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FOR IMMEDIATE RELEASE
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NRC STAFF PROPOSES \$25,000 FINE AGAINST CONSUMERS POWER COMPANY
FOR VIOLATIONS OF NRC SECURITY REQUIREMENT AT PALISADES PLANT

The Nuclear Regulatory Commission staff has proposed a \$25,000 fine against Consumers Power Company for failing to adequately protect information about the security systems at the Palisades Nuclear Power Plant. The plant is located near Covert, Michigan.

The utility was cited for having plant security information available on a computer network with terminals outside the plant, for transmitting security information by regular telephone lines, and for failing to properly store and label security information.

The security deficiencies were reported to the NRC by the utility in January 1994. There is no evidence to suggest that there was any loss or theft of the security information.

The security information involved included the plant's NRC-approved security plan, the security contingency plan, security procedures, and electrical drawings of security equipment. The NRC requires access to such information be controlled and limited to authorized individuals.

The computer-based access to the security information existed from 1982 until identified by the utility in January 1994. The other violations occurred for a shorter period of time.

In notifying the utility of the fine, NRC Regional Administrator John B. Martin stated: "Although there was no evidence to indicate that a loss or theft of security information occurred, the length of time that the conditions existed and the fact that access to the system was available to over 1000 terminals created a significant vulnerability with respect to the security information."

Consumers Power has until September 16, 1994, to pay the fine or to protest it. If the fine is protested and subsequently imposed by the NRC staff, the utility may request a hearing.

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