UNITED STATES NUCLEAR REGULATORY COMMISSION

In the Matter of DETROIT EDISON COMPANY Enrico Fermi 2 Nuclear Power Station

Docket No. 50-341 License No. NPF-43 EA 88-106

ORDER MODIFYING LICENSE

I

The Detroit Edison Company (Licensee) is the holder of Operating License No. NPF-43 issued by the Nuclear Regulatory Commission (NRC/Commission) on July 15, 1985. The license authorizes the Licensee to operate the Enrico Fermi Nuclear Power Station (Fermi) Unit 2 in accordance with the conditions specified therein.

II

During an NRC security inspection conducted during the period November through December 1985, it was discovered that Mr. Wayne Hastings, the Director of Nuclear Security (DNS), had instructed his staff to place safeguards information in a data processing system that was not secure. When questioned by an NRC inspector, the DNS stated that he was unaware that the system was, in fact, not secure. Subsequently, an NRC investigation (Investigation No. 3-86-006) found that the DNS had been informed within about two months prior to placing the information on the system, both in writing and verbally by his staff, that the system was not secure and the data should not be entered on it. One such matification was immediately before the information was entered into the system. The investigation concluded that the DNS made a deliberate material false state—to the NRC security inspector.

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III

Based on the results of the NRC inspection and investigation, the NRC has concluded that Mr. Wayne Hastings made a deliberate material false statement to an NRC inspector as described in Violation I.A of the Notice of Violation being issued this date to the licensee. The conduct of this individual cannot be tolerated. The public health and safety require that all persons engaged in activities affecting the safety and security of nuclear power plants provide the NRC with complete and truthful information. Based on the matter discussed above and the fact that Mr. Hastings is still employed by the Detroit Edison Company, I no longer have reasonable assurance that licensed activities conducted by or under the supervision of Mr. Hastings would be conducted in accordance with NRC requirements. Accordingly, I have concluded that it is necessary for the NRC to be informed if Mr. Hastings is again involved in any safety-related activities, to permit the NRC to determine, at that time, whether further regulatory action is required.

IV

Accordingly, pursuant to Sections 103, 161b, 161i, and 161o, 182, and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.204 and 10 CFR Part 50, IT IS HEREBY ORDERED THAT:

License No. NPF-43 is modified by adding the following condition:

The Licensee shall provide the NRC Regional Administrator, Region III, written notice at least 30 days before reinvolvement of Mr. Wayne Hastings

in safety-related activities authorized under License No. NPF-43. The notice shall include a statement from the Licensee as to its basis for concluding that, in light of the conduct of this individual, he will properly carry out licensed activities.

The Regional Administrator, Region III, may relax or terminate this condition for good cause.

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The Licensee, Mr. Hastings, or any other person adversely affected by this Order may request a hearing within 30 days after issuance of this Order. Any request for hearing shall be submitted to the Director, Office of Enforcement, U.S.

Nuclear Regulatory Commission, Washington, DC 20555. Copies shall also be sent to the Assistant General Counsel for Hearings and Enforcement at the same address and to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region III, 799 Roosevelt Road, Glen Ellyn, Illinois 60137. If a person other than the Licensee or Mr. Hastings requests a hearing, that person shall set forth with particularity the manner in which the petitioner's interest is adversely affected by the Order and should address the criteria set forth in 10 CFR 2.714(d). Upon failure of the Licensee, Mr. Hastings, or any other person adversely affected by this Order to request a hearing within the specified time, this Order shall be final without further proceedings.

If a hearing is requested, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such a hearing shall be whether this Order should be sustained.

FOR THE NUCLEAR REGULATORY COMMISSION

Hugh L. Thompson Jr Deputy Executive Director for

Nuclear Materials Safety, Safeguards,

and Operations Support

Dated at Rockville, Maryland this /2 day of February 1990