



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
611 RYAN PLAZA DRIVE, SUITE 1000
ARLINGTON, TEXAS 76011

DEC 14 1989

In Reply Refer To:
Docket Nos. 50-498
 50-499
License Nos. NPF-76
 NPF-80
EA No. 89-229

Houston Lighting & Power Company
ATTN: Donald P. Hall, Group
 Vice President, Nuclear
P.O. Box 289
Wadsworth, Texas 77483

Gentlemen:

SUBJECT: Report of Investigation 4-87-006

This is in reference to NRC Report of Investigation 4-87-006 and to Houston Lighting & Power Company's (HL&P) August 9, 1989, response to the investigative conclusions. On July 10, 1989, NRC provided HL&P the synopsis of this investigation report and asked HL&P to respond to the conclusions reached by the NRC's Office of Investigations (OI).

The purpose of this investigation was to determine whether apparent violations of NRC requirements associated with the initial training of the South Texas Project (STP) security force in 1987 were the result of attempts to deceive the NRC. OI found no evidence that these apparent violations were carried out knowingly and intentionally with the intent to deceive the NRC.

OI did conclude, however, that the security force was not trained in accordance with the requirements in place at the time of the apparent violations, which was prior to STP, Unit 1, being granted a license to operate. The relevant requirements were those contained in STP's "Interim Security Plan for Fuel Storage," a plan which was referenced in the NRC materials license which permitted HL&P to possess fuel. This license was issued on December 29, 1986. In the case of the training violations, OI concluded that security department employees were "grossly negligent" in their training of the contract guard force and preparation of training records. In unrelated findings, OI concluded that a guard had intentionally falsified his patrol log to indicate that he had completed a tour of the Fuel Handling Building when in fact he had not and that HL&P had arbitrarily determined that the site's intrusion detection system was not subject to certain testing requirements.

In response to the investigative conclusions, HL&P acknowledges that there was a need for significant improvement in the security program in June 1987, including improvements in the training program, and notes correctly that the overall deficiencies in the security program caused the NRC to delay the issuance of an operating license until the deficiencies were corrected in

8912210205 891214
PDR ADCK 05000498 PDC

1E06
11

August 1987. HL&P also notes that the NRC assessed a civil penalty for physical security violations occurring after the STP operating license was issued and that this penalty was related to matters covered in the investigation report.

In response to specific OI findings, HL&P's positions, in summary, are:

1. HL&P acknowledges that the level of training and training record-keeping was not acceptable, but believes that the training in effect at the time had been "generally effective." Furthermore, HL&P does not believe that the acknowledged deficiencies should be characterized as "gross negligence" or even negligence.
2. HL&P admits to a violation of Section 3.8 of Station Procedure ITGP03-ZS-0001, Revision 2, in regard to the training of security officers, but does not consider this to be a violation of NRC Materials License SNM-1972. In support of this position, HL&P states that the intent of Section 3.8 of this procedure was to require officers to complete the initial classroom phase of the Training & Qualification (T&Q) Plan, not that all T&Q program requirements be met. In fact, HL&P notes, it would have been impossible to complete all T&Q program training at the time since not all security systems were complete and available. HL&P's position is that the officers were adequately trained for the duties assigned, thus meeting the intent of 10 CFR 73.
3. HL&P concurs that a nuclear security officer did not complete his required patrol rounds and that he falsified the patrol log. However, HL&P contends that the patrol round that was missed was not required at the time of the incident, citing Section 2.2.3 of the Interim Security Plan for Fuel Storage which required patrol rounds only when access control points were not in operation. HL&P notes that access control points for the Fuel Handling Building were in operation continuously after fuel was received on site.
4. HL&P also concurs that there was a vulnerability in the site's intrusion detection system at that time. Following discussions with the NRC, HL&P notes, the system was modified to correct this vulnerability, resulting in its acceptability to NRC to support the STP, Unit 1, operating license.
5. Finally, HL&P notes that the overall deficiencies in the plant's security programs led to significant corrective actions, including the replacement of senior security management personnel as part of a reorganization of the security department, improvements in the training program, significant physical modifications to the security system, and intensive internal audits of the program.

NRC has reviewed HL&P's response in detail. In regard to the overall state of the security training program in mid-1987, NRC finds that the deficiencies cited by OI did not on the whole result in specific violations of the fuel

possession license held by HL&P at the time. Rather, the deficiencies cited were indicative of a failure on the part of HL&P to adequately train the security force to the extent necessary to support the granting of an operating license for STP, Unit 1. NRC concludes that it would be inappropriate to expect security officers whose only duties involved maintaining the security of fuel stored on site to have been trained in all aspects of the licensee's Training & Qualification Plan. Thus, while OI's findings regarding deficiencies in the training program remain valid, NRC believes that the result -- the extended delay in granting an operating license to STP while extensive corrective actions were implemented -- was the proper agency response.

In regard to the incident involving a security officer failing to complete a patrol and falsifying a patrol log, NRC agrees that no violation of the NRC-approved interim security plan occurred in that fuel handling building access control points were operable at the time in question.

According to information obtained by OI, the patrol officer was disciplined for failing to make a complete tour of the building in that he failed to include a post on the roof of the building. Although a violation of the licensee's own physical security procedures did occur, the NRC concludes that no violation of NRC requirements occurred, and believes that appropriate disciplinary action was taken.

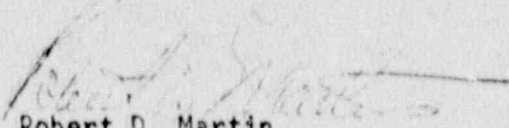
In regard to the final matter addressed by OI, that of the vulnerability in the site's intrusion detection system, NRC concludes that this matter did not constitute a violation of the NRC materials license in effect at the time. In addition, a failure to conduct tests adequate to uncover such a vulnerability was cited in a Notice of Violation issued to HL&P on March 9, 1988, and was among a number of violations that resulted in a \$50,000 civil penalty. Thus, this matter has been resolved.

In conclusion, NRC finds that the deficiencies in STP's security programs as documented in the OI report, while not violations of NRC requirements in effect at the time, are indicative of a facility that was ill-prepared to receive an operating license. NRC also recognizes that these deficiencies led to an extended delay in HL&P's receipt of an operating license, were in part responsible for HL&P being assessed a \$50,000 civil penalty by the NRC in 1988, caused the security contractor to be assessed a \$30,000 civil penalty by the state of Texas, and, most importantly, caused significant improvements in the plant's physical security systems and in the training of security officers. NRC does not believe that additional enforcement action against HL&P is appropriate and considers this matter closed.

Houston Lighting & Power Company -4-

In accordance with Section 2.790 of the "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter will be placed in the NRC Public Document Room.

Sincerely,


Robert D. Martin
Regional Administrator

cc:
Brian Berwick, Esq.
Assistant Attorney General
Environmental Protection Division
P.O. Box 12548
Capitol Station
Austin, Texas 78711

Houston Lighting and Power Company
ATTN: J. T. Westermeier, General Manager
South Texas Project
P.O. Box 289
Houston, Texas 77001

Houston Lighting and Power Company
ATTN: M. A. McBurnett, Manager
Operations Support Licensing
P.O. Box 289
Wadsworth, Texas 77483

City of Austin Electric Utility
ATTN: R. J. Miner, Chief Operating
Officer (2 copies)
721 Barton Springs Road
Austin, Texas 78704

City Public Service Board
ATTN: R. J. Costello/M. T. Hardt
P.O. Box 1771
San Antonio, Texas 78296

Bechtel Corporation
ATTN: E. T. Molnar/L. W. Hurst
P.O. Box 2166
Houston, Texas 77252-2166

Newman & Holtzinger, P. C.
ATTN: Jack R. Newman, Esq.
1615 L Street, NW
Washington, D.C. 20036

Central Power and Light Company
ATTN: R. P. Verret/R. L. Range
P.O. Box 2121
Corpus Christi, Texas 78403

Baker & Botts
ATTN: Melbert Schwartz, Jr., Esq.
One Sheil Plaza
Houston, Texas 77002

Doub, Muntzing and Glasgow
Attorneys at Law
Suite 400
808 Seventeenth Street, N.W.
Washington, D.C. 20006

INPO
Records Center
1100 Circle 75 Parkway
Atlanta, Georgia 30339-3064

Ms. Iris J. Jones
Acting City Attorney
City of Austin
P.O. Box 1088
Austin, Texas 78767

Houston Lighting & Power Company
ATTN: S. L. Rosen, Vice President
Nuclear Engineering and
Construction
P.O. Box 289
Wadsworth, Texas 77483

Houston Lighting & Power Company
ATTN: R. W. Chewing, Vice President
Nuclear Operations
P.O. Box 289
Wadsworth, Texas 77483

Mr. Joseph M. Hendrie
50 Bellport Lane
Bellport, New York 11713

Bureau of Radiation Control
State of Texas
1101 West 49th Street
Austin, Texas 78756

Judge, Matagorda County
Matagorda County Courthouse
1700 Seventh Street
Bay City, Texas 77414

Licensing Representative
Houston Lighting and Power Company
Suite 610
Three Metro Center
Bethesda, Maryland 20814

Houston Lighting & Power Company
ATTN: Rufus S. Scott, Associate
General Counsel
P.O. Box 1700
Houston, Texas 77001

U.S. Nuclear Regulatory Commission
ATTN: Resident Inspector
P.O. Box 910
Bay City, Texas 77414

U.S. Nuclear Regulatory Commission
ATTN: Regional Administrator, Region IV
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76011

DEC 14 1989

Houston Lighting & Power Company -7-

bcc to DMB (IE06)

bcc distrib. by RIV:

DRP	Section Chief (DRP/D)
DRS	MIS System
DRSS	Lisa Shea, RM/ALF
RIV File	R. Bachmann, OGC
RSTS Operator	Project Engineer (DRP/D)
G. Dick, NRR Project Manager (MS: 13-D-18)	
G. F. Sanborn, EO	J. Lieberman, OE
RIV-JI	D. Driskill
R. D. Martin	D. Powers
A. B. Beach	W. Brown

*previously concurred

RIV:EO	D:DRS	D:DRP	RC	DRA
*GFSanborn;ap	*ABBeach	*SJCcollins	*WLBrown	*JMMontgomery
11/6/89	11/13/89	11/14/89	11/17/89	11/15/89
RA	OE <i>Rosano by telephone</i>			
*RDMartin	*JLieberman			
11/21/89	12/13/89			

IE06