

SAFEGUARDS INFORMATION

AUG 28 1985

SAFEGUARDS INFORMATION REMOVED

Docket Nos. 50-338 and 50-339
License Nos. NPF-4 and NPF-7
EA 85-91

Virginia Electric and Power Company
ATTN: Mr. W. L. Stewart, Vice President,
Nuclear Operations
P. O. Box 26666
Richmond, VA 23261

Gentlemen:

SUBJECT: NOTICE OF VIOLATION (INSPECTION REPORT NOS. 50-338/85-20 AND
50-339/85-20)

This refers to the special inspection conducted by a member of the Region II staff on July 2-3, 1985, at the North Anna Power Station to review the circumstances of a security event identified and reported by the licensee. The Nuclear Regulatory Commission's (NRC) concerns regarding this event were discussed by Mr. John A. Olshinski, Deputy Regional Administrator, NRC, Region II, with you in an enforcement conference held at the Region II office on July 18, 1985.

On June 28, 1985, licensee engineering personnel discovered an uncontrolled path from the owner controlled area into the protected area. The violation resulted from inadequate communications between a member of security management and the project engineer and from unauthorized actions by licensee contractor personnel. Although the violation lasted only approximately sixteen hours, the NRC is concerned that the violation was similar to a violation which occurred in April 1985 at your Surry facility. In both cases, work being performed by licensee maintenance and/or contractor personnel was not effectively brought to the attention of those individuals in charge of the security program. Consequently, potential degradations in security were not properly evaluated before the work was performed.

In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1985), the violation described in the enclosed Notice has been classified at a Severity Level III. Normally, a civil penalty is proposed for a Severity Level III violation. However, after consultation with the Director, Office of Inspection and Enforcement, I have decided that a civil penalty will not be proposed in this case because of your: (1) prompt identification and reporting, (2) corrective actions, and (3) prior good performance in the area of concern as demonstrated by Category 1 ratings during the past three Systematic Assessment of Licensee Performance (SALP) periods.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you

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plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with 10 CFR 2.790(d) and 10 CFR 73.21, safeguards activities and security measures are exempt from public disclosure; therefore, the enclosures to this letter, with the exception of the report cover page which presents a non-exempt summary, will not be placed in NRC's Public Document Room.

The responses directed by this letter and the enclosures are not subject to the clearance procedures of the Office of Management and Budget issued under the Paperwork Reduction Act of 1980, PL 96-511.

Should you have any questions concerning this letter, please contact us.

Sincerely,

J. Nelson Grace
Regional Administrator

Enclosures:

1. Notice of Violation
(Safeguards Information)
2. Inspection Report Nos. 50-338/85-20
and 50-339/85-20
(Safeguards Information)

cc w/encls:

E. W. Harrell, Station Manager
R. J. Hardwick, Jr., Manager
Nuclear Programs and Licensing

bcc w/encls:

IE File
NMSS/SGPL
NRR/DL/SSPB

bcc w/Inspection Summary:

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NRC Resident Inspector
Commonwealth of Virginia

RII

RDWalker
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RII

JPSthr
8/28/85

RII

GRJenkins
8/28/85

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Inspection Report Nos. 50-338/85-20
and 50-339/85-20 (Safeguards Information)

cc w/encls:
E. W. Harrell, Station Manager
R. J. Hardwick, Jr., Manager
Nuclear Programs and Licensing

bcc w/encls:
J. A. Axelrad, IE
IE:ES File
NMSS/SGPL
NRR/DL/SSPB

bcc: w/Inspection Summary:
Document Control Desk, 016
NRC Resident Inspector
Commonwealth of Virginia

IE:ES
P. Robinson
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by phone
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