



MATERIAL TRANSMISSIONS INFORMATION
 CONTAINS SECURITY INFORMATION
 UNITED STATES
 NUCLEAR REGULATORY COMMISSION
 REGION II
 101 MARIETTA ST., N.W., SUITE 3100
 ATLANTA, GEORGIA 30303

JUN 22 1979

In Reply Refer To:
 RII:RJH
 50-280/79-25
 50-281/79-37

Virginia Electric and Power Company
 Attn: W. L. Proffitt
 Senior Vice President, Power
 Post Office Box 26666
 Richmond, Virginia 23261

Gentlemen:

This refers to the inspection conducted by R. J. Hennessey, Jr. of this office on May 8 to June 19, 1979 of activities authorized by NRC License Nos. DPR-32 and DPR-37 at Surry 1 and 2, and to the discussion of our findings held with W. L. Stewart at the conclusion of the inspection.

The area examined during this inspection was your program for safeguarding special nuclear material under the applicable provisions of Title 10, Code of Federal Regulations, Part 73, "Physical Protection of Plants and Materials." Within this area, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

During the inspection, it was found that certain activities under your license appear to be in noncompliance with NRC requirements. These items and references to pertinent requirements are listed in the Notice of Violation enclosed herewith as Appendix A. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within 20 days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further noncompliance; and (3) the date when full compliance will be achieved. Details of activities involving safeguards and security measures are exempt from disclosure in accordance with 10 CFR 2.790(d). Therefore, your response should be incorporated in a separate paper and referenced in your reply.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, activities involving safeguards and security measures are exempt from public disclosure; therefore, the enclosures to this letter with the exception of the report cover page, which is an inspection summary and Details I, will not be placed in the Public Document Room.

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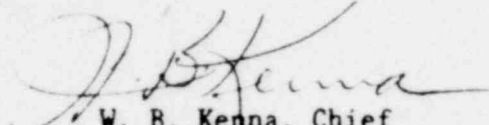
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Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,


W. B. Kenna, Chief
Safeguards Branch

Enclosures:

1. Appendix A, Notice of Violation
(Exempt from Disclosure)
2. Inspection Report Nos. 50-280/79-25 and
50-281/79-37
(Exempt from Disclosure Except Details I)
3. Inspection Summary
(Not Exempt)

cc w/enclosures:

W. L. Stewart, Manager
Post Office Box 315
Surry, Virginia 23883

DETAILS I

1. Persons Contacted

Licensee Employees

*W. L. Stewart, Station Manager
R. L. Baldwin, Supervisor, Administrative Services
C. F. Wheeler, Security Supervisor
W. R. Runner, Jr., Coordinator-Production Security
H. J. Van Dyke, Security Operations Supervisor
J. N. Beauchamp, Security Staff Assistant
W. W. Atwood, Director-Security Investigations
G. Bell, Senior Investigator
F. Briggan, Investigator
G. Minehan, Investigator
D. D. Coats, Investigator
J. Grant, Investigator
O. A. Vogtsberger, Nuclear Training Coordinator
D. L. Schrader, Supervisor, Background Investigations
*E. P. Dewandel, Staff Assistant

Other Organizations

Federal Bureau of Investigation

W. K. Coffin, Special Agent
J. M. Palfi, Special Agent
J. O. Trotter, Special Agent
R. McCluan, Special Agent
B. N. Turnage, Special Agent

Surry County Sheriff's Office

W. C. Andrews, Sheriff

United States Nuclear Regulatory Commission

*D. J. Burke, Resident Inspector
*S. C. Ewald, Inspector

*Attended Exit Interview.

2. Exit Interview

The inspection scope and findings were summarized on May 31, 1979 with those persons indicated in Paragraph 1 above. The station manager was briefed again on June 19, 1979 after supplemental inspection effort was completed.