



UNITED STATES  
**NUCLEAR REGULATORY COMMISSION**  
REGION II  
SAM NUNN ATLANTA FEDERAL CENTER  
61 FORSYTH STREET SW SUITE 23T85  
ATLANTA, GEORGIA 30303-8931

June 21, 2000

EA-00-110

Southern Nuclear Operating Company, Inc.  
ATTN: Mr. H. L. Sumner, Jr.  
Vice President  
P. O. Box 1295  
Birmingham, AL 35201-1295

SUBJECT: INSPECTION REPORT NOS. 50-321/00-07, 50-366/00-07

Dear Mr. Sumner:

This refers to the inspection conducted on March 13-17, 2000, by the Nuclear Regulatory Commission (NRC) at your Hatch facility which evaluated implementation and compliance with the Physical Security Plan (PSP). The subject inspection report documented two apparent violations involving your perimeter intrusion detection system (PIDS) and the response force's capability to protect the facility from the Design Basis Threat (DBT). A closed, predecisional enforcement conference was conducted in the Region II office on May 26, 2000, with you and members of your staff to discuss the apparent violations, the root causes, and corrective actions to preclude recurrence. A list of conference attendees and a copy of NRC's presentation material at the conference are enclosed. Although you provided the NRC with copies of the materials that Southern Nuclear Operating Company (SNOG) presented at the conference, these materials are prohibited from disclosure to unauthorized individuals and will not be placed in the Public Document Room (PDR) because they contain safeguards information, as defined by 10 CFR 73.21.

Based on the information developed during the inspection and discussed during the conference, the issue, identified in the subject inspection report as Escalated Enforcement Item (EEI)

50-321, 366/00-07-01, has been determined to be a violation of NRC requirements. The violation involved the failure of your PIDS to detect simulated unauthorized penetration into the protected area during testing conducted by the NRC. Specifically, on March 15, 2000, the PIDS failed to perform as designed and did not detect unauthorized penetration into the protected area in seven of thirty-eight performance tests involving crawling and/or jumping. This is contrary to PSP, Section 6.3.1, which states, in part, that the intrusion detection system is designed to detect unauthorized penetration into the protected area and that is capable of detecting 95 of 100 intruders who are either running, walking, crawling, rolling, or jumping.

At the conference, SNOG stated its disagreement that the testing failures of the PIDS constituted a violation of regulatory requirements. SNOG contended that six of the seven failed tests were not performance tests as defined by NRC Inspection Procedure 81700, "Physical Security Program for Power Reactors." Rather, the six tests were challenge tests, which included penetration methodologies for which the PIDS was not designed; and thus, not required under the PSP to be detected. SNOG also stated at the conference that required

quarterly performance tests of the system were adequately conducted as required by the PSP, and previous NRC inspections did not identify PIDS or procedural testing vulnerabilities.

After consideration of the information SNOC presented at the conference, the NRC has concluded that a violation of the PSP occurred. Based on the guidance contained in Regulatory Guide 5.44, Revision 3, and the methodologies routinely employed as part of the NRC's testing program, the staff concluded that the testing involving the seven failures was within the bounds of the requirements of the PSP and did not include extraordinary means. In particular, the staff concluded that of the 44 tests that were conducted, 38 (which included the 7 failures) were bounded by reasonable and predictable means. The remaining 6 tests, where the penetrations were detected by the PIDS, were considered to be outside the design of the system, and are therefore not included as part of the regulatory issue in this case. Regarding the conduct of testing of the system by the licensee, the NRC remains concerned that SNOC's testing procedures and methodologies are not sufficient to ensure adequate performance capability of the system. Although procedures may be literally in compliance with the testing requirements of the PSP, the testing was insufficient to ensure that the design objective of Section 6.3.1 of the PSP is met.

In accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600, dated November 9, 1999, the violation involving the PIDS is categorized as a Severity Level IV violation. SNOC's corrective actions for this violation at the time of the inspection included implementing compensatory measures, retesting, and repair of one zone. In addition, at the time of the conference, SNOC stated that compensatory measures would be reinstated for six of the zones which had not been subject to repair. The issue also was placed in the corrective action program for further review as described in the subject inspection report. Based on these actions, the NRC has concluded that this violation meets the criteria for a non-cited violation in accordance with Section VII.B.1.a of the Enforcement Policy.

The second issue, identified as EEI 50-321, 366/00-07-02 in the subject inspection report, involves the failure of the response force to interject themselves between mock intruders and the nearest apparent vital area target during a force-on-force drill. As a result, the response force failed to protect a target set. The NRC had previously stated in its inspection report that during a second drill, the licensee successfully intercepted the mock adversary; however, the defeat of the adversary was fortuitous based on the response information available at the time of the inspection.

At the conference, SNOC disagreed that the failure during the first drill was a violation of the PSP. SNOC contended that the drill was viewed as a "learning experience" rather than a demonstration of compliance, and the NRC's conclusions were based on a single drill failure which included a drill limitation on radio usage, a reduced number of assessment aids employed during the drill, and the availability of additional response force members (whom, had they been employed, would have constituted the number of responders committed to in the PSP) who were not utilized during the drill. SNOC also disagreed that the interception of the

mock adversary during the second drill was fortuitous as responders were in appropriate strategic positions. Based on the additional information presented at the conference, NRC agrees that the licensee's success during the second drill was not fortuitous since a responder was appropriately positioned when the adversary was encountered.

Upon re-evaluation of the first drill, the NRC has determined that the response force failed to demonstrate an adequate strategy for protecting against the DBT. However, due to the circumstances of the drill noted above, the NRC is unable to reach a regulatory conclusion regarding your response capability and compliance with the provisions of your PSP; therefore, no further action is planned regarding this matter. Please be advised that NRC requested demonstrations of response capability are for the purpose of determining compliance with the PSP, and during future such inspections the NRC will base its evaluation and regulatory decisions on the response force contingent and drill circumstances that SNOC presents for review. In addition, based on the observed performance, the NRC plans additional inspection to re-evaluate the effectiveness of any corrective actions including those described by SNOC at the conference. EEI 50-321, 366/00-07-02 is therefore closed.

You are not required to respond to this letter, unless the description herein does not adequately reflect your corrective actions or your position. If you contest the violation as documented by this letter, you should provide a response within 30 days of the date of this letter, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555-0001, with copies to the Regional Administrator, Region II, and the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, D.C. 20555-0001.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and any response you provide will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

SNOOC

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If you have any questions regarding this letter, please contact Kenneth P. Barr, Chief, Plant Support Branch, Division of Reactor Safety at (404) 562-4653.

Sincerely,

/RA **BRUCE MALLETT FOR**  
Luis A. Reyes  
Regional Administrator

Docket Nos. 50-321 and 50-366  
License Nos. DPR-57 and NPF 5

Enclosures: 1. List of Conference Attendees  
2. NRC Presentation Material

cc w/encls:

J. D. Woodard  
Executive Vice President  
Southern Nuclear Operating Company, Inc.  
Electronic Mail Distribution

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General Manager, Plant Hatch  
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D. M. Crowe  
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(cc w/encls cont'd - see page 5)

SNOC

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- PUBLIC
- R. Borchardt, OE
- B. Summers, OE
- D. Nelson, OE
- R. Rosano, NRR
- G. Tracy, NRR
- J. Johnson, NRR
- A. Boland, RII
- C. Evans, RII
- S. Cahill, RII
- L. Plisco, RII
- C. Casto, RII

OFFICE	RII:DRS	RII:DRS	RII:DRS	RII:EICS	RII:EICS	RII:DRP
SIGNATURE	KBARR FOR	RA	RA	RA	RA	VMCREE
NAME	LHAYES	KBARR	CCAST	ABOLAND	CEVANS	SCAHILL
DATE	6/13 /00	6/13 /00	6/13 /00	6/ 21 /00	6/ 14 /00	6/21/00
COPY?	YES NO	YES NO	YES	YES	YES NO	YES NO

OFFICE	OE	NRR		
SIGNATURE	per D. Nelson	per V. Ordaz		
NAME	WBORCHARDT	GTRACY		
DATE	6 / 21 / 00	6/21 / 00*	/	/ /
COPY?	YES NO	YES NO	YES	YES NO

## LIST OF CONFERENCE ATTENDEES

### Nuclear Regulatory Commission (NRC)

B. Mallett, Deputy Regional Administrator, Region II (RII)  
K. Barr, Acting Deputy Director, Division of Reactor Safety (DRS), RII  
V. McCree, Deputy Director, Division of Reactor Projects (DRP), RII  
C. Evans, Acting Enforcement Officer and Legal Counsel, RII  
A. Boland, Acting Chief, Plant Support Branch (PSB), DRS, RII  
S. Cahill, Chief, Branch 2, DRP, RII  
L. Hayes, Safeguards Inspector, PSB, DRS, RII  
S. Sparks, Senior Enforcement Specialist, RII  
D. Thompson, Safegaurds Inspector, PSB, DRS, RII  
R. Bernhard, Senior Reactor Analyst, DRS, RII  
W. Tobin, Safeguards Inspector, Division of Nuclear Material Safety  
D. Nelson, Senior Enforcement Specialist, Office of Enforcement  
R. Rosano, Chief, Reactor Safeguards Section, Office of Nuclear Reactor Regulations (NRR)  
D. Orrik, Security Specialist, NRR

### Southern Nuclear Operating Company (SNOC)

J. Woodard, Executive Vice-President  
L. Sumner, Vice-President, Hatch  
P. Wells, Plant Manager, Hatch  
D. Crowe, Licensing Manager, Hatch  
J. Branum, Project Engineer  
S. Shipman, Licensing, Hatch  
S. Tipps, Licensing Manager, Hatch  
J. Thompson, Nuclear Security Manager, Hatch  
J. Davis, Manager, Plant Administration  
J. Giddens, Generic Licensing  
L. Bergen, Resident Manager - Hatch, Ogelthorpe Power Corporation  
J. Merritt, Security Specialist, Hatch  
J. Sims, Project Engineer  
A. Dobby, Troutman and Sanders, SNOC Counsel

**PREDECISIONAL ENFORCEMENT CONFERENCE AGENDA**

**HATCH NUCLEAR PLANT  
MAY 26, 2000, AT 10:00 A.M.  
NRC REGION II OFFICE, ATLANTA, GEORGIA**

- I. OPENING REMARKS AND INTRODUCTIONS  
B. Mallett, Deputy Regional Administrator
- II. NRC ENFORCEMENT POLICY  
C. Evans, Acting Enforcement Officer  
Enforcement and Investigations Coordination Staff
- III. SUMMARY OF THE ISSUES  
B. Mallett, Deputy Regional Administrator
- IV. STATEMENT OF CONCERNS / APPARENT VIOLATIONS  
C. Casto, Director  
Division of Reactor Safety
- V. LICENSEE PRESENTATION
- VI. BREAK / NRC CAUCUS
- VII. NRC FOLLOWUP QUESTIONS
- VIII. CLOSING REMARKS  
B. Mallett, Deputy Regional Administrator

## **FINDINGS TO BE DISCUSSED**

### **RESPONSE CAPABILITY**

**Facility Operating License Numbers DPR-57 and NPF-5 requires that the license shall fully implement and maintain in effect all provisions of the Commission approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to the provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 50.90 and 10 CFR 50.54(p).**

**The licensee's Physical Security Plan (PSP), Section 2.0 states, in part, that the physical security system and organization are designed to protect against the Design Basis Threat of radiological sabotage as stated in 10 CFR 73.1(a). Additionally, Section 9.2 of the PSP requires responding security officers to interject himself/herself between the intruder(s) and the nearest apparent vital area target.**

**On March 15, 2000, the licensee failed to demonstrate that the physical security system and organization were designed to protect against the Design Basis Threat of radiological sabotage, nor could the licensee demonstrate that officers could interject themselves between intruder(s) and the nearest apparent vital area target during a force-on-force drill. Specifically, during a drill scenario the licensee was unable to protect a target set from mock intruders.**

**Note: The apparent violations discussed at this conference are subject to further review and change prior to any resulting enforcement action.**

## **PERIMETER DETECTION SYSTEM PERFORMANCE**

**Facility Operating License Numbers DPR-57 and NPF-5 requires that the license shall fully implement and maintain in effect all provisions of the Commission approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to the provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 50.90 and 10 CFR 50.54(p).**

**The licensee's PSP, Section 6.3.1 requires the intrusion detection system to detect unauthorized penetration into the protected area.**

**On March 15, 2000, the licensee's intrusion detection system could not detect unauthorized penetration into the protected area on seven out of thirty-eight tests.**

**Note: The apparent violations discussed at this conference are subject to further review and change prior to any resulting enforcement action.**