

Case No: 96-492
Date Rec'd: 11-25-96
Action Off: _____
Related Case: _____


From: douglas d solomon <DSOLO88394@gnn.com>
To: TWD2.TWP6(tdl)
Date: 11/20/96 8:47pm
Subject: Re: To whom it may concern, -Reply

>Date: Tue, 19 Nov 1996 11:26:51 -0500
>From: Teresa Linton <TDL@nrc.gov>
>To: DSOLO88394@gnn.com
>Subject: To whom it may concern, -Reply
>
>Your request for information was forwarded to the Local Public
>Document Room Staff. The only public PSE&G meeting
>scheduled for November 12 that we are aware of was one
>concerning motor operated valves at the Salem Nuclear Power
>Station. There was a closed enforcement conference
>concerning Hope Creek on November 14. Are either of these
>meetings the one you are interested in?
>
>Teresa Linton, Information Services Librarian
>Local Public Document Room Program
>US NRC

The date of information I am requesting should be November
14, 1996

The subject matter was inreference to 6 Security Violations at
the salem/hope creek nuclear power plants. We were told that such
a meeting took place at Region I , in fact our site manager for
Wackenhut even wanted one of our people to go but it posed a
problem . I've been told that we will know what went on
concerning us and the security department. A full report or
atleast a briefing on the matter. But I'm not sure coming from
those sources that we'll get the full story. Any help will be
appreciated. Also I am in need of the addresse to send official
Freedom of Information Request .

Thanking You for your time and reply,

Douglas D.Solomon


POWER REACTOR

EVENT NUMBER: 30890

FACILITY: SALEM
UNIT: [1] [2] []
RX TYPE: [1] W-4-LP, [2] W-4-LP

REGION: 1
STATE: NJ

NOTIFICATION DATE: 08/19/96
NOTIFICATION TIME: 09:03 [ET]
EVENT DATE: 08/19/96
EVENT TIME: 06:29 [EDT]
LAST UPDATE DATE: 08/19/96

NRC NOTIFIED BY: JOHN KONOVALCHICK
HQ OPS OFFICER: JOHN MacKINNON

NOTIFICATIONS

EMERGENCY CLASS: NOT APPLICABLE
10 CFR SECTION:
DUNE 73.71(b) (1) UNAUTHORIZED ENTRY

JOHN CARUSO RDO
AL CHAFFEE EO
LOREN BUSH (NRR) IAT
JOHN DAVIDSON NMSS) IAT

UNIT	SCRAM CODE	RX CRIT	INIT PWR	INIT RX MODE	CURR PWR	CURR RX MODE
1	N	N	0	REFUELING	0	REFUELING
2	N	N	0	REFUELING	0	REFUELING

EVENT TEXT

UNAUTHORIZED ENTRY INTO PROTECTED AREA BY A CONTRACT EMPLOYEE.

A MAINTENANCE CONTRACTOR HIRED BY THE LICENSEE ENTERED A PROTECTED AREA BEFORE BEING SEARCHED. IMMEDIATE COMPENSATORY ACTIONS WERE TAKEN UPON DISCOVERY. THIS CONTRACTOR DID NOT ENTER ANY VITAL AREAS. SECURITY SEARCHED THE CONTRACTOR, HIS LOCKER, AND THE ROUTE HE TOOK WHILE HE WAS IN THE PROTECTED AREA. NOTHING WAS FOUND DURING THE SEARCH. THE CONTRACTOR WAS TAKEN OFFSITE AND IS BEING INTERVIEWED BY SECURITY.

THE RESIDENT INSPECTOR WILL BE INFORMED BY THE LICENSEE OF THIS EVENT.

SEE HOPE CREEK EVENT # 30891. HOPE CREEK AND SALEM SHARE THE SAME SECURITY ENTRY POINT.

SEE HOO LOG BOOK FOR FURTHER DETAILS.

All

Heinrich

POWER REACTOR

EVENT NUMBER: 30891

FACILITY: HOPE CREEK
UNIT: [1] [] []
RX TYPE: [1] GE-4

REGION. 1
STATE: NJ

NOTIFICATION DATE: 08/19/96
NOTIFICATION TIME: 09:13 [ET]
EVENT DATE: 08/19/96
EVENT TIME: 06:29 [EDT]
LAST UPDATE DATE: 08/19/96

NRC NOTIFIED BY: ARCHIE FAULKNER
HQ OPS OFFICER: JOHN MacKINNON

NOTIFICATIONS

EMERGENCY CLASS: NOT APPLICABLE
10 CFR SECTION:
DUNE 73.71(b) (1) UNAUTHORIZED ENTRY

JOHN CARUSO RDO
AL CHAFFEE EO
LOREN BUSH (NRR) IAT
JOHN DVAIDSON NMSS IAT

UNIT	SCRAM CODE	RX CRIT	INIT PWR	INIT RX MODE	CURR PWR	CURR RX MODE
1	N	Y	100	POWER OPERATION	100	POWER OPERATION

EVENT TEXT

UNAUTHORIZED ENTRY INTO PROTECTED AREA BY A CONTRACT EMPLOYEE.

A MAINTENANCE CONTRACTOR HIRED BY THE LICENSEE ENTERED A PROTECTED AREA BEFORE BEING SEARCHED. IMMEDIATE COMPENSATORY ACTIONS WERE TAKEN UPON DISCOVERY. THIS CONTRACTOR DID NOT ENTER ANY VITAL AREAS. SECURITY SEARCHED THE CONTRACTOR, HIS LOCKER, AND THE ROUTE HE TOOK WHILE HE WAS IN THE PROTECTED AREA. NOTHING WAS FOUND DURING THE SEARCH. THE CONTRACTOR WAS TAKEN OFFSITE AND IS BEING INTERVIEWED BY SECURITY.

SEE SALEM EVENT # 30890. SALEM AND HOPE CREEK SHARE THE SAME SECURITY ENTRY POINT.

SEE HOO LOG BOOK FOR FURTHER DETAILS.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

ATTACHMENT 2

September 30, 1996

EA 96-344

Mr. Leon R. Eliason
Chief Nuclear Officer & President
Nuclear Business Unit
Public Service Electric and Gas Company
P. O. Box 236
Hancocks Bridge, New Jersey 08038

SUBJECT: INSPECTION REPORT NOS. 50-272/96-14, 50-311/96-14 AND
50-354/96-08

Dear Mr. Eliason:

This refers to the inspection conducted August 15 - September 3, 1996, at the Salem/Hope Creek Nuclear Generation Station. The purpose of that inspection was to review the implementation of your Physical Security Program. At the conclusion of the inspection, an exit meeting was conducted at our King of Prussia, Pennsylvania office and the findings were discussed with Mr. L. Storz and other members of your staff.

Areas examined during the inspection are identified in the attached report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel and observations by the inspectors.

Based on the results of this inspection, six apparent violations were identified and are being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions." (Enforcement Policy), (60 FR 34381); (June 30, 1995). The apparent violations involved: 1) the failure to control photo badge key cards; 2) the failure to properly search an individual prior to granting access to the protected area; 3) the failure to notify the nuclear shift supervisor of a potential threat event; 4) the failure to deactivate photo badge key cards for individuals who no longer required site access; 5) the failure to complete training for security supervisors prior to assigning them supervisory duties; and 6) the failure to test an intrusion detection system in accordance with procedures. The NRC is seriously concerned about the implementation of the security program, particularly the access control function, since three of the apparent violations were in that area.

At the exit meeting on September 3, 1996, members of your staff provided specific short-term corrective actions that had already been implemented for the apparent violations pending completion and review of investigations being conducted by Public Service Gas & Electric Company and the Wackenhut Company, the security contractor. Your staff also committed to meet with us in the future to discuss the results of the investigations. The hand-out provided by your staff at that meeting is enclosed with the inspection report.

A/2

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Because specific corrective actions were provided at that meeting, it may not be necessary to conduct a predecisional enforcement conference in order to enable the NRC to make an enforcement decision. However, a Notice of Violation is not presently being issued for these inspection findings.

Before the NRC makes its enforcement decision, we are providing you an opportunity to either: (1) respond to the apparent violations addressed in this inspection report within 30 days of the date of this letter, or (2) request a predecisional enforcement conference. If you choose not to provide a response and would prefer participating in a predecisional enforcement conference, please contact Mr. L. Nicholson of this office at (610) 337-5128 within 7 days of the date of this letter.

Your response should be clearly marked as a "Response to Apparent Violations in Inspection Report Nos. 50-272/96-14, 50-311/96-14 and 50-354/96-08 and should include for each apparent violation (1) the reason for the apparent violation, or, if contested, the basis for disputing the apparent violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response should be submitted under oath or affirmation and may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate response is not received within the time specified or an extension of time has not been granted by the NRC, the NRC will proceed with its enforcement decision or schedule a predecisional enforcement conference.

In addition, please be advised that the number and characterization of apparent violations for the events described in the enclosed inspection report may change as a result of further NRC review. You will be advised by separate correspondence of the results of our deliberations on this matter.

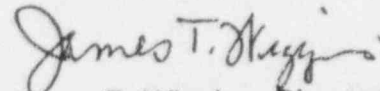
Based on our review of the information provided to us during the exit meeting, we find that the additional interim measures implemented by your staff to address the performance issues in this report are appropriate. Those interim measures, if implemented well, provide assurance that the safety objectives of the security program are being achieved for the Salem/Hope Creek Station. From the discussions during the exit meeting, we understand that your staff agreed not to make substantive changes to those interim measures prior to contacting us. If this understanding is incorrect, please notify us immediately. Nonetheless, the NRC will remain concerned about security area performance until your staff implements comprehensive, durable corrective actions responsive to the root causes of problems found. Consequently, NRC considers closeout of concerns in the security program to be a restart item for Salem.

Mr. Leon R. Eliason

3

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure(s), and your response (if you choose to provide one) will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

Sincerely,



James T. Wiggins, Director
Division of Reactor Safety

Docket Nos. 50-272; 50-311; 50-354
License Nos. DPR-70, DPR-75, NPF-57

Enclosures:

1. Inspection Report 50-272;96-14, 50-311/96-14 and 50-354/96-08
2. Handout provided by licensee at exit meeting

cc w/encl:

L. Storz, Senior Vice President - Nuclear Operations
E. Simpson, Senior Vice President - Nuclear Engineering
E. Salowitz, Director - Nuclear Business Support
C. Schaefer, External Operations - Nuclear, Delmarva Power & Light Co.
D. Garchow, General Manager - Salem Operations
J. Benjamin, Director - Quality Assurance & Nuclear Safety Review
D. Powell, Manager, Licensing and Regulation
R. Kankus, Joint Owner Affairs
A. Tapert, Program Administrator
R. Fryling, Jr., Esquire
M. Wetterhahn, Esquire
M. Bezilla, General Manager - Hope Creek Operations
P. MacFarland Goelz, Manager, Joint Generation
Atlantic Electric
Consumer Advocate, Office of Consumer Advocate
William Conklin, Public Safety Consultant, Lower Alloways Creek Township
Public Service Commission of Maryland
State of New Jersey
State of Delaware

Mr. Leon R. Eliason

4

Distribution w/encl:

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Inspection Program Branch, NRR (IPAS)

L. Cunningham, NRR

EXECUTIVE SUMMARY

Salem/Hope Creek Nuclear Station
NRC Inspection Report Nos. 50-272/96-14,
50-311/96-14 and 50-354/96-08

An inspection of the physical security program was conducted during the period of August 15-September 3, 1996. Areas inspected included: protected area detection equipment; alarm stations and communications; testing maintenance and compensatory measures; access control of personnel; training and qualification; management support; audits; and fitness-for-duty. The purpose of this inspection was to determine if the security program, as implemented, met the licensee's commitments and NRC regulatory requirements.

Six apparent violations were identified during the inspection. The violations included: 1) the failure to control photo badge key cards; 2) the failure to properly search an individual prior to granting access to the protected area; 3) the failure to notify the nuclear shift supervisor of a potential threat event; 4) the failure to deactivate photo badge key cards for individuals who no longer required site access; 5) the failure to complete training for security supervisors prior to assigning them supervisory duties; and 6) the failure to test an intrusion detection system in accordance with procedures.

The exit meeting for the inspection was held in the NRC's Region I office, in King of Prussia, PA on September 3, 1996. Senior management from the licensee's organization and from Region I were in attendance. The scope and findings of the inspection were discussed. The licensee presented some preliminary information from its investigation and the investigation by its contractor which were initiated shortly after events occurred on August 14 and 19. Those events brought into question the performance of several security force members. The licensee also present short-term corrective measures for the apparent violations 1, 2, 4, and 5 identified above. Apparent violations 3 and 6 were identified subsequent to the inspection and brought to the licensee's attention on September 25, 1996, via a telephone call.

U. S. NUCLEAR REGULATORY COMMISSION

REGION I

Docket Nos: 50-272, 50-311, 50-354
License Nos: DPR-70, DPR-75, NPF-57

Report Nos: 50-272/96-14, 50-311/96-14, 50-354/96-08

Licensee: Public Service Electric and Gas Company

Facilities: Salem and Hope Creek Nuclear Generating Stations

Location: Hancocks Bridge, New Jersey

Dates: August 15 - September 3, 1996

Inspectors: G. C. Smith, Senior Security Specialist
E. B. King, Physical Security Inspector
D. F. Limroth, Senior Reactor Engineer

Approved by: R. R. Keimig, Chief
Emergency Preparedness and Safeguards Branch
Division of Reactor Safety

9610070162 39 PD

DETAILS

S2 Status of Security Facilities and Equipment

S2.1 Protected Area Detection Aids

a. Inspection Scope

The inspectors conducted a physical inspection of the protected area (PA) intrusion detection systems (IDSs) on August 21, 1996.

b. Observations and Findings

The inspectors observed that the IDSs were installed and maintained as described in the NRC-approved security plan (the Plan).

c. Conclusion

No deficiency or weakness was identified.

S2.2 Alarm Stations and Communications

a. Inspection Scope

The inspectors observed central alarm station (CAS) operations and interviewed CAS operators to assess the effectiveness of the alarm station operations and the familiarity of the operators with the operations.

b. Observations and Findings

The inspectors observed that the CAS was being maintained and operated as committed to in the Plan. Inspector interviews with operators found them to be knowledgeable of their duties and responsibilities. The inspectors also found that the operators were not required to engage in activities that would interfere with assessment and response functions.

c. Conclusion

No deficiency or weakness was identified.

S2.3 Testing, Maintenance and Compensatory Measures

a. Inspection Scope

The inspectors reviewed commitments related to the testing of intrusion detection systems delineated in the licensee's NRC-approved security plan and implemented through security procedures. Additionally, the inspectors reviewed the results of five such tests in order to determine the acceptability of test results.

b. Observations and Findings

On April 3, 1996, at 8:51 a.m., security force members commenced testing of Salem perimeter intrusion detection system (IDS) zone 16. When a series of undefined tamper alarms that interfered with the intrusion alarms occurred, testing was terminated and corrective maintenance was initiated to investigate the cause of the tamper alarms. At about noon, with no maintenance having been performed, the personnel involved in the testing and maintenance departed the zone. Concurrently, the security force member who had been posted as a compensatory measure for the zone, which was anticipated to be in an alarm condition during the test, was also released from the compensatory post.

At 1:45 p.m., a technician commenced maintenance on the system consisting of opening, trouble-shooting, and tightening termination in a sensor status concentrator and in transmitter and receiver boxes for the zone. Following completion of the maintenance, the zone was challenged by three "walk" intrusions, following which, at 3:31 p.m., the personnel involved in the testing and maintenance and the security force member assigned as a compensatory measure departed the area. Security Procedure SP 12 (Revision 9), Security System Testing and Maintenance, requires, in part, that three "crawl" tests be performed following maintenance.

On June 5, 1996, at 2:38 p.m., following use of the "crane gate" for the transition of a vehicle, the security force members controlling access through the gate and satisfying compensatory posting requirements (since the zone would be in an alarm condition) were released after the IDS zone had been tested with a "walk test." The two security force members proceeded on their security rounds. Approximately 18 minutes later, the zone was properly tested in accordance with security procedures by means of three "crawl tests." Records indicate that the security force members who had functioned as compensatory measures actually left the immediate area during the 18 minute period in question; however, records do not reflect whether the field operations supervisor was in the vicinity of the zone (and therefore physically in a position to function as a compensatory measure) or not. The field operations supervisor was not available for interview regarding the details of the event in question.

Security Procedure 8, Vehicle Access Control, Revision 8, requires, in part: "10. Use of Crane Gate...Security Shift Supervisor/designee...Direct that the zone be crawl tested after the vehicle passes and prior to securing the patrol." This procedure further states, "SFM 1: Remain posted at the gate until the zone passes the crawl test."

c. Conclusions

The securing of the compensatory post on April 3, 1996 when undefined tamper alarms should have raised the question of the operability of the zone's IDS is considered a weakness.

The failure to test the IDS zone following maintenance in accordance with Security Procedure 12 on April 3, 1996, and the failure of the Security Shift Supervisor/designee to cause the zone to be tested in accordance with Security Procedure 8 on June 5, 1996, compounded by the security force members' failure to remain at their post until the zone had been tested in accordance with Security Procedure 8, constitute an apparent violation, i.e., failure to follow procedures.

S2.4 Access Control of Personnel

a. Inspection Scope

The inspectors reviewed the licensee's program for access control of persons granted access to the Protected and Vital Areas. The inspectors reviewed the security plan and implementing procedures, interviewed personnel implementing the access control program and observed implementation of the program.

b. Observations and Findings

Control of Terminated Personnel

The inspectors reviewed the access control process and found that individuals are granted access to the protected area and to specific vital areas (VA) of the plants based on specific needs. However, the inspectors' review of the process to inactivate access authorizations for persons that no longer require access to those areas disclosed several deficiencies. In June, 1996, seven employees were terminated; however, their access to the plants was not terminated until July, 1996, when the 31 day VA revalidation lists were returned to the Access Control Department. In July, 1995, five employees were terminated; however, their access to the plants was not terminated until August, 1995, when the 31 day VA revalidation lists were returned to the Access Control Department. The inspectors' review further disclosed that the terminated employees had access to the plants for periods ranging from 5 to 30 days after their employment had been terminated.

The PSE&G Security Procedure 4, "Personnel Access, Revision 3," dated November 1, 1994, in Section 4.13, states, in part, "when a person granted unescorted access terminates employment or no longer requires access to the PA, the cognizant department shall notify the screening supervisor within two work days. The Screening Supervisor ensures the administrative actions required to inactivate the security photo badge and personnel access clearance are accomplished." The failure to inactivate the badge and clearance access authorization for those persons that no longer require access within two work days is an apparent violation.

Control of Access Badges and Key Cards

On August 14, 1996, an NRC resident inspector observed that the locking mechanism on the door to one of the bullet resistant photo badge issue areas that was not occupied by security force personnel (SFP) at the time had been taped over rendering the lock inoperative. The notified PSE&G management of the situation and immediate action was taken to remove the tape and restore the lock to an operable condition. Security management also implemented actions to determine if the inoperative lock, which compromised the positive control of the photo badges, had resulted in an unauthorized entry into the PA or VAs. This event was reviewed further during this inspection, and the inspectors determined that, at the time the lock was inoperative, no compensatory measures were in place. After being notified of the event, security personnel conducted sweeps to verify that all personnel in the VAs were authorized. This was done by comparing the picture on the photo badge of personnel in the VAs to the person in possession of the badge. No unauthorized personnel were identified. Security personnel also conducted photo badge key card transaction histories for all badges located in the compromised badge issue area for the period the lock had been inoperative (approximately 8 hours). The card-transaction histories were then compared against other documentation to verify that the photo badge key card had only been used by the person to whom it was issued. The reconciliation of the transaction histories was completed on September 3, 1996, and no discrepancies were identified.

The NRC-approved security plan states, in part, in Section 5.6, "vital area access control is positively controlled by the photo badge key card system which permits access into specific areas to persons designated on the current access list contained in the system computers. Positive access control is accomplished by SFP prior to issuance of the photo badge/card key." The failure to provide positive control of the photo badge key cards by SFP is an apparent violation.

Control of Search Train

On August 19, 1996, a contractor en route to the plant protected area caused the metal detector in the personnel search train to alarm. The contractor was directed through a second metal detector that also alarmed. After failing to clear the second metal detector, the contractor was allegedly told by SFP to stand aside and await a pat-down (hands-on) search to determine the cause of the alarm. However, the contractor went to the badge issue area, was issued a photo badge/key card and entered the PA. When the security supervisor in the area was notified of the event, he initiated actions to identify the individual, but did not initiate the actions specified in the licensee's NRC-approved Security Contingency Plan for a potential threat to the plant. The individual was identified by the officers performing the search function using the file copies of the photo badge photographs about 50 minutes later. After identification of the individual, his supervisor was notified of the problem and the contractor was returned to the process facility and searched again with negative results about 30 minutes later. Additionally, the individual's locker, work area, and route to and from his work location were searched with negative results. However, the control room was not notified of the potential security threat

so that the appropriate emergency action level could be evaluated to determine the proper response, the contractor's badge/key card was not deactivated by SFP, which would have precluded him entering any VAs, nor was he paged on the plant paging system, once he was identified to expedite locating him.

The NRC-approved security plan states, in part, in Section 4.2.1.4, "searches at the guardhouses are performed by locally alarming portal or hand held metal and explosive detectors. When there is reasonable cause to suspect that a person is attempting to introduce firearms, explosives, incendiary devices or other unauthorized material into the protected area, the person is given a physical pat-down search." The failure to conduct a physical pat-down search of the contractor after he caused the portal metal detectors to alarm, which should have resulted in reasonable cause to suspect that person was attempting to introduce unauthorized material into the protected area, is an apparent violation.

The NRC-approved Security Contingency Plan states, in part, in Section 8.1.3.2, "it will be assumed that a security threat exists until it is known otherwise." Section 8.1.4 of the Contingency Plan defines "Intruder: A person present in a protected or vital area without authorization." Section 8.2.2.6 of the Contingency Plan states "Discovery of Intruders or Attack" notify SNSS (Senior Nuclear Shift Supervisor) of implementation of Contingency Event 6 (Discovery of Intruders...). Provide concise situation report. Request SNSS to classify the event per Event Classification Guide Section 16." The failure to notify the SNSS of the event so that it could be classified per the Event Classification Guide is an apparent violation.

c. Conclusion

Three apparent violations were identified in access control of personnel. The inspectors concluded that the apparent violations indicate a lack of knowledge or understanding of fundamental nuclear plant security principles, serious complacency, or both, on the part of the SFPs.

S5 Security and Safeguards Staff Training and Qualification

a. Inspection Scope

On August 19, 1996, the inspectors selected at random and reviewed the training, physical, and firearms qualification/requalification records of three security monitors, three armed security officers, three alarm station operators and three new security supervisors.

b. Observations and Findings

The inspectors found that training for the security monitors, armed security officers, and alarm station operators had been conducted in accordance with the NRC-approved security training and qualification (T&Q) plan and that it was properly documented. However, the inspectors also found during their review of training records and shift activity logs, that two of the three contractor security supervisors

were performing independent Field Operations Supervisory duties prior to qualifying satisfactorily on all of the required critical security tasks necessary for the performance of their related security duties.

The Salem-Hope Creek (Artificial Island) T&Q Plan, Section 3.3, states, in part, "the qualification matrix identifies the courses of instruction by job classification, which each person shall pass in order to qualify for performance of related security duties." Section 3.8, titled Supervisory Training, states that supervisors are required to qualify in all security force tasks. Critical Security Task #5, titled Conduct Patrols, states, in part, in Element 05-A, that the examinee will demonstrate knowledge of the site by responding correctly to the location of several protected and vital area alarms.

The inspectors found that the supervisors were signed off as qualified and given a 90 day period to complete Element 05-A satisfactorily. However, during the 90 day period, the supervisors were assigned independent Field Operations Supervisor duties, to include contingency response coordination. Contingency response coordination is an extremely important function and requires extensive knowledge of the protected and vital area alarm locations. These supervisors were assigned those duties without demonstrating requisite knowledge. The failure to qualify the supervisors in accordance with the requirement of the NRC-approved T&Q Plan is an apparent violation.

The inspectors also found noteworthy degradations in two past good practices. Based on a review of security training lesson plans, they noted that the lesson plans were not being kept current. This was apparent by numerous annotations in the margins. Additionally, continuing self-assessments of security performance by the training staff had been discontinued. The training supervisor stated that the lesson plans would be updated in the near future.

c. Conclusion

The inspectors concluded that the training of SFP conformed to the licensee's NRC-approved Training and Qualification Plan, except for the two new supervisors. However, based on the problems identified in personnel access control and testing, the effectiveness of the training appears to have decreased.

S6 Security Organization and Administration

S6.1 Management Support

a. Inspection Scope

The inspectors reviewed implementation of the security program to determine the level of management support.

b. Observations and Findings

Management support for the physical security program was found to be generally adequate. However, weaknesses in management oversight were identified as evidenced by the problems in the access control, testing, and training and qualification identified in this report.

c. Conclusion

The inspectors concluded that in certain areas of the security program management oversight had been ineffective or lacking.

S7 Quality Assurance in Security and Safeguards Activities

S7.1 Audits

a. Inspection Scope

The inspectors reviewed the licensee's 1995 Quality Assurance (QA) audit of the security program conducted from May 6-17, 1996.

b. Observations and Findings

The audit was documented in Audit Report 96-031, dated June 20, 1996. Weaknesses identified in the audit report that required further management attention were in the areas of VA documentation, preventive maintenance for security equipment, CCTV improvements and a potential weakness for allowing contraband into the PA during a drill. At the time of the inspection, security management had taken immediate short-term corrective actions to correct the specific problems but had not completed long-term programmatic corrective actions.

c. Conclusion

The inspectors concluded that the audit was comprehensive in scope and depth and included an independent technical specialist on the team. Findings were reported to the appropriate levels of management and the audit program was being properly implemented. The findings were indicative of the need for additional management oversight of the program; however, the audit failed to identify, and cause to be addressed, the specific issues disclosed in this report.

S8 Miscellaneous Security and Safeguards Issues

Fitness-For-Duty Program

a. Inspection Scope

During this inspection, the inspectors reviewed portions of the licensee's Fitness-for-Duty (FFD) Program.

b. Observations and Findings

The inspectors randomly selected and reviewed records of pre-employment and for-cause alcohol tests, the methodology used for screening and confirmation tests, and the actions taken when an individual tested positive. The inspectors found from the records reviewed that the testing and follow-up programs were being conducted in accordance with 10 CFR Part 26 and the licensee's FFD policies and procedures.

c. Conclusion

No discrepancy or weakness was identified in the FFD program area reviewed.

X1 Exit Meeting Summary

The inspectors and NRC Senior Management met with licensee representatives in the Region I Office in King of Prussia, PA, at the conclusion of the inspection on September 3, 1996. At that time, the purpose and scope of the inspection were reviewed and the findings were presented. The licensee acknowledged the inspection findings. During the exit meeting, the licensee presented short-term corrective actions for the apparent violations and provided information from the Root Cause Team that had been established to investigate the problems. Since neither the licensee's nor its contractor's investigations had been concluded at the time of this meeting, the licensee offered to meet with the NRC to provide the results of those investigations when they are available. The licensee committed to contact NRC Region I prior to making any substantive changes to those short-term corrective actions that provide interim measures to assure security program safety objectives are being met. The handouts provided by the licensee during their presentation are attached to this inspection report as Attachment 1.

During a review of the inspection findings subsequent to the September 3, 1996 exit meeting, two additional apparent violations were identified. They were: failure to test an intrusion detection system in accordance with security procedures; and failure to notify the nuclear shift supervisor of a potential threat to the plant. Details of these apparent violations are contained in paragraphs S2.3 and S2.4, respectively. The licensee was notified of these additional apparent violations in a telephone conversation, on September 25, between Mr. G. Smith, NRC RI and Mr. M. Trum, PSE&G Co.

X2 Review of Updated Final Safety Analysis Report (UFSAR)

A recent discovery of a licensee operating its facility in a manner contrary to the UFSAR description highlighted the need for a special focused review that compares plant practices, procedures, and parameters to the UFSAR description. Since the UFSAR does not specifically include security program requirements, the inspectors compared licensee activities to the NRC-approved physical security plan, which is the applicable document. The inspectors reviewed the licensee's control of Licensee Designated Vehicles (LDVs) in the protected area. The licensee previously had a provision for temporary LDVs in their NRC-approved Security Plan, however, the NRC determined that the provision was inappropriate and notified the licensee in early August of that determination. The inspectors' review disclosed that the licensee took immediate action to discontinue the use

reviewed the revised procedures and interviewed members of the security organization responsible for the control of vehicles onsite. The inspectors' review concluded that the procedures adequately reflected the change and that members of the security organization were knowledgeable of the revised procedures. The inspectors' review also disclosed that the licensee's control of LDV was in accordance with applicable regulatory requirements.

PARTIAL LIST OF PERSONS CONTACTED

Licensee and Contractor

D. Rennie, Security Manager
 J. Benjamin, Director, QA/NSR
 D. Garchow, Salem General Manager
 M. Bezilla, Hope Creek General Manager
 L. Storz, Senior Vice President Nuclear Operations
 M. Trum, Director, Nuclear Operations Services
 D. Powell, Licensing Manager
 J. Pollock, Hope Creek QA Manager
 G. Grime, Security Consultant
 R. Ritzman, Licensing Engineer
 M. Ivanick, Security Coordinator
 P. Macconi, Operations Services

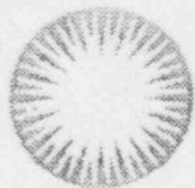
NRC

W. Kane, Deputy Regional Administrator
 J. Wiggins, Director, Division of Reactor Safety
 R. Keimig, Chief, Emergency Preparedness and Safeguards Branch
 R. Cooper, Director, Division of Reactor Projects
 E. King, Security Inspector
 L. Nicholson, Reactor Projects Branch Chief
 C. Marschall, Senior Resident Inspector, Salem
 G. Smith, Senior Security Specialist
 S. Morris, Resident Inspector, Hope Creek
 J. Kenna, Special Agent
 J. Joustra, Senior Enforcement Specialist
 R. Summers, Senior Resident Inspector, Hope Creek
 D. Limroth, Senior Reactor Inspector

ENCLOSURE 2

Handouts Provided
By Public Service Electric & Gas Company
At the Exit Meeting For
Inspection 50-272/96-14, 50-311/96-14
and 50-354/96-08
Conducted on September 3, 1996

The Power of Commitment



PSEG

**PUBLIC SERVICE ELECTRIC & GAS
COMPANY**

**SECURITY EXIT MEETING
SEPTEMBER 3, 1996**



APPARENT VIOLATIONS / CONCERNS

- Failure to adequately control badges
- Failure to perform a required patdown
- Failure to adequately qualify supervisors
- Failure to deactivate badges within required time

- Concern - Overall use of procedures



- **Failure to adequately control badges**
 - **Restored the locks to operability**
 - **Security informed SNSS's of possible badge compromise**
 - **Heightened awareness**
 - **Searched vital and protected areas**
 - **Established positive identification at Hope Creek and Salem vital areas**
 - **Conducted badge inventory - all badges accounted for**
 - **Reported as a loggable event**



- **Failure to perform a required patdown**
 - **Supervisor promptly notified of event**
 - **Individual identified within 51 minutes of event**
 - **Individual removed from site within an additional 27 minutes**
 - **Searched individual's locker, work area, access and egress route**
 - **Confirmed individual's location during period of time within the Protected Area**
 - **One Hour report**



- **Failure to adequately qualify supervisors**
 - Historical finding
 - Supervisors were fully qualified prior to discovery
 - Reviewed qualification of security force members (in progress)
 - Reinforced expectation on qualification cards to training and PSE&G personnel



- **Failure to deactivate badges within required time**
 - Active badges were reviewed
 - Badges were deactivated as appropriate
 - Review all active badges weekly
 - Face to face communications with all R/C managers to review procedure and checklist
 - Reported as a loggable event



SHORT TERM CORRECTIVE ACTIONS

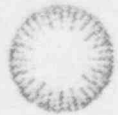
- **Communications with security force personnel**
 - Reinforcement of mission
 - Reviewed recent events
 - Stressed need for procedural adherence
 - Introduced 3-way communications
 - Heightened awareness
- **Increased supervisory presence in the workplace**
- **Reinstate Guard Mount (face to face shift turnover)**



SHORT TERM CORRECTIVE ACTIONS

- **Management mentor**
- **Security procedure**
 - **Compliance**
 - **Revisions**
- **Root Cause Investigation Team established**

**Corrective actions have stabilized performance,
long term corrective actions under development**



- Chartered a root cause investigation of the badging incident
- Charter expanded to address additional security issues
- Expectations
 - Determine if security force understand mission and if actions are aligned with mission
 - Evaluate effectiveness of PSE&G and contractor security management, independent oversight and self assessments
 - Identify programmatic, cultural, and generic issues
 - Recommend corrective actions



- Understanding of security mission
- Professionalism of the security force
- PSE&G reinforcement of expectations through daily supervision
- Security team interface
- Adequacy and implementation of security procedures
- Corrective maintenance of security hardware
- Implementation of corrective action process
- Communications



- **Completion of Root Cause investigation**
- **Evaluate Root Cause team recommendations and implement corrective actions as appropriate**
- **Conduct security awareness training for plant managers, managers, SNSS's, and others**



- Provide an update to NRC Management in October
 - Recovery to Excellence Plan
 - Status of actions
 - Performance indicators

**We are committed to the return of the
security program to excellence**

PSE&G
NUCLEAR BUSINESS UNIT

ENFORCEMENT CONFERENCE
NUCLEAR SECURITY

NOVEMBER 14, 1996

4/3

LOU STORZ

**SENIOR VICE PRESIDENT -
NUCLEAR OPERATIONS**

MARTY TRUM

DIRECTOR - OPERATIONS SERVICES

AGENDA

- Independent investigations
- Root Causes and Corrective Actions
- Grouping of Common Issues
- Overall Root Causes and Corrective Actions
- QA Oversight
- Conclusion

INDEPENDENT INVESTIGATIONS

- **PSE&G**
 - Independent root cause evaluation
 - Expanded scope
 - Global and programmatic issues
- **Wackenhut**
 - Second independent evaluation
 - Chartered by PSE&G

**We identified weaknesses in the organization
and in programmatic control from
the collective assessment**

ACCESS CONTROL ISSUES

- Control of photo-badge card keys (NRC identified)
- Proper search of an individual (Self-revealing)
- Deactivation of photo-badge card keys (PSE&G identified)

PROCEDURAL ADHERENCE ISSUES

- Timely notification of the nuclear shift supervisor of a potential threat (PSE&G identified)
- Completion of training for security supervisors (NRC identified)
- Testing an intrusion detection system properly (NRC identified)

ACCESS CONTROL

- Principle causes
 - Command & Control
 - Communications & Teamwork
 - Corrective Action Program
 - Job skills & Knowledge
 - Work culture
- Contributing causes
 - Job commitment
 - Mission & Goals
 - Procedural adequacy

PROCEDURAL ADHERENCE

- Principle causes
 - Work culture
 - Management oversight & expectations
 - Procedural adequacy & compliance
 - Job skills & Knowledge
- Contributing causes
 - Self assessment
 - Communications & Teamwork

OVERALL CORRECTIVE ACTIONS

- Replacing security management
- Re-establishing expectations & direction
- Senior management involvement
- Reinforced the use of the Corrective Action Program
- Performing monitoring & evaluation
- Increased maintenance focus
- Upgrading training

Focus on security mission restored

ACCESS CONTROL

- Corrective actions
 - Communicate Mission Done On-going
 - Communicate lessons learned Done On-going
 - Dedicated oversight of access control Done Evaluating
 - Revise procedures Underway
 - Upgrade training Underway
 - Consolidate Out-processing Underway

PROCEDURAL ADHERENCE

- **Corrective actions**
 - **Communicate Mission** Done On-going
 - **Communicate lessons learned** Done On-going
 - **Upgrade job performance expectations** Underway
 - **Upgrade training** Underway
 - **Process / Procedural improvements** Underway

JOE POLLOCK

MANAGER - QUALITY ASSESSMENT
NBU

OVERSIGHT FINDINGS

- **May 1996 Security Audit Results**
- **Audit techniques did not detect cultural changes**

**The Quality Assurance (QA) Program did not
detect cultural issues**

OVERSIGHT CORRECTIVE ACTIONS

- **Developing vertical slice interview assessment process**
- **Improving our critical attributes list to include O & P items**

SUMMARY

- We take security seriously
- We understand the implications of recent security events
- We have initiated comprehensive corrective actions

**Security will be affirmed prior
to Salem restart**



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

December 11, 1996

EA 96-344

Mr. Leon R. Eliason
Chief Nuclear Officer and President
Nuclear Business Unit
Public Service Electric and Gas Company
Post Office Box 236
Hancocks Bridge, New Jersey 08038

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES -
\$100,000
(NRC Inspection Reports No. 50-272/96-14, 50-311/96-14 and 50-354/96-08)

Dear Mr. Eliason:

This letter refers to the NRC inspections conducted at the Salem and Hope Creek Nuclear Generating Stations between August 15-September 3, 1996. Four apparent violations were discussed with you at an exit meeting in the Region I office on September 3, 1996. Two additional apparent violations were identified subsequent to the September 3, 1996 exit meeting and were discussed in a telephone conversation with your staff on September 25, 1996. The inspection report was sent to you on September 30, 1996. On November 14, 1996, a predecisional enforcement conference was conducted with you and members of your staff to discuss the apparent violations identified during the inspection, their causes, and your corrective actions.

Based on our review of the inspection findings, and information provided during the conference, six violations are being cited and are described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalties (Notice). Three of the violations relate to two specific events which occurred involving the failure to control access to the facility. One event involved a security force member taping a photobadge keycard area door lock, due to problems with the lock, thereby allowing any individual who had gone through the search process the opportunity to obtain a photobadge keycard and use it to access the protected area. This failure to control photobadge key cards for entry into the protected area, which constitutes the first violation, could have allowed unauthorized access to the protected area.

This violation, which is set forth in Section I.A. of the enclosed Notice, was identified when an NRC inspector observed that the locking mechanism on the door to that specific photobadge issue area had been taped over rendering the lock inoperable. At the time the lock was observed as inoperable by the inspector, the area was not occupied by security force personnel (SFP), and no compensatory measures were in place for this degradation. You subsequently took immediate action to remove the tape, restore the lock to an operable condition, and verify that this degradation had not resulted in an unauthorized entry into the protected or vital areas of the facilities. Nonetheless, this condition created an opportunity for unauthorized individuals to gain access to the protected and vital areas, and, as such, represented a significant degradation of the security program at the facility. Therefore, the violation has been categorized at Severity Level III in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy), NUREG-1600.

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A/14 9

The second event involved a contractor individual accessing the protected area without a pat-down search, as required, after the individual had, on three occasions, alarmed two separate metal detectors at the access control point. In addition, your staff's initial followup after the second event was poor. In this case, although the contractor employee was allegedly told by security force personnel to stand aside and await a hands-on search to determine the cause of the alarms, the contractor employee went to the badge issue area, was issued a photo badge/key card, and entered the protected area without being detained by security force personnel, contrary to NRC requirements. This violation is described in Section I.B.1 of the Notice. Subsequently, although a security supervisor initiated actions to identify the contractor individual once notified of the event, the security supervisor did not notify the Senior Nuclear Shift Supervisor onsite, which was required since the contractor individual should have been considered an intruder. Your NRC-approved Security Contingency Plan requires such notification whenever there is an intruder at the facility. This violation is described in Section I.B.2 of the Notice. The contractor individual was not identified by the officers performing the search function until 50 minutes after his entry.

Although appropriate searches were conducted once the contractor was located, including searches of the individual, his locker, and his whereabouts while uncontrolled in the protected area, the NRC is concerned that the control room was not notified, as required, of the potential security threat that existed, and the contractor's badge/key card was not deactivated during that time, which would have precluded him from entering any vital areas. In addition, the contractor was not paged on the plant paging system, once he was identified, to expedite locating him. These failures also constitute a significant regulatory concern regarding your regard for control of access to the facilities, and therefore, the two violations are categorized in the aggregate as a Severity Level III problem in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy), NUREG-1600.

These three violations of fundamental access control requirements at nuclear power plants represent a significant degradation in the security program at the facility, that during the prior SALP, had been recognized as a strength at the facility. At the enforcement conference, you acknowledged problems in the work culture at the facility, and also noted that deficiencies in procedural adequacy, procedural adherence, job skills, and management oversight contributed to these violations. It is important that these causes are fully corrected to ensure that only authorized individuals are granted entry to protected and vital areas.

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$50,000 is considered for a Severity Level III problem or violation. Your facilities have been the subject of escalated enforcement actions within the last 2 years. For example, Severity Level III violations and cumulative civil penalties in the amount of \$600,000 were issued on October 16, 1995 for, in part, several instances of the failure to identify and correct conditions adverse to quality at Salem (Reference: EAs 95-62/95-65/95-117). In addition to these Salem violations, a Severity Level III violation and a civil penalty in the amount of \$100,000 was issued to your Hope Creek facility on August 24, 1995, for inadequacies in shutdown cooling system operations. Therefore, the NRC considered, for each Severity Level III violation and problem, whether credit was warranted for *Identification and Corrective Action* in accordance with the civil penalty assessment process in Section VI.B.2 of the Enforcement Policy.

With respect to the violation in Section I.A., credit is not warranted for *Identification* because the violation was identified by the NRC. Credit is warranted for *Corrective Action* because at the time of the enforcement conference, your actions were considered both prompt and comprehensive. These actions, which were discussed during your presentation at the conference, include, but are not limited to the following: (1) replacement of security management; (2) reestablishing expectations and direction in the security department; (3) ensuring management involvement in the program; and (4) upgrading the training of security personnel.

As to the problem in Section I.B, credit is not warranted for *Identification* because the violation was self-revealing when security personnel could not locate the individual, and then failed to notify the control room as required. Credit is warranted for *Corrective Action* because at the time of the enforcement conference, your actions, as already described, were considered both prompt and comprehensive.

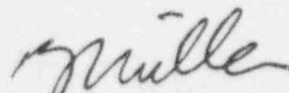
Accordingly, to encourage prompt identification and correction of violations, I have been authorized, after consultation with the Director, Office of Enforcement, to propose a separate civil penalty of \$50,000 for each of the Severity Level III violations and problems in Sections I and II of the enclosed Notice. The total civil penalties proposed for this action is \$100,000.

The three other violations identified during the inspection are described in Section II of the enclosed Notice and are classified at Severity Level IV. Those violations involve (1) the failure to deactivate photo badge key cards for individuals who no longer required site access after being terminated; (2) the failure to complete training for security supervisors prior to assigning them to perform supervisory duties; and (3) the failure to test an intrusion detection system in accordance with procedures.

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 plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, 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 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR. If redactions are required, a proprietary version containing brackets placed around the proprietary, privacy, and/or safeguards information should be submitted. In addition, a non-proprietary version with the information in the brackets redacted should be submitted to be placed in the PDR.

Sincerely,



Hubert J. Miller
Regional Administrator

Public Service Electric and
Gas Company

4

Docket Nos. 50-272, 50-311, 50-354
License Nos. DPR-70, DPR-75, NPF-57

Enclosure: Notice of Violation and Proposed Imposition
of Civil Penalties

cc w/encl:

L. Storz, Senior Vice President - Nuclear Operations
E. Simpson, Senior Vice President - Nuclear Engineering
E. Salowitz, Director - Nuclear Business Support
C. Schaefer, External Operations - Nuclear, Delmarva Power & Light Co.
D. Garchow, General Manager - Salem Operations
M. Bezilla, General Manager - Hope Creek Operations
J. Benjamin, Director - Quality Assurance & Nuclear Safety Review
D. Powell, Manager, Licensing and Regulation
R. Kankus, Joint Owner Affairs
A. Tapert, Program Administrator
R. Fryling, Jr., Esquire
M. Wetterhahn, Esquire
P. MacFarland Goelz, Manager, Joint Generation Atlantic Electric
Consumer Advocate, Office of Consumer Advocate
W. Conklin, Public Safety Consultant, Lower Alloways Creek Township
Public Service Commission of Maryland
State of New Jersey
State of Delaware

ENCLOSURE

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTIES

Public Service Electric and Gas Company
Salem Nuclear Generation Station
Hope Creek Nuclear Generating Station

Docket Nos. 50-272, 50-311, 50-354
License Nos. DPR-70, DPR-75, NPF-57
EA 96-344

During an NRC inspection conducted between August 15-September 3, 1996, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the Nuclear Regulatory Commission proposes to impose a civil penalty pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violations and associated civil penalties are set forth below:

I. VIOLATIONS ASSESSED A CIVIL PENALTY

- A. License Condition 2.E of License Number NPF-57 for the Hope Creek facility, and License Conditions 2.E of License Numbers DPR-70 and DPR-75 for Salem, require that PSE&G fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p).

The Public Service Electric and Gas Company (PSE&G) Salem - Hope Creek Security Plan, Revision 7, dated June 21, 1996, states, in Section 5.6, "Access Control to Vital Areas" that "Vital area access is physically controlled by the photobadge-keycard system which permits access into specific areas to persons designated on the current access list contained in the system computers. Positive access control is accomplished by [Security Force Personnel] (SFP) prior to issuance of the photobadge-keycard. Persons are positively identified by requiring them to request the badge by number, and visually, by comparing the picture to the person before issuing the keycard."

Contrary to the above, on August 14, 1996, vital area access was not physically controlled in that positive access control over photobadge keycards was compromised, thereby creating the opportunity for unauthorized access to the vital areas. Specifically, on that date, an NRC inspector identified that the lock mechanism on a door to one of the badge issue stations had been taped over, rendering the lock incapable of performing its locking function, and at the time, the badges were left unattended in the issue station, and no compensatory measures were in place for the inoperative lock to preclude an unauthorized individual from gaining access to the badges and the protected and vital areas. (01013)

This is a Severity Level III Violation (Supplement III).
Civil Penalty - \$50,000.

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B. License Condition 2.E of License Number NPF-57 for the Hope Creek facility, and License Conditions 2.E of License Numbers DPR-70 and DPR-75 for Salem, require that PSE&G fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p).

1. The PSE&G Salem - Hope Creek Security Plan, Revision 7, dated June 21, 1996, states, in Section 4.2.1.4, "Personnel Search and Access Control," that "Searches at the guardhouses are performed by locally alarming portal or hand-held metal and explosives detectors. When there is reasonable cause to suspect that a person is attempting to introduce firearms, explosives, incendiary devices or other unauthorized material into the protected area, the person is given a physical pat-down search. When the metal and/or explosives detectors are not in service and operating in accordance with equipment test standards, physical pat-down searches are performed."

Contrary to the above, on August 26, 1996, a contractor employee entering the protected area caused two portal metal detectors to alarm on three different attempts to pass through them, and although these alarms provided reasonable cause to suspect that the contractor was attempting to introduce firearms, explosives, incendiary devices or other unauthorized material into the protected area, no physical pat-down search was performed, and the contractor was given his photobadge-keycard and entered the protected area. (02013)

2. The PSE&G Salem - Hope Creek Security Contingency Plan, Revision 4, dated February 12, 1996, states, in part, in Section 8.1.3.2, that it will be assumed that a security threat exists until it is known otherwise. Section 8.1.4 of the Contingency Plan defines an intruder as a person present in a protected or vital area without authorization. Section 8.3.2.6 of the Contingency Plan states that in the event of discovery of intruders or attack, notify the Senior Nuclear Shift Supervisor (SNSS) of implementation of Contingency Event 6 (Discovery of Intruders), provide a concise situation report, and request SNSS to classify the event per the Event Classification Guide in Section 16.

Contrary to the above, on August 26, 1996, a contractor who had alarmed the two portal metal detectors on three occasions, entered the protected area without receiving a pat-down search, was not authorized to enter the protected area without having received a search, and, therefore, should have been assumed to be an intruder and security threat until it was known otherwise; however, the SNSS was not notified of the threat, and the event was not classified per Event Classification Guide 16. (02023)

This is a Severity Level III problem (Supplement III).
Civil Penalty - \$50,000.

II. VIOLATIONS NOT ASSESSED A CIVIL PENALTY

- A. License Condition 2.E of License Number NPF-57 for the Hope Creek facility, and License Conditions 2.E of License Numbers DPR-70 and DPR-75 for Salem, require that PSE&G fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p).

1. The PSE&G Salem - Hope Creek Security Plan, Revision 7, dated June 19, 1996, states, in part, in the Introduction Section that the implementing documents of this plan are the Security Plan Procedures and Post Orders. Security Plan Procedure 4, Revision 3, dated November 1, 1994, states, in Section 4.13, that when a person granted unescorted access terminates employment or no longer requires access to the site Protected Area, the cognizant department shall notify the Screening Supervisor within two working days, and the Screening Supervisor ensures that the administrative actions required to inactivate the security photobadge and personnel access clearance are accomplished.

Contrary to the above, the Screening Supervisor was not notified within two working days that 12 employees had been terminated in June and July 1996. Specifically, notification of five employees that were terminated in June 1996 was not made until the 31-day revalidation list was issued in July 1996, and notification of seven employees that were terminated in July 1996 was not made until the 31-day revalidation list was issued in August 1996. (03014)

This is a Severity Level IV Violation (Supplement III).

2. The PSE&G Salem - Hope Creek Security Training and Qualification Plan, Revision 3, dated February 12, 1996, Section 3.3, states, in part that, the qualification matrix identifies the courses of instruction by job classification, which each person shall pass in order to qualify for performance of related security duties. Section 3.8, titled, Supervisory Training, states that supervisors are required to qualify in all security force tasks.

Critical Security Task No. 5, titled, "Conduct Patrols," states, in Element C5-A, that the examinee will demonstrate knowledge of the site by responding correctly to the location of several protected and vital area alarms.

Contrary to the above, on August 20, 1996, the inspectors determined by a review of training records and shift activity logs, that two supervisory personnel were performing Field Operations Supervisor duties prior to qualifying on all of the required critical security tasks for the performance of their related security duties. Specifically, the supervisors were signed off as qualified supervisors by the security training department and given a 90-day period to complete Element 05-A. However, during the 90-day period, the supervisors were assigned independent Field Operations Supervisor duties, to include contingency response coordination, requiring extensive knowledge of the protected and vital area alarm locations. (04014)

This is a Severity Level IV Violation (Supplement III).

3. The PSE&G Salem - Hope Creek Security Plan, Revision 7, dated June 1996, states, in part, in the Introduction Section, that the implementing documents of this plan are the Security Plan Procedures and Post Orders. Security Plan Procedure 8, Vehicle Access Control, Revision 8, dated February 28, 1996, requires, in part, in Section 10, Use of Crane Gate, that the Security Shift Supervisor/designee direct that the zone be crawl tested after the vehicle passes and prior to securing the patrol. This procedure further states, that the security force member (SFM) No. 1 shall remain posted at the gate until the zone passes the crawl test.

Contrary to the above, on June 5, 1996, a vehicle passed through the Crane Gate, and a crawl test was not conducted prior to SFM 1 being released from the post. (05014)

This is a Severity Level IV Violation (Supplement III).

Pursuant to the provisions of 10 CFR 2.201, Public Service Electric and Gas Company (Licensee) is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice of Violation and Proposed Imposition of Civil Penalties (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each alleged violation: (1) admission or denial of the alleged violation, (2) the reasons for the violation if admitted, and if denied, the reasons why, (3) the corrective steps that have been taken and the results achieved, (4) the corrective steps that will be taken to avoid further violations, and (5) the date when full compliance will be achieved.

If an adequate reply is not received within the time specified in this Notice, an Order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked or why such other action as may be proper should not be taken. Consideration may be given to extending the response time for good cause shown. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, this response shall be submitted under oath or affirmation.

Within the same time as provided for the response required above under 10 CFR 2.201, the Licensee may pay the civil penalties by letter addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, money order, or electronic transfer payable to the Treasurer of the United States in the cumulative amount of the civil penalties, or may protest imposition of the civil penalties in whole or in part, by a written answer addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission. Should the Licensee fail to answer within the time specified, an order imposing the civil penalties will be issued. Should the Licensee elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalties, in whole or in part, such answer should be clearly marked as an "Answer to a Notice of Violation" and may: (1) deny the violation(s) listed in this Notice, in whole or in part, (2) demonstrate extenuating circumstances, (3) show error in this Notice, or (4) show other reasons why the penalties should not be imposed. In addition to protesting the civil penalties in whole or in part, such answer may request remission or mitigation of the penalties.

In requesting mitigation of the proposed penalties, the factors addressed in Section VI.B.2 of the Enforcement Policy should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate parts of the 10 CFR 2.201 reply by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. The attention of the Licensee is directed to the other provisions of 10 CFR 2.205, regarding the procedure for imposing a civil penalties.

Upon failure to pay any civil penalties due that subsequently have been determined in accordance with the applicable provisions of 10 CFR 2.205, this matter may be referred to the Attorney General, and the penalties, unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C. 2282c.

The response noted above (Reply to Notice of Violation, letter with payment of civil penalties, and Answer to a Notice of Violation) should be addressed to: James Lieberman, Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738, with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region I, and a copy to the NRC Senior Resident Inspector at the facility that is the subject of this Notice.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR. If redactions are required, a proprietary version containing brackets placed around the proprietary, privacy, and/or safeguards information should be submitted. In addition, a non-proprietary version with the information in the brackets redacted should be submitted to be placed in the PDR.

Dated at King of Prussia, Pennsylvania
this 11th day of December 1996

Public Service
Electric and Gas
Company

Louis F. Storz

Public Service Electric and Gas Company P.O. Box 236, Hancocks Bridge, NJ 08038

609-339-5700

Senior Vice President - Nuclear Operations

JAN 10 1997

LR-N96432

United States Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555

Gentlemen:

**RESPONSE TO A NOTICE OF VIOLATION AND
PROPOSED IMPOSITION OF CIVIL PENALTIES
INSPECTION REPORT NO. 50-272/96-14, 311/96-14, and 354/96-08
FACILITY OPERATING LICENSE DPR-70, DPR-75, and NPF-57
SALEM NUCLEAR GENERATING STATION UNITS 1 AND 2
HOPE CREEK GENERATING STATION UNIT 1
DOCKET NOS. 50-272, 50-311, and 50-354**

Pursuant to the provisions of 10CFR2.201, this letter submits the response of Public Service Electric and Gas Company (PSE&G) to the Notice of Violation and Proposed Imposition of Civil Penalties described in a letter from the NRC dated December 11, 1996. These issues were previously identified in Inspection Report No. 50-272/96-14, 50-311/96-14, and 354/96-08, dated September 30, 1996. Information pertaining to the description of the event, the reason for the violation, and the corrective actions taken is provided in Attachment 1.

In the cover letter that transmitted the Notice of Violation and Proposed Imposition of Civil Penalties, the NRC stated that the violations of fundamental access control requirements represent a significant degradation in the Salem - Hope Creek security program.

In response, PSE&G has implemented comprehensive corrective actions. These corrective actions include the replacement of security management, reestablishing expectations and direction in the security department, ensuring management involvement in the program, and upgrading the training of security personnel. An additional initiative is a security awareness program to communicate management's expectation that security is everyone's responsibility. These corrective actions are in addition to the corrective actions associated with each of the cited violations.

JAN 10 1997

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LR-N96432

Should you have questions or comments on this transmittal, do not hesitate to contact us.

Sincerely,

Louis F. Stof

Attachment
Affidavit



JAN 10 1997

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LR-N96432

-3-

C Mr. H. J. Miller, Administrator - Region I
U. S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

Director, Office of Enforcement
U. S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Mail Stop 07H5
Rockville, MD 20852

Mr. L. N. Olshan, Licensing Project Manager - Salem
U. S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Mail Stop 14E21
Rockville, MD 20852

Mr. D. Jaffe, Licensing Project Manager - Hope Creek
U. S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Mail Stop 14E21
Rockville, MD 20852

Mr. C. Marschall - Salem
USNRC Senior Resident Inspector (X24)

Mr. R. Summers - Hope Creek
USNRC Senior Resident Inspector (X24)

Mr. K. Tosch, Manager IV
Bureau of Nuclear Engineering
33 Arctic Parkway
CN 415
Trenton, NJ 08625

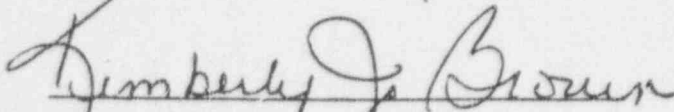
STATE OF NEW JERSEY)
) SS.
COUNTY OF SALEM)

L. F. Storz, being duly sworn according to law deposes and says:

I am Senior Vice President - Nuclear Operations of Public Service Electric and Gas Company, and as such, I find the matters set forth in the above referenced letter, concerning Salem Nuclear Generating Station and Hope Creek Generating Station, are true to the best of my knowledge, information and belief.



Subscribed and Sworn to before me
this 10th day of January 1997


Notary Public of New Jersey

KIMBERLY JO BROWN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 21, 1998

My Commission expires on _____

ATTACHMENT

REPLY TO A NOTICE OF VIOLATION
INSPECTION REPORT NO. 50-272/96-14, 311/96-14, and 354/96-08
FACILITY OPERATING LICENSE DPR-70, DPR-75, and NPF-57
SALINA NUCLEAR GENERATING STATION UNITS 1 AND 2
HOPE CREEK GENERATING STATION UNIT 1
DOCKET NOS. 50-272, 50-311, and 50-354

LR-N96432

I. INTRODUCTION

On December 11, 1996, the NRC issued a letter to PSE&G. This letter included a Notice of Violation and Proposed Imposition of Civil Penalties. The issues that were cited as violations were previously identified in Inspection Report 50-272/96-14, 50-311/96-14, 50-354/96-08, dated September 30, 1996. In that inspection report, these issues were cited as apparent violations of NRC requirements.

As noted in the Notice of Violation and Proposed Imposition of Civil Penalties, overall corrective actions have been initiated. These overall corrective actions include the replacement of security management, reestablishing expectations and direction in the security department, ensuring management involvement in the program, and upgrading the training of security personnel. In addition, security has initiated actions to address cultural issues. These actions include items that are focused on security such as an increased number of security drills as well as actions that are focused on the rest of the organization. One of these initiatives is a security awareness program to communicate the message that security is everyone's responsibility. These corrective actions are in addition to the corrective actions associated with each of the cited violations.

In accordance with the provisions of 10CFR2.201, PSE&G hereby submits a written response to the notice of violation which includes: 1) the reason for the violation; 2) the corrective steps that have been taken and the results achieved; 3) the corrective steps that will be taken to avoid further violations; and 4) the date when full compliance will be achieved.

In this response, the failure to control photobadge key cards for entry into the protected area will be referred to as Violation A; the contract individual accessing the protected area without a patdown search and poor initial follow-up will be referred to as Violation B; the failure to deactivate photo badge key cards for individuals who no longer require site access will be referred to as Violation C; the failure to complete training for security supervisors prior to assigning them to supervisory duties will be

referred to as Violation D; and the failure to test an intrusion detection system in accordance with procedures will be referred to as Violation E.

II. REPLY TO THE NOTICE OF VIOLATIONS

A. Violation A

1. Description of the Notice of Violation

"License Condition 2.E of License Number NPF-57 for the Hope Creek facility and License Conditions 2.E of License Numbers DPR-70 and DPR-75 for Salem, require that PSE&G fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10CFR50.90 and 10CFR50.54(p).

The Public Service Electric and Gas Company (PSE&G) Salem - Hope Creek Security Plan, Revision 7, dated June 21, 1996, states in Section 5.6, "Access Control to Vital Areas" that "Vital area access is physically controlled by the photobadge-keycard system which permits access into specific areas to persons designated on the current access list contained in the system computers. Positive access control is accomplished by Security Force Personnel (SFP) prior to issuance of the photobadge-keycard. Persons are positively identified by requiring them to request the badge by number, and visually, by comparing the picture to the person before issuing the keycard."

Contrary to the above, on August 14, 1996, vital area access was not physically controlled in that positive access control over photobadge keycards was compromised, thereby creating the opportunity for unauthorized access to the vital areas. Specifically, on that date, an NRC inspector identified that the lock mechanism on a door to one of the badge issue stations had been taped over, rendering the lock incapable of performing its locking function, and at the time, the badges were left unattended in the issue station, and no compensatory measures were in place for the inoperative lock to preclude an unauthorized individual from gaining access to the badges and the protected and vital areas.

This is a Severity Level III Violation."

2. Response to the Notice of Violation

PSE&G does not dispute the violation.

i. Description of the Event

On August 14, 1996, a Security Force Member (SFM) taped the locking mechanism of a badge issue booth door because the lock was malfunctioning. The condition of the malfunctioning lock was not effectively communicated to security supervision; therefore, no action was taken to repair the lock. The SFMs assigned to this badge issue booth later in the day did not report the condition of the lock to security supervision at turnover because they believed that the SFM that had taped the lock had already reported the condition.

An NRC inspector, during a routine observation, noticed a SFM open the badge issue booth door, apparently without the use of a key. Later the same day, another NRC inspector physically challenged the door and found it to be unlocked due to the taped latch. While the NRC inspector was opening the door on a subsequent attempt, a SFM questioned the NRC inspector regarding his actions and discussion ensued about the taped lock. At this point, the tape was removed from the door lock. The Security Department implemented compensatory measures and initiated Action Requests to evaluate the event and repair the lock.

Subsequent investigative interviews determined that the security door lock taping practice was limited to the badge issue booth doors and not the physical manipulation of other security equipment in the protected area. However, it was also determined that taping of the badge issue booth doors had been done in the past and had since become common practice even though it is prohibited by a security directive.

ii. Reason for the Violation

The reason for this violation was personnel error in that the SFM that taped the lock did not follow an approved security directive. The reasons that immediate repairs were not initiated for the locking mechanism were ineffective intradepartmental communications in that the security supervisor was not made aware of the malfunctioning lock and lack of confidence in the effectiveness of the Corrective Action Program.

In addition, supervision and management have tolerated similar situations in the past. Interviewees indicated that

security supervision was knowledgeable of previous taping of the locking mechanism.

iii. Corrective Steps That Have Been Taken and Results Achieved

The involved security personnel were disciplined and/or remediated.

A heightened supervisory and management presence has been established in the lobby area.

Communications meetings were held with security force personnel to review this event, including stressing procedural compliance, use of the Corrective Action Program, and reinforcing the security force's mission.

Three-part communication training was conducted for the security force.

A formal turnover process has been implemented.

A maintenance team has been formed to provide timely resolution of issues related to security equipment.

The Access Operations Supervisor checklist has been revised to ensure that key physical security and personnel performance parameters are checked frequently during each shift. The Access Operations Supervisor checklist also provides a place to indicate that discrepancies have been processed in accordance with the Corrective Action Program.

iv. Corrective Steps That Will be Taken to Avoid Further Violations

A standards and expectation manual will be developed and provided to the security force by May 1, 1997. This manual will reinforce expectations that have already been rolled out to the security force.

PSE&G is currently initiating the appropriate submittals to implement a hand geometry access system which will preclude future similar violations.

v. Date When Full Compliance Will Be Achieved

Compliance was achieved on August 14, 1996, when the tape was removed from the locking mechanism.

B. Violation B**1. Description of the Notice of Violation**

"License Condition 2.E of License Number NPF-57 for the Hope Creek facility and License Conditions 2.E of License Numbers DPR-70 and DPR-75 for Salem, require that PSE&G fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10CFR50.90 and 10CFR50.54(p).

1. The PSE&G Salem - Hope Creek Security Plan, Revision 7, dated June 21, 1996, states, in Section 4.2.1.4, "Personnel Search and Access Control," that "Searches at the guardhouses are performed by locally alarming portal or hand-held metal and explosives detectors. When there is reasonable cause to suspect that a person is attempting to introduce firearms, explosives, incendiary devices or other unauthorized material into the protected area, the person is given a physical pat-down search. When the metal and/or explosive detectors are not in service and operating in accordance with equipment test standards, physical pat-down searches are performed."

Contrary to the above, on August 26, 1996, a contractor employee entering the protected area caused two portal metal detectors to alarm on three different attempts to pass through them, and although these alarms provided reasonable cause to suspect that the contractor was attempting to introduce firearms, explosives, incendiary devices or other unauthorized material into the protected area, no physical pat-down search was performed, and the contractor was given his photobadge-keycard and entered the protected area.

2. The PSE&G Salem - Hope Creek Security Contingency Plan, Revision 4, dated February 12, 1996, states, in part, in Section 8.1.3.2, that it will be assumed that a security threat exists until it is known otherwise. Section 8.1.4 of the Contingency Plan defines an intruder as a person present in a protected or vital area without authorization. Section 8.3.2.6 of the Contingency Plan states that in the event of discovery of intruders or attack, notify the Senior Nuclear Shift Supervisor (SNSS) of implementation of Contingency Event 6 (Discovery of Intruders), provide a concise situation report, and request SNSS to classify the event per the Event Classification Guide in Section 16.

Contrary to the above, on August 26, 1996, a contractor who had alarmed the two portal metal detectors on three occasions, entered the protected area without receiving a

pat-down search, was not authorized to enter the protected area without having received a search, and, therefore, should have been assumed to be an intruder and security threat until it was known otherwise; however, the SNSS was not notified of the threat, and the event was not classified per Event Classification Guide 16.

This is a Severity Level III problem."

2. Response to the Notice of Violation

PSE&G does not dispute the violation.

i. Description of the Event

At approximately 0628 hours on August 19, 1996, a male contractor was accessing the site through the Security Center by normal means. The contractor was successfully screened for explosives and hand-carried items; however, he set off the metal detector alarm. As noted, the contractor cooperated with the instructions to re-enter the metal detector on several occasions. As a result of the unsuccessful screening, a female security force member (SFM) requested the contractor to wait for a hands-on search. The SFM did not effectively communicate with the contractor; consequently, the contractor did not realize that security was expecting him to wait for a hands-on search.

Because the SFM was a different gender than the contractor, the first-line security supervisor directed the SFM to switch with a same gender SFM to perform the hands-on search. During this transition, no one from security maintained positive control of the contractor. The contractor proceeded to obtain his badge and enter the protected area at 0629 hours, without the hands-on search. A non-fully qualified security trainee, during his first morning of in-plant training, observed this evolution. He did not react because he had previously been instructed to merely observe on-going activities because of his qualification status.

The contractor left the area before the assigned same gender SFM arrived. The other SFMs in the area unsuccessfully attempted to locate the contractor in the Security Center. The first-line security supervisor obtained a description of the contractor from the SFMs and the SFM trainee who had observed the incident. The supervisor then briefly entered the protected area in an attempt to locate the contractor. The supervisor was not able to locate the contractor and returned to the Security Center. He then informed his management of the incident.

In an attempt to identify the contractor, a computer report was generated at approximately 0633 hours to determine who entered the protected area between 0615 hours and 0630 hours. This list of names was narrowed down based on the badging booth that the contractor had used (as observed by the SFM trainee). At approximately 0715 hours, the SFM who originally processed the contractor and the PSE&G security supervisor went to the processing center to determine the identity of the contractor via a review of badge photos. Upon determination of the contractor's identity, the SFM and the PSE&G security supervisor returned to the Security Center. The PSE&G security supervisor attempted to reach the contractor's supervisor at approximately 0730 hours. After Security contacted the contractor's supervisor, the contractor was located and escorted outside the protected area to the Security Center at 0747 hours. A badge history was run that showed the contractor did not enter any vital areas and his whereabouts were accounted for by coworkers. The contractor's locker, work area, and access and egress routes were searched; no contraband was discovered.

The contractor fully cooperated with security and remained in the Security Center while the search was being conducted. At approximately 0830 hours, the contractor again passed through the metal detector, causing it to alarm. After removing loose items from his person, the contractor successfully passed through the metal detector. A hands-on search of the contractor was also conducted. Nothing unusual was detected.

Security notified the Salem Control Room of the incident at 0818 hours and the Hope Creek Control Room at 0820 hours. At this point, security informed the Control Rooms of the event and the applicable contingency plan, and made an Event Classification Guide classification recommendation that included a one-hour notification. Both Control Rooms concurred with this classification. Salem notified the NRC Operations Center at 0903 hours. Hope Creek notified the NRC Operations Center at 0913 hours. These notifications were made pursuant to the requirements of 10CFR73.71. However, they were not made within one hour of the start of the event (0629 hours).

Nuclear power plant access control consists of three parts: authorization requirements delineated in 10CFR73.56 and 10CFR73.57, the fitness for duty provisions of 10CFR26, and the positive access controls described in 10CFR73.55.

The authorization requirements consist of a background investigation, psychological assessment, and behavioral observation. In addition, 10CFR26 requires on-going

compliance with fitness for duty regulations. The contractor involved in this event was granted unescorted access authorization based on a request for unescorted access by a PSE&G manager and his completion of, and compliance with, these requirements.

In addition to the authorization and fitness for duty requirements, personnel seeking access to Salem or Hope Creek are subjected to positive access control requirements. These include metal detectors, explosive detectors, x-ray machines, and observation. The contractor involved in this instance was successfully screened for explosives and any hand-carried items. He was not successfully screened through the metal detectors, which represents a failure of the positive access controls.

Generic Letter 91-03 was issued to provide regulatory guidance relative to the reporting of safeguards events. The Generic Letter discusses partial failure of an otherwise satisfactory access authorization or access control program. The Generic Letter states that licensees should properly compensate for these partial failures within 10 minutes of discovery, unless extenuating circumstances prevent compensation within that time. If the partial failures are properly compensated for, the event need not be reported within one hour provided there was no malevolent intent, nothing adverse resulted from the delay, and appropriate measures are taken to ensure a more timely response in the future. It should be noted that the regulatory guidance provided in Generic Letter 91-03 does not require the contractor involved in this event to be classified as an intruder.

The contractor was identified, located, and removed from the protected area; however, additional measures such as immediate notification of the Control Room and deactivation of the contractor's badge, should have been taken to completely compensate for this incident. The investigation, both during and after the incident, demonstrated that there was no malicious intent on the contractor's part, and that his behavior while onsite was normal and routine. The contractor has been employed at this site off and on for over 20 years. Interviews with the SFMs indicated that the contractor cooperated with the original instructions to re-enter the metal detector. Further, the SFM did not observe any unusual behavior or deceit by the contractor. The contractor was identified, removed from the protected area, and re-searched. The contractor cooperated with the investigation and volunteered his locker combination. His locker, work area, and access and egress routes were searched. No contraband was found. Therefore, it was

determined that no malevolent intent was involved and no adverse events resulted from the delay in implementing compensatory measures.

ii. Reason for the Violation

The cause of this event was personnel error on the part of security personnel. This error involved the failure to maintain positive control of the contractor until the hands-on search was conducted.

The cause for the failure to notify the Control Rooms in a timely manner is personnel errors on the part of the first line security supervisor and the PSE&G security supervisor. The security supervisors focused on retrieving the contractor from the protected area and did not refer to security contingency procedures until after the contractor was escorted outside the protected area. Therefore, notification was not made in a timely manner.

PSE&G agrees that the notification to the Control Rooms was not made until the event was essentially over.

iii. Corrective Steps That Have Been Taken and Results Achieved

The contractor was identified and removed from the protected area. The contractor's locker, work area, and access and egress routes were searched.

The involved security personnel were retrained on the proper method of maintaining positive control over an individual prior to conducting a hands-on search.

The contractor and the involved security personnel were disciplined.

Communications meetings were held with security force personnel to review this event, including stressing procedural compliance and reinforcing the security force's mission.

Instruction and expectations relative to maintaining positive control of individuals that require a hands-on search and communications with the Control Room have been reinforced with security supervisors.

iv. Corrective Steps That Will be Taken to Avoid Further Violations

A standards and expectation manual will be developed and provided to the security force by May 1, 1997. This manual will reinforce expectations that have already been communicated.

Security procedures have been reviewed. The revisions identified by this review will be completed by March 1, 1997.

v. Date When Full Compliance Will Be Achieved

Compliance was achieved when the contract individual was removed from the protected area and the 10CFR50.72 notification was made.

C. Violation C

1. Description of the Notice of Violation

"License Condition 2.E of License Number NPF-57 for the Hope Creek facility and License Conditions 2.E of License Numbers DPR-70 and DPR-75 for Salem, require that PSE&G fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10CFR50.90 and 10CFR50.54 (p).

The PSE&G Salem - Hope Creek Security Plan, Revision 7, dated June 19, 1996, states, in part, in the Introduction Section that the implementing documents of this plan are the Security Plan Procedures and Post Orders. Security Plan Procedure 4, Revision 3, dated November 1, 1994, states, in Section 4.13, that when a person granted unescorted access terminates employment or no longer requires access to the site protected area, the cognizant department shall notify the Screening Supervisor within two working days, and the Screening Supervisor ensures that the administrative actions required to inactivate the security photobadge and personnel access clearance are accomplished.

Contrary to the above, the Screening Supervisor was not notified within two working days that 12 employees had been terminated in June and July 1996. Specifically, notification of five employees that were terminated in June 1996 was not made until the 31-day revalidation list was issued in July 1996, and notification of seven employees that were terminated in July 1996 was not made until the 31-day validation list was issued in August 1996.

This is a Severity Level IV Violation."

2. Response to the Notice of Violation

PSE&G does not dispute the violation.

i. Description of the Event

Between July and August 1996 there were several incidents of the failure of various departments to notify security within 48 hours of an employee's termination. These incidents resulted in the above violation. In addition to the examples cited by the NRC, PSE&G has self-identified other instances of occurrence. Review of the specific individual cases where unescorted site access was not terminated within 48 hours as required did not reveal any specific patterns (e.g., multiple departments were involved and the terminations included seasonal layoffs, contractor layoffs and permanent PSE&G personnel resignations or retirements). None of the specific cases included "for cause" terminations. The badges for individuals who have been terminated "for cause" have consistently been deactivated appropriately.

ii. Reason for the Violation

The cause of the failure to deactivate badges within 48 hours of termination is less than adequate management standards, policies, and administrative controls. The responsible departments did not follow the established process for deactivating badges; in addition, the enforcement and implementation of the process have been lax. This has been an on-going issue that security management did not effectively take a leadership role in resolving.

iii. Corrective Steps That Have Been Taken and Results Achieved

Revised expectations for deactivating badges have been communicated to department managers.

A "last-day" badge drop program has been initiated. A badge drop location has been provided where badges can be dropped for employees who no longer have a need to gain site access.

As an interim action, the protected area access authorization review is being done on a weekly basis. Additional instances of non-compliance have been found since the identification of this issue. When these instances are discovered, an action request is initiated in the Corrective Action Program and the responsible manager is held accountable for the non-compliance.

The out-processing process has been enhanced to clarify the process for deactivating badges of terminated employees.

iv. Corrective Steps That Will be Taken to Avoid Further Violations

The actions stated in part (iii) above are considered to be sufficient to avoid further violations.

v. Date When Full Compliance Will Be Achieved

The out-processing program is in full compliance with NRC regulations. Additional emphasis is being placed on the implementation of the program to ensure compliance with the program.

D. Violation D

1. Description of the Notice of Violation

"License Condition 2.E of License Number NPF-57 for the Hope Creek facility and License Conditions 2.E of License Numbers DPR-70 and DPR-75 for Salem, require that PSE&G fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10CFR50.90 and 10CFR50.54(p).

The PSE&G Salem - Hope Creek Security Training and Qualification Plan, Revision 3, dated February 12, 1996, Section 3.3, states, in part that, the qualification matrix identifies the courses of instruction by job classification, which each person shall pass in order to qualify for performance of related security duties. Section 3.8, titled, Supervisory Training, states that supervisors are required to qualify in all security force tasks. Critical Security Task No. 5, titled, "Conduct Patrols," states, in Element 05-A, that the examinee will demonstrate knowledge of the site by responding correctly to the location of several protected and vital area alarms.

Contrary to the above, on August 20, 1996, the inspectors determined by a review of training records and shift activity logs, that two supervisory personnel were performing Field Operations Supervisor duties prior to qualifying on all of the required critical security tasks for the performance of their related security duties. Specifically, the supervisors were signed off as qualified supervisors by the security training

department and given a 90-day period to complete Element 05-A. However, during the 90-day period, the supervisors were assigned independent Field Operations Supervisor duties, to include contingency response coordination, requiring extensive knowledge of the protected and vital area alarm locations.

This is a Severity Level IV Violation."

2. Response to the Notice of Violation

PSE&G does not dispute the violation.

i. Description of the Event

The qualification process for the Security Force consists of a series of Performance Certification Components (PCC) that must be completed. The number of PCCs to be completed varies depending on the security position of an employee. Each PCC is further broken down into specific tasks.

Four recently hired contract supervisors did not complete a portion of a PCC prior to assuming a supervisory role on shift. For this task, "Demonstrate Knowledge of Site Layout and Features," a 90-day grace period was granted by security management to complete the task. This 90-day grace period was not allowed by procedure; however, it was granted to provide the newly hired employees time to become familiar with the site and stations prior to qualification.

As a result of the above described discretion, two of four recently hired security supervisors were inappropriately assigned work prior to completion of qualification requirements.

ii. Reason for the Violation

The root cause of this violation was personnel error by security management in granting a grace period to qualification requirements without controlling assignments. This allowed the supervisors to supervise work for which they were not qualified.

iii. Corrective Steps That Have Been Taken and Results Achieved

The SFM qualification cards were reviewed for completeness. The discrepancies were limited to the supervisors discussed in this response.

The security lesson plan has been revised to specifically state that there is no grace period for supervisors and armed response officers.

iv. Corrective Steps That Will be Taken to Avoid Further Violations

A standards and expectation manual will be developed and provided to the security force by May 1, 1997. This manual will reinforce expectations that have already been communicated.

v. Date When Full Compliance Will Be Achieved

Full compliance has been achieved. The supervisors involved in this event were completely qualified prior to the discovery of this issue.

E. Violation E

1. Description of the Notice of Violation

"License Condition 2.E of License Number NPF-57 for the Hope Creek facility and License Conditions 2.E of License Numbers DPR-70 and DPR-75 for Salem, require that PSE&G fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10CFR50.90 and 10CFR50.54(p).

The PSE&G Salem - Hope Creek Security Plan, Revision 7, dated June 19, 1996, states, in part, in the Introduction Section, that the implementing documents of this plan are the Security Plan Procedures and Post Orders. Security Plan Procedure 8, Vehicle Access Control, Revision 8, dated February 28, 1996, requires, in part, in Section 10, Use of Crane Gate, that the security shift supervisor/designee direct that the zone be crawl tested after the vehicle passes and prior to securing the patrol. This procedure further states, that the security force member (SFM) No. 1 shall remain posted at the gate until the zone passes the crawl test.

Contrary to the above, on June 5, 1996, a vehicle passed through the Crane Gate, and a crawl test was not conducted prior to SFM 1 being released from the post.

This is a Severity Level IV Violation."

2. Response to the Notice of Violation

PSE&G does not dispute the violation.

i. Description of the Event

On June 5, 1996, a vehicle entered the site through the crane gate. The security supervisor believed that a crawl test would only be required if the vehicle left depressions in the gravel. He inspected the area, determined that no depressions were there, performed a walk-through test, secured the zone, and proceeded to an adjacent zone.

Shortly thereafter, the supervisor discussed the test with another supervisor who knew that the crawl test was required by procedure. The crawl test was then performed satisfactorily.

ii. Reason for the Violation

The root cause of this event was a personnel error in that the security supervisor did not follow the approved procedure for testing the crane gate.

iii. Corrective Steps That Have Been Taken and Results Achieved

The involved security personnel were disciplined.

Communications meetings were held with security force personnel to review this event, including stressing procedural compliance and reinforcing the use of the Corrective Action Program and the security force's mission.

iv. Corrective Steps That Will be Taken to Avoid Further Violations

A standards and expectation manual will be developed and provided to the security force by May 1, 1997. This manual will reinforce expectations that have already been communicated.

v. Date When Full Compliance Will Be Achieved

Compliance was achieved when the zone was satisfactorily crawl tested on June 5, 1996.