



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA STREET, N.W., SUITE 2900
ATLANTA, GEORGIA 30323-0199

JANUARY 16, 1997

IA 97-001

Mr. Darryl D. McNeil
[HOME ADDRESS DELETED
UNDER 10 CFR 2.790]

SUBJECT: NRC OFFICE OF INVESTIGATION'S REPORT NO. 2-96-005

Dear Mr. McNeil:

This letter refers to the investigation conducted by the Nuclear Regulatory Commission (NRC) Office of Investigations (OI) during the period March 6, 1996, through December 13, 1996. The OI investigation consisted of a review of the circumstances surrounding the loss of control of a security badge at Florida Power Corporation's (FPC) Crystal River site on February 9, 1996. OI, in its investigation report issued on December 13, 1996, concluded that "contract security employees intentionally and deliberately conspired to cover up the loss of the security badge by placing the badge back in the rack." A copy of the synopsis to the OI investigation report is enclosed (Enclosure 1).

Based on the results of the OI investigation, your actions in this case appear to have violated NRC requirements. Specifically, it appears that you engaged in deliberate misconduct that caused FPC to be in violation of their NRC operating license in that you did not act to prevent a violation of the FPC Physical Security Plan by subordinate employees. Based on the investigation, on February 9, 1996, you allowed security officers to violate Section 5.4.3 of the FPC Physical Security Plan when a security access badge was found to have been improperly taken offsite outside the observation and control of security force personnel. Instead of deactivating the badge in the security access computer and initiating an investigation upon being informed of the mistake, you permitted two officers: (1) to retrieve the individual's badge when he returned to the site later that day; (2) to card the badge out as if it had been processed properly upon exit from the plant; and (3) to return the badge to the badge rack. Your actions are of particular concern to the NRC in that it appears that you failed to meet your responsibilities as a supervisor. As a line manager, the NRC expects you to set the standards for employee conduct as well ensure that employees comply with FPC and NRC requirements.

Your actions on February 9, 1996, appear to be an apparent violation of 10 CFR 50.5, Deliberate Misconduct (Enclosure 2). This apparent violation is being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600, a copy of which is enclosed for your reference (Enclosure 3). However, be advised that the characterization of the apparent violation described here may change as a result of further NRC review.

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The circumstances surrounding the apparent violation were investigated by OI, and included an interview with you. As a result, it may not be necessary to conduct a predecisional enforcement conference to enable the NRC to make an enforcement decision. However, no enforcement action is presently being issued for these investigative findings. Before the NRC makes its enforcement decision, we are providing you an opportunity to either (1) respond to the apparent violation addressed above within 30 days of the date of this letter or (2) request a predecisional enforcement conference. Please contact Bruno Uryc, Director, Enforcement and Investigations Coordination Staff at 404-331-5505 or Paul Fredrickson, Chief, Special Inspection Branch at 404-331-5596 within seven days of the date of this letter to notify the NRC of your intended response. You may also reach either individual at 1-800-577-8510. Any conference scheduled with you personally will be closed to the public and transcribed. You also have the right to bring a personal representative or legal counsel.

Should you decline to participate in a conference, you should provide a written explanation to that effect as well as an explanation addressing the factors described below. These explanations should be provided to this office within 30 days of your receipt of this letter. Also, be advised that should you decide not to participate in a conference, the NRC will pursue enforcement action based on the information obtained by OI and the information provided in your written response. Your response should be marked as a "Response to An Apparent Violation with regard to NRC Office of Investigations Report No. 2-96-005" and should include: (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. In addition, your response should include an explanation as to why the NRC should permit your future involvement in NRC-licensed activities. Your response should be submitted under oath or affirmation and may reference or include previously 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 requested and granted by the NRC, the NRC will proceed with its enforcement decision. You will be advised by separate correspondence of the results of our deliberations on this matter.

Your attention is directed to Section V of the Enforcement Policy which explains the purpose of predecisional enforcement conferences and Section VIII which explains enforcement actions involving individuals. Note that the enforcement sanctions that could be assessed against an individual include a Letter of Reprimand, a Notice of Violation, and/or an Order prohibiting or restricting involvement in NRC-licensed activities for a term of years.

At the conclusion of NRC's deliberations on the matter, in accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter,

Enclosure 1, 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,

for Douglas M. Collins
Johns Jaudon, Director
Division of Reactor Safety

Enclosures: 1. Synopsis for OI Case No. 2-96-005
2. 10 CFR 50.5
3. NUREG-1600, Enforcement Policy

cc w/enc1 1 [HOME ADDRESS DELETED]:
Florida Power Corporation
Crystal River Energy Complex
Mr. P. M. Beard, Jr. (SA2A)
Sr. VP, Nuclear Operations
ATTN: Mgr., Nuclear Licensing
15760 West Power Line Street
Crystal River, FL 34428-6708

SYNOPSIS

The U.S. Nuclear Regulatory Commission (NRC), Region II, Office of Investigations, initiated this investigation on March 6, 1996, to determine if a Florida Power Corporation contract security guard at the Crystal River Nuclear Plant, who lost control of a security badge, colluded with another security guard and security lieutenant to cover up the loss by placing the badge back in the rack.

The evidence developed during this investigation substantiated that the contract security employees intentionally and deliberately conspired to cover up the loss of a security badge by placing the badge back in the rack.

D. McNeil

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Distribution w/encl 1 [HOME ADDRESS DELETED]:

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OE:EA File (BSummers, OE)(2 letterhead)

PUBLIC (Hold until enforcement action is completed - EICS Action)

NRC Resident Inspector

U.S. Nuclear Regulatory Commission

6745 N. Tallahassee Road

Crystal River, Florida 34428

| SEND TO PUBLIC DOCUMENT ROOM? | | YES BUT HOLD FOR COMPLETION OF ENFORCEMENT ACTION | | | | |
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| OFFICE | RII:DRS | RII:DRS | RII:DRP | RII:DRP | RII:ORA | RII:EX |
| SIGNATURE | <i>[Signature]</i> | <i>[Signature]</i> | <i>[Signature]</i> | <i>[Signature]</i> | NLO <i>[Signature]</i> | <i>[Signature]</i> |
| NAME | LStratton | PFredrickson | KLandis | JJohnson | CEvans | Buryc |
| DATE | 01/16/97 | 01/16/97 | 01/16/97 | 01/15/97 | 01/19/97 | 01/16/97 |
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