PRELIMINARY NOTIFICATION OF EVENT OR UNUSUAL OCCURRENCE--PNO-V:81-3/

Date: May 28, 1981

This preliminary notification constitutes EARLY notice of events of POSSIBLE safety or public interest significance. The information presented is as initially received without verification or evaluation and is basically all that is known by IE staff on this

Facility: Sacramento Municipal Utility District (SMUD)

Rancho Seco Nuclear Power Plant

Sacramento, California Docket No. 50-312

Subject:

ARREST OF PERSONS EMPLOYED AT RANCHO SECO NUCLEAR GENERATING STATION

FOR VIOLATION OF NARCOTICS LAWS

On 5/28/81, the Sacramento County Sheriff's Office and the Sacramento County District Attorney's Office arrested one male SMUD employee assigned to Rancho Seco as a Power Plant Helper and one male contractor employee working on the site for the sale of controlled narcotics. A Power Plant Helper is an entry level classification. Two associates of the SMUD employee, a female and a male, were also arrested for selling controlled narcotics. The narcotics involved are marijuana and cocaine.

These arrests were the result of an investigation that began in November 1980 by SMUD Security when a cache of an estimated \$10,000 worth of tools was found on the site obviously brought together to later be removed from the site. Investigation into the tool thefts developed information in February 1981, indicating possible controlled narcotics usage and sales at Rancho Seco.

When SMUD Security developed information concerning the possible drug problems, they contacted the Sacramento County Sheriff's Office for assistance. The Sheriff's Office brought the Sacramento County District Attorney's Office into the matter. The District Attorney's Office provided investigators to assist the Sheriff's Department.

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IE:TAS: 3:00 (IE:HQ Dist.)

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An undercover operation was operated by the law enforcement agencies from February until the arrests on 5/28/81. The drug buys were only in usable quantities. According to the law enforcement agencies, up until the time of the arrest, no significant drug traffic was found. Searches of the premises of the persons arrested produced stolen property and controlled narcotics. The amounts and values of these items was not known at the time of this writing.

Up until the time of the arrests, the Sheriff's Office had not developed a prosecutable case in tool thefts.

The Nuclear Regulatory Commission was advised of the possible drug problem when it was discovered and has been kept apprised on a continuous basis of the developments in the investigation. The Sheriff's undercover investigation had not developed any information of use of or sale of controlled narcotics inside the fence line surrounding the nuclear power plant.

W. J. WARD, Cnief, Investigations, HQ E&I, I&E, was notified at 1155 hours PDT, 5/28/81.

This preliminary notification is issued for information only. Further investigation is being conducted by RV. The licensee and the law enforcement agencies have tentatively scheduled press conferences at 1500 hours PDT.