UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

February 14, 2000

Mr. C. L. Terry
TXU Electric
Senior Vice President & Principal Nuclear Officer
ATTN: Regulatory Affairs Department
P.O. Box 1002
Glen Rose, Texas 76043

SUBJECT: NRC INSPECTION REPORT NO. 50-445/00-02; 50-446/00-02

Dear Mr. Terry:

This refers to the inspection conducted on January 18-21, 2000, at the Comanche Peak Steam Electric Station, Units 1 and 2 facilities. The enclosed report presents the results of this inspection. Additionally, a telephonic conversation was held on February 9, 2000, between Messrs. D. Schaefer of this office and D. Alps of your staff to discuss the recharacterization of one inspection finding.

Areas examined during this inspection included portions of your physical security program. We determined that your physical security program was properly implemented. However, based on the results of this inspection, the NRC has determined that one Severity Level IV violation of NRC requirements occurred. The violation is being treated as a noncited violation (NCV), consistent with Section VII.B.1.a of the Enforcement Policy. The NCV is described in the subject inspection report. If you contest the violation or severity level of the NCV, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011, the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at the Comanche Peak Steam Electric Station, Units 1 and 2 facilities.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if appropriate, will be placed in the NRC Public Document Room (PDR).

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

/RA/

Gail M. Good, Chief
Plant Support Branch
Division of Reactor Safety

Docket Nos.: 50-445
50-446
License Nos.: NPF-87
NPF-89

Enclosure:
NRC Inspection Report No.
50-445/00-02; 50-446/00-02

cc w/enclosure:
Roger D. Walker
TXU Electric
Regulatory Affairs Manager
P.O. Box 1002
Glen Rose, Texas 76043

Juanita Ellis
President - CASE
1426 South Polk Street
Dallas, Texas 75224

George L. Edgar, Esq.
Morgan, Lewis & Bockius
1800 M. Street, NW
Washington, D.C. 20036

G. R. Bynog, Program Manager/
Chief Inspector
Texas Department of Licensing & Regulation
Boiler Division
P.O. Box 12157, Capitol Station
Austin, Texas 78711

County Judge
P.O. Box 851
Glen Rose, Texas 76043

Chief, Bureau of Radiation Control
Texas Department of Health
1100 West 49th Street
Austin, Texas 78756-3189

John L. Howard, Director
Environmental and Natural Resources Policy
Office of the Governor
P.O. Box 12428
Austin, Texas 78711-3189

E-Mail report to D. Lange (DJL)
E-Mail report to NRR Event Tracking System (IPAS)
E-Mail report to Document Control Desk (DOCDESK)

E-Mail notification of report issuance to the CP SRI and Site Secretary (ATG, LCA).

E-Mail notification of issuance of all documents to Nancy Holbrook (NBH).

bcc to DCD (IE04)

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ENCLOSURE

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

Docket Nos.:	50-445 50-446
License Nos.:	NPF-87 NPF-89
Report No.:	50-445/00-02 50-446/00-02
Licensee:	TXU Electric
Facility:	Comanche Peak Steam Electric Station, Units 1 and 2
Location:	FM-56 Glen Rose, Texas
Dates:	January 18-21, and February 9, 2000
Inspector:	D. Schaefer, Physical Security Inspector, Plant Support Branch
Approved By:	Gail M. Good, Chief, Plant Support Branch Division of Reactor Safety
Attachment:	Supplemental Information

EXECUTIVE SUMMARY

Comanche Peak Steam Electric Station, Units 1 and 2
NRC Inspection Report No. 50-445/00-02; 50-446/00-02

This was an announced inspection of the licensee's physical security program. The areas inspected included access authorization, alarm stations, communications, assessment aids, security program plans and procedures, security event logs, management support, and security program audits.

Plant Support

- Background investigation screening files were complete and thorough. An excellent program had been established for granting individuals unescorted access to protected and vital areas. The licensees program emphasized the need for all individuals to provide a complete criminal history prior to being granted unescorted plant access (Section S1.1).

- The security alarm stations were redundant and well protected. Alarm station operators were alert and well trained (Section S1.2).

- A violation of the security plan and a security procedure was identified for granting an employee unescorted protected area access prior to the employee successfully completing plant access and fitness-for-duty training and testing. This Severity Level IV violation is being treated as a noncited violation, consistent with Section VII.B.1.a of the NRC Enforcement Policy. This violation was entered into the licensees corrective action program as Smart Form SMF-1999-000698-00 (Section S1.2).

- A weakness in the design of the security system allowed an individual security officer to grant unescorted access to individuals without the knowledge of any other security officer or plant employee. This weakness was corrected during the inspection (Section S1.2).

- An adequate number of portable radios were available for members of the security organization; however, the repair frequency of security portable radios has increased. Funds have been acquired to replace portable radio systems for the plant (Section S1.3).

- Assessment aids provided effective assessment of the perimeter detection zones (Section S2.1).

- Changes to security plans were reported within the required time frame and properly implemented in accordance with 10 CFR 50.54(p). Implementing procedures met the performance requirements in the physical security plan (Section S3.1).

- A very good program for reporting security events was in place. The security staff was correctly reporting security events (Section S3.2).

- Senior management support for the security organization was very good. The security program was implemented by a well trained and highly qualified staff (Section S6.1).

- The security, access authorization, and fitness-for-duty program audits were performance based and conducted at the required intervals (Section S7.1).

Report Details

IV. Plant Support

S1 Conduct of Security and Safeguards Activities

Sl.l Access Authorization

a. Inspection Scope (81700)

The Access Authorization Program was inspected to determine compliance with the requirements of 10 CFR 73.56, the security plan, and Regulatory Guide 5.66. The areas inspected included the review of background investigation files for individuals presently granted unescorted access. The inspector reviewed records and conducted interviews to determine the adequacy of the program. The inspector also reviewed information concerning the licensee's verification of identify, employment history, educational history, credit history, criminal history, military service, and the character and reputation of the applicants before granting individuals unescorted access to protected and vital areas. Six background investigation files were reviewed.

b. Observations and Findings

Background investigation screening files were complete and thorough. The licensee had accepted the access authorization program of four (self-screening) contractors. The inspector verified through a review of records that each of these self-screening contractors had been audited within the previous 12 months.

The inspector reviewed the licensee's personal history statement completed by individuals seeking unescorted plant access. The criminal history section of this questionnaire was excellent. Upon completing the personal history statement, the licensee continued to interview (one-on-one) each individual seeking unescorted plant access. The licensee stated that the results of these interviews had been especially helpful in ensuring that individuals have completely answered all criminal history questions.

c. Conclusions

Background investigation screening files were complete and thorough. An excellent program had been established for granting individuals unescorted access to protected and vital areas. The licensees program emphasized the need for all individuals to provide a complete criminal history prior to being granted unescorted plant access.

S1.2 Alarm Stations

a. Inspection Scope (81700)

The alarm stations were inspected to determine compliance with the requirements of the security plan. The areas inspected included the requirements and capabilities of the alarm stations, redundancy and diversity of stations, protection of the alarm stations, and systems security.

b. Observations and Findings

The inspector verified the redundancy and diversity of the alarm stations. Action by one alarm station operator could not reduce the effectiveness of the security systems without the knowledge of the other alarm station operators. The central alarm station and secondary alarm station were bullet resistant. The inspector questioned the station operators and determined that they were properly trained and knowledgeable of assigned duties.

License Condition 2.H of the licensee's facility operating licenses (NPF-87 and NPF-89) requires, in part, that the licensee fully implement and maintain in effect all provisions of the physical security plan previously approved by the Commission, and all amendments made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p).

Page 1 (Introduction) of the licensee's physical security plan stated, in part, that detailed requirements of the security program, necessary to implement the security plan, are contained in Comanche Peak Steam Electric Station security procedures.

Section 3.2 of the licensee's physical security plan required, in part, that all employees pass an examination prior to being granted unescorted access to the protected area. This examination titled, "Plant Access Training," was designed to test the employee's familiarity with all phases of plant operation, including security.

Section 6.3 of Security Procedure SEC-302, "Personnel Identification, Key Card Badge Issuance, and Access Control," Revision 13, stated, in part, that "Unescorted access authorization is granted upon successful completion of the screening process, Plant Access Training and testing, and Fitness-for-Duty Training and testing."

Paragraph 3.13.1.1 of Security Instruction 3.13, "Key Card Control," Revision 13, required that authorization to produce (manufacture) a new security key card (badge) must be obtained only from: (1) a computer-generated unescorted access authorization letter; (2) a manually prepared security clearance list; or (3) an NRC letter.

On March 17, 1999, the licensee inappropriately granted a Fluor-Daniel contract employee unescorted access authorization to plant protected and vital areas prior to completion of required plant access training and fitness-for-duty training. The remaining access authorization requirements (e.g., background investigation, fitness-for-duty testing, psychological evaluation, etc.) had been completed.

The licensee's investigation of this event determined that on March 17, 1999, a security officer had mistakenly concluded that a contract employee had completed all requirements (including plant access and fitness-for-duty training) for unescorted plant access. The security officer prepared a new security photo-identification badge and also entered necessary information into the security computer granting the employee access to plant protected and vital area access. The security officer had stated that the employee's unescorted access was based upon an Unescorted Access Authorization Letter; however, no authorization letter for the specific contract employee was found.

On March 25, 1999, the licensee identified that, based on the requirements in Security Instruction 3.13, the contract employee had been improperly granted unescorted access authorization to plant protected and vital areas for the previous 8 days (March 17-25, 1999). The licensee also determined that the contract employee had previously worked at Comanche Peak from March to June 1998 and was familiar at that time with the information provided in plant access and fitness-for-duty training. The employee had been favorably terminated during the previous assignment at Comanche Peak. Subsequently, the contract employee completed plant access and fitness-for-duty training and was granted unescorted access to the plant.

The licensee identified the following root causes of this event:

- The security officer failed to follow Security Instruction 3.13 and obtain proper authorization for issuance of a security key card (badge) to an employee.

- The licensee had not adequately evaluated the risks and consequences associated with an October 1998 change to the badge process. Prior to October 1998, security key cards together with an authorization letter were forwarded to the security department for processing. Subsequent to October 1998, the secondary alarm station printed (prepared) the security identification badges and utilized information from the computer data base of the key card printing system to enter into the security computer. Hence, the authorization letter became less effective in preventing an individual from being granted unescorted access authorization before completing all requirements for unescorted plant access.

On August 4, 1999, the licensee's corrective actions included issuance of a "lessons learned" bulletin to all security officers stressing the importance of complying with security instructions at all times. The licensee also administered appropriate disciplinary action to the security officer for failing to follow security instructions.

Granting unescorted protected area access to an employee prior to the employee successfully completing plant access and fitness-for-duty training and testing was a violation of Section 3.2 of the security plan and Section 6.3 of Security Procedure SEC-302. This Severity Level IV violation is being treated as a noncited violation, consistent with Section VII.B.1.a of the NRC Enforcement Policy. This violation was entered into the licensees corrective action program as Smart Form SMF-1999-000698-00 (50-445:-446/0002-01).

During review of this event, the inspector determined that on March 17, 1999, due to a weakness in the design of the security system, a security officer had granted unescorted access to the contract employee without the knowledge of any other security officer or plant employee. This design weakness had been in place since October 1, 1998, and had only been partially corrected by the licensee following the March 17, 1999, event. This design weakness was limited to former Comanche Peak employees who had been favorably or unfavorable terminated. The licensee implemented corrective measures to insure that a minimum of two security officers in the secondary alarm station were involved in producing (manufacturing) a new security badge. An individual security officer could no longer perform this action. The licensee also stated that additional long-term corrective measures were being developed.

c. Conclusions

The security alarm stations were redundant and well protected. Alarm station operators were alert and well trained. A violation of the security plan and a security procedure was identified for granting an employee unescorted protected area access prior to the employee successfully completing plant access and fitness-for-duty training and testing. This Severity Level IV violation is being treated as a noncited violation, consistent with Section VII.B.1.a of the NRC Enforcement Policy. This violation was entered into the licensees corrective action program as Smart Form SMF-1999-000698-00. A weakness in the design of the security system allowed an individual security officer to grant unescorted access to individuals without the knowledge of any other security officer or plant employee. This weakness was corrected during the inspection.

S1.3 Communications

a. Inspection Scope (81700)

The communication capabilities were inspected to determine compliance with the requirements of the security plan. The areas inspected included the operability of radio and telephone systems and the capability to effectively communicate with the local law enforcement agencies through both of the systems.

b. Observations and Findings

The inspector verified that the licensee had adequate radio and telephone systems capable of meeting all communication requirements of the security organization. The licensee maintained an adequate number of portable radios and batteries for use by members of the security organization.

Through interviews, the inspector determined that the portable radios had provided satisfactory service for the past several years. However, during the past year, the frequency of repair for the portable radios had increased. The licensee stated that funding has been approved for a new plant-wide radio communication system.

c. Conclusions

An adequate number of portable radios were available for members of the security organization; however, the repair frequency of security portable radios has increased. Funds have been acquired to replace portable radio systems for the plant.

S2 Status of Security Facilities and Equipment

S2.1 Assessment Aids

a. Inspection Scope (81700)

The inspector reviewed the assessment aids to determine compliance with the physical security plan. The areas inspected included the closed-circuit television monitors located in the alarm stations.

b. Observations and Findings

Through observation, the inspector determined that the closed-circuit television cameras were positioned to ensure proper coverage of the perimeter alarm zones and that the overall assessment aids system was effective. The cameras produced a very good resolution. Through interviews, the inspector determined that prompt maintenance support was provided to ensure that system problems were corrected in a timely manner.

c. Conclusions

Assessment aids provided effective assessment of the perimeter detection zones.

S3 Security and Safeguards Procedures and Documentation

S3.1 Security Program Plans and Procedures

a. Inspection Scope (81700)

The physical security plan and the implementing procedures were inspected to determine compliance with the requirements of 10 CFR 50.54(p) and the physical security plan.

b. Observations and Findings

The inspector determined that previous plan changes were submitted to the NRC within the required time frame, and the changes did not reduce the effectiveness of the plan. The inspector reviewed two implementing procedures for adequacy, verified that the licensee maintained an effective management system for the development and administration of procedures, and verified that changes to the procedures did not reduce the effectiveness of the security program.

c. Conclusions

Changes to security plans were reported within the required time frame and properly implemented in accordance with 10 CFR 50.54(p). Implementing procedures met the performance requirements in the physical security plan.

S3.2 Security Event Logs

a. Inspection Scope (81700)

The inspector reviewed safeguards event logs and security incident reports to determine compliance with the requirements of 10 CFR 73.21(b) and (c), 10 CFR 26.73, and the physical security plan.

b. Observations and Findings

The inspector reviewed the safeguards event logs from October 1, 1998, through January 1, 2000. The records, and supporting field reports, were available for review and maintained for the time required by regulations. The inspector determined that the licensee conformed to the regulatory requirements regarding the reporting of security events. The inspector also reviewed 12 security incident (field) reports. The logs and supporting reports were accurate and neat. The licensee's records included trending and analysis of events.

c. Conclusions

A very good program for reporting security events was in place. The security staff was correctly reporting security events.

S6 Security Organization and Administration

S6.1 Management Support

a. Inspection Scope (81700)

The effectiveness and adequacy of management support were inspected to determine the degree of management support for the physical security program.

b. Observations and Findings

By discussions with security force personnel, the inspector determined that the security program received very good support from senior management as demonstrated by good morale of the security organization and continued funding for future replacement of security equipment. The inspector determined that the security program was implemented by a trained and qualified security staff. All members of the security organization had a clear understanding of assigned duties and responsibilities.

c. Conclusions

Senior management support for the security organization was very good. The security program was implemented by a well trained and highly qualified staff.

S7 Quality Assurance in Security and Safeguards Activities

S7.1 Security Program Audits

a. Inspection Scope (81700)

The audits of the security program were reviewed to determine compliance with the requirements of 10 CFR 50.54(p) and the physical security plan.

b. Observations and Findings

The inspector verified that security program, access authorization, and fitness-for-duty audits were conducted at the required intervals. The inspector reviewed the eight audit and surveillance reports listed in the attachment. The inspector interviewed audit personnel and confirmed that they were independent of plant security management and plant security management supervision.

The inspector determined that the audits of the security plan, contingency plan, access authorization program, and fitness-for-duty program were performance based.

c. Conclusions

The audits of the security program, the access authorization program, and the fitness-for-duty program were performance based and were conducted at the required intervals.

V. Management Meetings

XI Exit Meeting Summary

The inspector presented the inspection results to members of licensee management at the conclusion of the inspection on January 21, 2000. The licensee acknowledged the findings presented. On February 9, 2000, D. Schaefer, Region IV, telephonically notified Mr. D. Alps, Security Manager, that the two potential violations identified during the exit meeting had been recharacterized as one violation and one weakness, as discussed in Paragraph S1.2 above.

ATTACHMENT

SUPPLEMENTAL INFORMATION

PARTIAL LIST OF PERSONS CONTACTED

Licensee

C. Terry, Senior Vice President and Principal Nuclear Officer
M. Blevins, Vice President, Nuclear Operations
D. Alps, Security Manager
B. Bird, Plant Support Manager
J. Braun, Systems Security Coordinator
K. Britt, Compliance Security Coordinator
J. Britt, Corporate Security Manager
J. Brown, Fitness-for-Duty Coordinator
P. Combs, Nuclear Support Assistant
N. Harris, Senior Regulatory Compliance Specialist
B. Hammer, Senior Corporate Security Representative
J. Liles, Security Shift Supervisor
P. Mills, Nuclear Overview Senior Specialist
P. Passalugo, SMART Team 1, System Engineer

Contractors

L. Askren, General Manager, Burns Security
M. Gilleland, Training Supervisor, Burns Security

NRC

T. Gody, Senior Resident Inspector

INSPECTION PROCEDURES USED

IP 81700 Physical Security Program for Power Reactors

LIST OF ITEMS OPENED CLOSED AND DISCUSSED

Items Opened and Closed

50-445;-446/0002-01	NCV	Unescorted Access Authorization Granted Prior to Completion of Required Plant Access Training and Testing

Items Discussed

None

LIST OF DOCUMENTS REVIEWED

Safeguards Event Log from October 1, 1998, to January 1, 2000

Background investigation records for five individuals granted unescorted access authorization

Twelve security incident (field) reports

Licensee Audits and Surveillance Reports

Quality Evaluation of Access Authorization Program, dated September 1, 1998

Quality Evaluation of Fitness-for-Duty at Pharmchem Labs, dated January 25, 1999

Quality Evaluation of The Physical Security Program, dated July 16, 1999

Industry Audit Reports of Self Screening Contractors

NEI audit report of access authorization and fitness-for-duty programs at Institute of Nuclear Power Operations (INPO), dated April 8, 1999

NEI audit report of access authorization program at Bartlett Nuclear, Inc., dated April 14, 1999

NEI audit report of access authorization program at Fluor Daniel, Inc., dated August 27, 1999

NEI audit report of access authorization and fitness-for-duty programs at Westinghouse Electric Company, dated September 24, 1999

NEI audit report of background investigation program at Choice Point Services, dated December 9, 1999

Security Procedures

Procedure SEC-302, "Personnel Identification, Key Card Badge Issuance, and Access Control," Revision 13

Procedure SEC-610, "Security Response During Personnel and Operating Emergencies," Revision 12-3