

April 3, 2003

EA-02-075

Mr. John L. Skolds, President  
Exelon Nuclear  
Exelon Generation Company, LLC  
4300 Winfield Road  
Warrenville, IL 60555

SUBJECT: NOTICE OF VIOLATION  
NRC OFFICE OF INVESTIGATION REPORT NO. 3-2001-021

Dear Mr. Skolds:

This refers to an investigation by the NRC Office of Investigation (OI) conducted between June 4, 2001 and March 13, 2002 at the Dresden Nuclear Power Station, Units 2 and 3. The purpose of the investigation was to examine a concern that a maintenance supervisor falsified a security equipment surveillance record and that the supervisor discriminated against an employee for documenting a record falsification issue in a Condition Report. A summary of the OI report is enclosed.

Based on the results of OI's investigation, the NRC has determined that a violation of NRC requirements occurred. The violation is described in the enclosed Notice of Violation, and the circumstances surrounding it are also described in the enclosed summary of the OI report. In summary, a maintenance supervisor knowingly submitted to the licensee as closed, a security-related work package that he knew to be incomplete or inaccurate. Specifically, on May 8, 2001, a maintenance supervisor signed and closed a record (security equipment surveillance) that indicated that all related surveillance items had "passed inspection." At the time, however, the supervisor knew that 3 security turnstiles had not been inspected, and that one security door had not passed inspection. In assessing the safety significance, the NRC considered the following factors in the evaluation of this finding. The safety significance was low, because when subsequently inspected the 3 turnstiles functioned as required, the failure with the security door did not reduce the security integrity of the barrier, and the improperly closed record was identified and properly closed the next day. Therefore, after consultation with the Director, Office of Enforcement, the violation has been categorized in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Action," NUREG-1600, (Enforcement Policy) at Severity Level IV. Additionally, the actions of the supervisor placed him in violation of the NRC regulation prohibiting deliberate misconduct (10 CFR 50.5).

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

Additionally, the information developed by OI indicated the alleged employment discrimination by the maintenance supervisor was not substantiated.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, enclosure 1, and your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS) accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

We will gladly discuss any questions you have concerning this matter.

Sincerely,

***/RA by Roy Caniano Acting For/***

Cynthia D. Pederson, Director  
Division of Reactor Safety

Docket Nos. 50-237; 50-249  
License Nos. DPR-19; DPR-25

Enclosures: 1. Notice of Violation  
2. Summary of OI Investigation Case No. 3-2001-021  
**Exempt from Disclosure 10 CFR 2.790(a)**

See Attached Distribution

cc w/encl 1 only: Site Vice President - Dresden Nuclear Power Station  
Dresden Nuclear Power Station Plant Manager  
Regulatory Assurance Manager - Dresden  
Chief Operating Officer  
Senior Vice President - Nuclear Services  
Senior Vice President - Mid-West Regional  
Operating Group  
Vice President - Mid-West Operations Support  
Vice President - Licensing and Regulatory Affairs  
Director Licensing - Mid-West Regional  
Operating Group  
Manager Licensing - Dresden and Quad Cities  
Senior Counsel, Nuclear, Mid-West Regional  
Operating Group  
Document Control Desk - Licensing  
M. Aguilar, Assistant Attorney General  
Illinois Department of Nuclear Safety  
State Liaison Officer  
Chairman, Illinois Commerce Commission

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- Dresden Nuclear Power Station Plant Manager
- Regulatory Assurance Manager - Dresden
- Chief Operating Officer
- Senior Vice President - Nuclear Services
- Senior Vice President - Mid-West Regional  
Operating Group
- Vice President - Mid-West Operations Support
- Vice President - Licensing and Regulatory Affairs
- Director Licensing - Mid-West Regional  
Operating Group
- Manager Licensing - Dresden and Quad Cities
- Senior Counsel, Nuclear, Mid-West Regional  
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- M. Aguilar, Assistant Attorney General
- Illinois Department of Nuclear Safety
- State Liaison Officer
- Chairman, Illinois Commerce Commission

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Enforcement Coordinators  
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## NOTICE OF VIOLATION

Exelon Nuclear  
Dresden Nuclear Power Station

Docket Nos. 50-237; 50-249  
License Nos. DPR-19; DPR-25  
EA-02-075

During an NRC Investigation conducted between June 4, 2001 and March 13, 2002, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy) NUREG-1600, the violation is listed below:

10 CFR 50.9(a) provides, in part, that information provided to the Commission by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the licensee shall be complete and accurate in all material respects.

Amendments 42 and 38 to Licenses No. DPR-19 and DPR-25 for the Dresden Nuclear Power Station, Units 2 and 3, require that the licensee maintain in effect and fully implement all provisions of the Commission approved physical security plan.

Chapter 13 and Section 13.3 of the Commission approved physical security plan for the Dresden Nuclear Power Station require, in part, that appropriate station management assure that all physical barriers and other related-security equipment is tested, inspected, and maintained to provide maximum system operability and effectiveness.

Sections 7.3.2. and 7.3.3, respectively, of the Commission approved physical security plan for the Dresden Nuclear Power Station, identify turnstiles and security doors as security-related equipment.

Revision 6 of Unit 2/3 Dresden Maintenance Surveillance (DMS) 0080-02 "Security Door and Turnstiles Surveillance," implements the NRC approved physical security plan and provides, in part, for the inspection of security doors and turnstiles mechanical parts.

Contrary to the above, on May 8, 2001, station management failed to assure that all security physical barriers were tested, inspected, and maintained to provide maximum system operability and effectiveness. Specifically, a maintenance supervisor deliberately closed-out a security-related maintenance work record (Work Request No. 990258215-01) for the quarterly surveillance of security doors and turnstiles, with the knowledge that one door had failed inspection and that three turnstiles had not been inspected. Further, the supervisor dated and printed on the record the name of the person responsible for completing the work before all the work was finished, signed his name verifying that the work had been completed, and signed the maintenance record attesting that all doors had passed inspection when one door that had been inspected had not passed inspection. This information is material to the NRC because it demonstrated compliance with the NRC approved Dresden Security Plan requirements to conduct tests, inspections, and maintenance of all physical barriers to assure their maximum system operability and effectiveness.

This violation is classified as a Severity Level IV (Supplements III and VII)

Pursuant to the provisions of 10 CFR 2.201, Exelon Generation Company, LLC, is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region III, 801 Warrenville Road, Lisle, Illinois 60532, and a copy to the NRC Resident Inspector at the Dresden Power Station, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to A Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (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 may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. 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. Where good cause is shown, consideration will be given to extend the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>, to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 3<sup>rd</sup> Day of April 2003