated that the appropriate questions were asked but the reports did not contain any information about the answers or responses given to the questions (the final reports did provide the information). The licensee's assumption in such cases was that the questions must have been favorably responded to because unfavorable information would have been identified in the investigation report. Such a practice was a weakness in assuring that past drug use and character and reputation questions

required by NRC rules provided sufficient details to result in an adequate bases to justify granting of unescorted access for up to 180 days.

The licensee advised the two contractors performing background investigations to change the report formats to provide answers and responses to questions asked during the background investigation in the reports provided to the licensee requesting temporary access. The report format used for temporary access authorization would be the same format used for final access authorization. The inspectors review of the latter format showed it to be adequate. This weakness was corrected prior to the conclusion of the inspection.

b.3. Psychological Evaluations

Psychological tests were adequately controlled, administered, and proctored. The licensee contracted psychological evaluation services to satisfy access authorization requirements. The contracts for the psychological evaluation services were reviewed by the inspectors and found adequate.

The licensee used the Minnesota Multiphasic Personality Inventory (MMPI) for the initial psychological evaluations. The inspectors observed that the MMPI-2 test booklets were maintained in secure cabinets within the records storage area of the Access Authorization office area and in a locked metal filing cabinet within the office area of the Human Resources Unit. The psychological test booklets were controlled by the access authorization and human resources staffs. Administration of the test was proctored by designated members of these two organizations. If necessary followup evaluations were completed by a psychologist licensed to perform such services.

b.4. Behavior Observation Program (BOP):

Twelve personnel were interviewed. Supervisors and non supervisors interviewed were thoroughly familiar with the objectives of the behavior observation program. Personnel were very familiar with the assistance available through the Employee Assistance Program (EAP) and the avenues available to receive such assistance. The EAP had developed a strong reputation for maintaining confidentiality for services provided. All personnel interviewed were also aware of the arrest reporting requirements. Personnel felt comfortable with approaching their supervisors with problems and also believed that their supervisors were aware of assistance available and the avenues available to receive such assistance.

An excellent method of monitoring licensee and contractor use of security badges and absence from a behavior observation program for more than 30 days had been developed. Use of computer software and manual tracking of non-use of a badge after 30 days resulted in contractor badges being inactivated after 30 days and licensee employee badges being inactivated after 60 days.

Interviews with supervisors and non-supervisors disclosed that they were aware of their responsibility to notify supervision of arrests that impacted on trustworthiness and reliability.

An unresolved item was noted pertaining to the Behavior Observation Program. Personnel granted unescorted access authorization in accordance with 10 CFR 73.56 are required to be subject to a continuous behavioral observation program. Section B.3 of Regulatory Guide 5.66 "Access Authorization Program for Nuclear Power Plants", which the licensee committed to for implementation of their Access Authorization program, states in part that it is reasonable to expect licensees to ascertain that whatever activities an employee engaged in during a reasonable absence would not have the potential to affect the employee's trustworthiness and reliability.

We noted that members of the offsite safety review committee (up to five personnel) routinely need site access only about once each two months to complete their review and oversight responsibilities. These personnel are routinely granted unescorted access without confirming they have been under a continuous behavioral observation program between site visits or by "ascertaining" their activities between visits. This is considered an Unresolved Item (50-440/96010-01).

Training records for randomly selected supervisors were reviewed to confirm that required training had been completed. No discrepancies were noted.

b.5. Unescorted Access Authorization - Grandfathering, Reinstatement, Transfer, and Temporary

Licensee's access control records were reviewed to determine if they were correctly "grandfathering", reinstating, transferring, and granting temporary access authorization. Inspection results showed these provisions were being appropriately utilized by the licensee. The inspector reviewed 20 case files which included the categories of access authorization noted above.

The licensee also tracked personnel granted temporary access to ensure that the 180-day time limit for temporary access authorization had not been exceeded.

b.6. Denial or Revocation of Unescorted Access

Licensee actions concerning decisions to deny unescorted access met program requirements and NRC regulatory requirements. Appeal cases were complete and addressed matters appropriate to the appeal decision. The review process appeared independent and impartial.

The inspector reviewed the case files of ten individuals involving revocation of unescorted access. Each case file was well documented as to the reason for denial and the results of meetings held with the affected individual that informed them of the grounds for the denial and provided them the opportunity to present additional,

relevant information and explain the appeal process. Appropriate background and supportive documentation was reviewed within each reviewed case file whereby a decision could be rendered based upon the content of the files.

Written appeals were reviewed by the Manager, SPS and other company representatives (including contractor management, if appropriate) for an access determination. The procedure governing appeals required that if this group of management representatives could not reach a decision, the Manager, SPS would make a recommendation to the General Manager who would render the final decision.

b.7. Protection of Personal Information

The licensee implemented an effective system to provide for the protection of personnel information to prevent unauthorized disclosure. Access authorization and human resources staff personnel were sensitive to the need to protect private and personal information obtained during the access authorization process. Personnel completed consent forms prior to the initiation of the access authorization process.

The inspector observed that records were maintained at two onsite locations, both within the owner controlled area. The licensee indicated that background investigation records for company employees were maintain at the corporate office in Cleveland, Ohio. The inspector reviewed the physical protection practices at the two site records storage locations and found them to be adequate. Protection requirements at the corporate office were reviewed during the conduct of AA inspection at the Davis Besse plant by Region III and were adequate.

b.8. Audits

The inspectors reviewed the licensee's audits of their AA program to determine that the minimum audit requirements were met. The licensee's audits were thorough, complete and effective in identifying weaknesses in the program. The audit program, to include both the quality assurance audits of the overall implementation AA program every twenty four months and the annual audits and surveillance conducted by Site Protection Personnel of approved contractors/vendors, was determined by the inspectors to be a program strength. Some of the audits of the contractor/vendors were conducted by the utility group NEI. For the latter audits, the licensee evaluated the audit results, corrective actions were adequate, and evaluated the impact of the audit on their program. Such evaluations were adequately documented.

b.9. Records

The inspector reviewed the licensee's record retention activities to ensure required records were retained for the appropriate time period. The licensee's access authorization procedure identified that records for which access authorization is based, will be retained for the duration of the unescorted access authorization, and for a five year period following its termination. The licensee maintained agreements

with their contractors that the latter would follow the licensee's procedure regarding records retention. The contracts stipulated that the contractor would provide its records to the licensee if the contract is terminated or the contractor goes out of business.

c. Conclusion

Overall, the access authorization program required by 10 CFR 73.56 was effectively implemented. Program strengths and weaknesses were identified as required by the Temporary Instruction.

Staff knowledge of regulatory requirements, the AA audit program and methodology for monitoring contractor and licensee nonuse of security badges and absence from a behavior observation program for more than 30 days were program strengths. A weakness pertaining to the investigation report format for some cases involving temporary access authorization was corrected prior to completion of the inspection. An unresolved item was noted pertaining to offsite safety review committee members not being under a continuous behavior observation program.

V. Management Meetings

X1 Exit Meeting Summary

At the conclusion of the inspection on September 27, 1996, the inspectors met with licensee representatives identified herein and summarized the scope and findings of the inspection activities. The inspector questioned licensee personnel as to the potential for proprietary information in the likely inspection report material discussed at the exit. No proprietary information was identified.

S8 Miscellaneous Security and Safeguards Issues

- S8.1 (Closed LER 96-S01-00): A proper review of an unescorted access authorization screening application was not conducted. Specifically, some derogatory information initially supplied by an applicant for unescorted access was not sufficient to allow adjudication without contacting the individual for further details.

The licensee identified this event during the week of June 3, 1996, while performing the required annual audit of the approved contractor Unescorted Access Authorization program. While the auditor was conducting a review of randomly selected access authorization screening files, a contractor employee's file was identified as containing information that had not been adjudicated. The applicant had disclosed on his access authorization application that he had received a 1993 conviction for non-support of dependents. The contractor's screening personnel did not adjudicate this information when they interviewed the individual on another listed conviction involving a DUI arrest. The cause of the failure was personnel error. The contractor's screening personnel told the licensee during the investigation of this issue that they should have questioned the applicant on the nonsupport conviction but that this was an oversight on their part. The licensee

stated that the non-support conviction alone would not have caused the individual to be denied access.

The licensee's investigation of this audit finding included an interview with the individual to acquire the necessary additional details about the non-support conviction. Coincidentally on June 4, 1996, before the interview was conducted, the employee's fingerprint results were received from the FBI. The criminal history check revealed additional derogatory information that had not been disclosed by the individual on the unescorted access authorization application. The criminal history included a 1995 - Probation Violation Charge, a 1993 - Non-Support Charge, and a 1974 - Drug Trafficking charge. The 1995-Probation Violation Charge resulted from a positive drug test result which was not identified by the applicant on the Fitness-for-Duty Disclosure Statement. Based on the apparent willful omission and falsification of the 1974 Drug Trafficking Conviction and the 1995 Probation Violation Conviction (i.e., positive drug test result), **the licensee determined that they would have denied him unescorted access had this information been known.**

The licensee's review of the individual's FFD history, psychological assessment, work history, and behavioral observation concluded that the event had minimal safety significance.

The licensee promptly corrected this deficiency by requiring the contractor to retrain their screening personnel and conduct a review of all files to assure that all derogatory information was adjudicated.

The inspectors determined that the contractor's failure to adjudicate the derogatory information constituted a violation of Section 1.3.1 of the security plan which requires that the access authorization program utilize all elements of Regulatory Guide 5.66. Regulatory Guide 5.66 endorsed NUMARC 89-01. Section 7.1 of NUMARC 89-01 requires the utility to consider information obtain during the background investigation in making a determination of trustworthiness or reliability using the guidelines which include criminal history. This licensee-identified and corrected violation is being treated as a Non-Cited Violation, consistent with Section VII.B.1 of the NRC Enforcement Policy. (50-440/96010-02)

S8.2 UFSAR Commitments Found Contrary To Plant Security (81700)

A recent discovery of a licensee operating their facility in a manner contrary to the USAR description highlighted the need for a special focused review that compares plant practices, procedures and/or parameters to the UFSAR description. While performing this inspection discussed in this report, the inspector reviewed applicable portions of the UFSAR that related to the areas inspected. The inspector verified that the UFSAR wording was consistent with the observed plan practices, procedures, and/or parameters.

PARTIAL LIST OF PERSONS CONTACTED

Licensee

R. D. Brandt, General Manager Operations
T. Mahon, Manager, Site Protection Section
J. Slike, Access Authorization Unit Supervisor
L. Zerr, Compliance Engineer

NRC

D. Kosloff, Senior Resident Inspector, Division of Reactor Projects
R. Twigg, Resident Inspector, Division of Reactor Projects

INSPECTION PROCEDURES USED

TI 2515/127 Access Authorization

LIST OF ACRONYMS USED

AA	Access Authorization
AAO	Access Authorization Unit
CFR	Code of Federal Regulations
DRS	Division of Reactor Safety
FFD	Fitness-for-Duty
FBI	Federal Bureau of Investigation
N&E	Nuclear Energy Institute
NRC	Nuclear Regulatory Commission
NUMARC	Nuclear Management and Resources Council, Inc.
PAP	Perry Administrative Procedure
IP	Inspection Procedure
IR	Inspection Report
TI	Temporary Instruction
UFSAR	Updated Final Safety Analysis Report
SAI	Security Administrative Institute

ITEMS OPENED, CLOSED, AND DISCUSSED

OPENED

96010-01	URI	CBOP OF OFFSITE REVIEW COMMITTEE BETWEEN VISITS
96010-2	NCV	FAILURE TO CONSIDER INFO DEVELOPED DURING BI

CLOSED

96-S01-00	LER	FAILURE OF AA PROGRAM TO DENY UNESCORTED ACCESS
96010-02	NCV	FAILURE TO CONSIDER INFO DEVELOPED DURING BI