

U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Report No. 50-331/87021(DRSS)

Docket No. 50-331

License No. DPR-49

Licensee: Iowa Electric Light and Power Company
Post Office Box 351
Cedar Rapids, IA 52406

Facility Name: Duane Arnold Energy Center

Inspection At: Regional Office

Inspection Conducted: June 29 through July 21, 1987

Type of Inspection: Allegation Review

Inspector: Terry J. Madeda
T. J. Madeda
Physical Security Inspector

7/24/87
Date

Approved By: J. R. Creed
J. R. Creed, Chief
Safeguards Section

7/25/87
Date

Inspection on June 29 through July 21, 1987 (Report No. 50-331-87021(DRSS))

Areas Inspected: Included a review of an allegation received by NRC Region III and the licensee concerning an improperly conducted background screening check.

Results: The licensee was found to be in compliance with NRC requirements within the scope and area examined during the inspection. A weakness was noted in the method in which one background investigation was conducted and this weakness has been resolved by the licensee.

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DETAILS

1. Key Persons Contacted

K. Young, Assistant Plant Superintendent, Radiation Protection and Security
L. Willie, Assistant Security Supervisor

2. Entrance and Exit Interviews (IP 30703)

There was no formal onsite entrance or exit interviews conducted, although a telephone exit interview was conducted with Mr. K. Young, on July 9, 1987. The licensee was advised that one part of the allegation regarding "coaching" of a reference was not substantiated, and that the second part of the allegation regarding the improper manner in which a background screening check was conducted was substantiated. Although no regulatory concerns were identified, the licensee agreed that the manner in which the background check was completed was a poor practice and that this method has been eliminated from their screening program. (Refer to Section 3.b for further details).

3. Investigation - Allegation Review (IP 99014)

The following information in the form of an allegation was reviewed by the inspector as specifically noted below:

- a. Background: (Closed) Allegation No. RIII-87-A-0007. The NRC Region III office received information by letter dated January 21, 1987, alleging that a portion of a background screening check for a member of the contract security company (The Wackenhut Corporation) was conducted in an unethical manner.

On January 23, 1987, the licensee received a letter from the same individual making an allegation about security screening conducted by The Wackenhut Corporation (TWC). The letter was dated January 13, 1987 and was a copy of the same letter that NRC Region III received on January 21, 1987. An investigation of the allegation was conducted by the licensee and TWC.

- b. The specific allegation, NRC review actions, and conclusions are addressed below:

- (1) Allegation: A former Wackenhut security officer assigned to the Duane Arnold Energy Center alleged that a portion of a background screening check was conducted in an unethical manner in that the officer was allowed to "coach" a reference identified by the officer on what to say just prior to TWC contacting the reference to confirm the applicant's residence in order to verify a period of unemployment for the applicant.

- (2) NRC Review: The inspector, on June 29, 1987, contacted the Licensee's Assistant Plant Superintendent, Radiation Protection and Security, by telephone and requested a copy of the licensee's investigation of the allegation be sent to NRC Region III office. Initial NRC review of the documents identified a lack of a comprehensive review and conclusions by the licensee. Therefore, additional documentation pertaining to the allegation was requested and subsequently received on July 8, 1987. Our actions included an in-office review of the contents of all Licensee supplied documentation, a telephone interview with the Assistant Plant Superintendent, and an interview with the Assistant Security Supervisor. A review of applicable sections of the licensee's approved physical security plan was also performed.

The review process showed that upon licensee receipt of the allegation letter, TWC (Corporate) was requested to investigate the allegation and report the results to the licensee. By letter dated February 2, 1987, TWC reported to the licensee that the reference was not coached and that the interview was conducted in an ethical manner. The scope of the TWC investigation included interviews and written statements from the TWC Site Security Manager, the TWC Area Manager, and two TWC employees who were subject to the same screening process as the individual.

To supplement the TWC investigation effort, the licensee's site security manager interviewed the reference regarding the way the background investigation was conducted. The reference indicated that the individual called to explain the purpose of the background screening contact. The reference further stated that she became confused when she was called by the TWC supervisor and the individual was put back on the telephone to clarify dates concerning a period of unemployment. The reference stated that in her judgment, she was not coached during the investigation.

Based on the TWC investigation and the licensee's inquiry, the licensee concluded that the allegation was unfounded and that although this particular background investigation was not conducted in the normal manner, it was done in an ethical manner. (NOTE: Normal manner being that the applicant completes the screening questionnaire and the information is independently verified without involvement by the applicant).

However, during the allegation review process, the licensee agreed that this practice would not be used in the future. The licensee also acknowledged that this practice was used only during one time period because a large number of TWC employees were involved and the impact of losing that many people

required prompt resolution of the problem. This situation resulted from a licensee audit that identified discrepancies involving the screening documentation of approximately 92% of TWC onsite security employees. Because of the large number of TWC employees involved, and the impact of losing that many people, prompt resolution of the problems were required. Most of the discrepancies dealt with the failure to verify periods of unemployment and did not constitute a regulatory violation.

- (3) Conclusion: Contrary to the licensee's and TWC conclusions, we determined that the allegation regarding the manner of the check was substantiated in that, the background check was not conducted in the manner normally used by TWC (the employee was present and allowed to converse with the reference during the screening interview). However, our review of the licensee's security plan and NRC Regulatory documents showed that no violations of NRC rules had occurred. The practice of allowing an employee to participate in verification of the background screening process is not a good practice and should not have been allowed to happen. The licensee agreed that the TWC supervisor made a judgmental error by allowing the employee to participate in the screening process.

That portion of the allegation that alleges that the reference was "coached" as what to say, was not substantiated. The individual was instructed and did call the reference; however, licensee documents indicated that the individual called only to explain the purpose of the call and the reference did not believe she was coached during the investigation.