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September 29, 1988

Re: Indian Point Unit No. 2
Docket No. 50-247

Document Control Desk
U.S. Nuclear Regulatory Commission
Mail Station P1-137
Washington, DC 20555

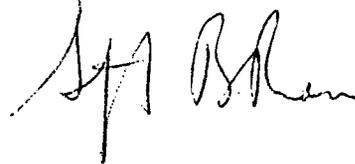
SUBJECT: Response to Inspection Report No. 50-247/88-23

This is in response to your letter of August 31, 1988 concerning inspection 50-247/88-23 conducted by Messrs. Lawrence W. Rossbach and Peter Kelly during the period of July 5, 1988 through August 15, 1988 at Indian Point Unit No. 2.

Attachment I to this letter constitutes our response to the Notice of Violation transmitted in the inspection report. We acknowledge the accuracy of violations A and B, and corrective actions have been implemented to preclude recurrence. However, we respectfully request that violation C be withdrawn for the reasons provided in our response.

Should you or your staff have any questions, please contact Mr. Jude G. Del Percio, Manager, Regulatory Affairs.

Very truly yours,



Attachment

cc: Mr. William Russell
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Attachment I

Response to Notice of Violation
Inspection Report 50-247/88-23

Consolidated Edison Company of New York, Inc.
Indian Point Unit No. 2
Docket No. 50-247
September 29, 1988

I. Violation A Summary:

Section 4.6.2 of the licensee's Physical Security Plan, Revision 8, dated July 1987 requires that unattended vehicles in the protected area shall have the ignition locked and the key removed.

Contrary to the above, on June 21, 1988 and July 8, 1988 the key was left in the ignition of an unattended vehicle in the protected area.

Response:

Corrective Steps Taken and Results Achieved

1. We have heightened the awareness of Guard Force personnel to this violation. Both events were discussed in detail at subsequent weekly company/contractor security management meetings, Guard Mounts, Guard Force supervisory rounds, and have been incorporated into the Guard Force re-training program.
2. We have implemented the use of a form which delineates station requirements for the operation of a vehicle inside the Protected Area. This form is signed by the driver, prior to entry into the Protected Area at the sites' vehicle entry gates, to acknowledge his understanding of station requirements.
3. All Designated Vehicles ("DV") which require no escort in the Protected Area are now subject to a new procedure that requires a notice label to be affixed to the dash-board or another conspicuous location on the vehicle. The bright red and white notice labels draw attention to special Protected Area vehicle rules, including the requirement that unattended vehicles shall not be left with the motor running and ignition keys shall be removed from unattended vehicles.
4. We believe that the corrective steps taken will preclude recurrence of this situation. The effectiveness of our corrective actions will be evaluated over time.

Corrective Steps That Will Be Taken

1. Procedure changes are being made to eliminate the need for vehicles to be parked in the Protected Area while awaiting the driver to clear his exit through access control. The driver will be required to drive the vehicle to a point just outside the exit gate isolation zone under security control and observation. The driver will then return back through the vehicle gate and exit the Protected Area through the normal personnel exit.

2. A Pilot Study has been undertaken to determine the feasibility of using a vehicle steering wheel locking device in authorized vehicles that are parked in the Protected Area after being escorted to their destination. At present, Security has four such locking devices, and will use them on a random basis to evaluate the use of this equipment. If the Pilot Study is successful, this system will be utilized as an extra measure to enforce Protected Area vehicle controls.

Date Full Compliance Achieved

Full compliance with Station procedures and applicable security requirements was achieved immediately after our discovery of the events.

II. Violation B Summary:

10 CFR 73.21.d.2 requires that unattended safeguards information be stored in a locked security storage container.

Contrary to the above, on June 28, 1988, Quality Assurance audit reports containing safeguards information were stored on a bookshelf in an office.

Response:

Corrective Steps Taken and Results Achieved

1. We have implemented an upgraded Safeguards Information ("SGI") Awareness Program and issued acknowledgement memoranda to all controlled-copy holders of Indian Point Security documents. The memorandum, dated July 18, 1988, reminded those individuals of their responsibility to provide satisfactory protection for all SGI. Furthermore, it identified SGI document control sources. The individual memoranda were signed by each Controlled Copy holder and returned to the Security Administrator for filing.
2. After receiving NRC Information Notice ("Notice") No. 88-49, "Marking, Handling, Control, Storage and Destruction of Safeguards Information," a memorandum was sent by the Security Manager to key on-site and off-site personnel that come in contact with SGI. The August 22, 1988 memorandum requested that NRC Information Notice No. 88-49, which was attached to the memo, be reviewed and that they alert employees and subordinates, including contractor contacts with custody and data management responsibility for SGI. Furthermore, the memorandum requested that a review be performed of each department's and Contractor contact's SGI program to ensure full compliance with NRC, Company and Station SGI rules and procedures. Reference was made to 10 CFR §73.21 and Company and Station documents covering SGI control and protection. Finally, the Security Manager related in the memorandum that one of the important objectives of the Notice was to remind licensees that personnel authorized access to Safeguards Information are not only subject to civil enforcement action for failing to protect SGI, but also to criminal prosecution if the requirements for protection of SGI are intentionally violated.
3. Security Safeguards Information access request forms have been modified to include more information. The form now states:

"Sponsors are responsible to ensure that all personnel recommended for access clearance to safeguards information (SGI) are fully aware of the rules and regulations for providing satisfactory protection for SGI. (RE: 10 CFR §73.21, SAO-128 or CI-240-4.) Copies will be provided, if

necessary. Persons not providing satisfactory protection of Safeguards Information may be subject to civil and/or criminal action besides having their SGI access rescinded."

4. As part of an on-going Quality Assurance ("QA") audit of Security and Safeguards, additional emphasis by the auditors was placed on the handling of Safeguards Information. A special internal surveillance of the Safeguards Information handling and storage practices was conducted by the security organization. The results of both the QA audit and special surveillance did not result in any storage or handling problems being identified at the station. Furthermore, a review of past QA audits was conducted to ascertain whether any previous events of this nature had been identified in the audits over the past several years. None were identified.
5. We believe that the corrective steps taken will preclude recurrence of this situation. The effectiveness of our corrective actions will be evaluated over time.

Corrective Steps That Will Be Taken

SGI proper handling and storage practices will be re-emphasized and addressed in the General Employee Training lesson plan upgrade program.

Date Full Compliance Achieved

The material described in the violation was promptly and properly stored in accordance with the provisions of our procedures. Full compliance with station procedures and applicable requirements was therefore achieved.

III. Violation C Summary:

10 CFR 50.72.b.ii.B requires that a one-hour non-emergency report be made to the NRC Operations Center if the plant is in a condition which is outside of its design basis.

Contrary to the above, the plant exceeded its design river water temperature of 87°F at 6:00 p.m. and 8:30 p.m. on August 7, 1988 and at 10:00 p.m. on August 8, 1988 without the required one-hour notification being made.

Response:

We have re-reviewed the one-hour reporting requirements set forth at 10 CFR §50.72(b)(1)(ii) in conjunction with their notice of issuance at 48 Fed. Reg. 39039 (August 29, 1983). These regulations were reviewed initially by us prior to their January 1, 1984 effective date. The Station's reporting procedure, Station Administrative Order ("SAO") No. 124, "Oral Reporting of Non-Emergency Events and Items of Interest and Significant Occurrence Reporting," was revised at that time to incorporate the revised regulatory provisions.

In 1987, based upon feedback from Station operators and NRC, a detailed revision of SAO-124 was undertaken. The reporting form, which is incorporated in the procedure, was revised to mirror the NRC Operations Center form for notification receipt. This provided reasonable assurance that the NRC Operations Center would receive information it routinely sought upon initial notification and minimize the need for extended and potentially distracting discussions between the NRC duty officer and the reactor operator. Additionally, an "interpretive" section was attached to the procedure. This section outlined the policy underlying the requirements as set forth in the August 1983 Notice of Final Rulemaking, and provided the operators with a judgmental basis for determining when the rule's notification requirements properly applied.

In discussing the intent of Section 50.72(b)(1)(ii), the preamble to NRC's August 29, 1983 Federal Register notice specifically states that the reporting criteria were modified "to narrow the reportable events to those that significantly compromise plant safety," and which are "indicative of serious events." (48 FR 39041) With respect to Section 50.72(b)(1)(ii), the Federal Register notice further stated that "[i]t is not intended that this paragraph apply to minor variations in individual parameters.... These events should be reported only if they involve functionally related components or if they significantly compromise plant safety." (48 FR 39042)

The application of engineering judgment to a determination of reportability under Section 50.72(b)(1)(ii) is a legitimate exercise of discretion under NRC regulations. As stated in the inspection report (at p. 7), the exceedance of the then-applicable design river

water temperature limit was less than one (1) degree (F). Accordingly, our engineering judgment was that the temperature exceedance, although technically outside the design basis of the plant, was a minor, known to be short-lived, variation that was inherently incapable of "significantly compromis[ing] plant safety." A one-hour report was therefore deemed unnecessary. Later analyses confirmed our initial engineering judgment that plant safety had not been compromised. Consequently, we believe that our decision not to make a one-hour report under 10 CFR §50.72(b)(1)(ii) is amply supported by the rule's stated intent. We, therefore, respectfully request that this portion of the Notice of Violation be withdrawn.