



Palisades Nuclear Plant: 27780 Blue Star Memorial Highway, Covert, MI 49043

Thomas J. Palmisano  
Plant General Manager

February 13, 1995

Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, DC 20555

**DOCKET 50-255 - LICENSE DPR-20 - PALISADES PLANT**  
**PHYSICAL SECURITY CONCERNS AT PALISADES**

In a letter dated December 21, 1994, the Nuclear Regulatory Commission (NRC) identified concerns associated with the physical security organization at the Palisades Plant. The NRC requested that Consumers Power Company (CPCo) conduct a thorough review of these concerns, determine the facts surrounding these concerns, and evaluate their safety and security significance. The NRC also requested that: 1) this investigation be completed by an organization independent from the plant security organization, 2) the results of the independent review and our disposition of the matter be submitted to Region III within 30 days of the date of the NRC request, and 3) that, if possible, our response contain no personal privacy, proprietary, or safeguards information so that it can be released to the public and placed in the NRC Public document room.

In response to the NRC request, the Palisades' Plant General Manager requested that the CPCo Legal Department conduct an independent investigation into the concerns. As an added measure to ensure the independence of the investigation, the Plant General Manager requested that the investigation be conducted independent of Palisades plant management as well as the plant security organization.

The independent investigation has been completed. The result of the independent investigation determined that: 1) people in the contract security work force continue to report safety, security and operational type problems, 2) there were no deliberate actions by the contract security management or the Licensee's security management to create a situation where contract security personnel would be discouraged from raising real or perceived safety and/or security concerns, and 3) no violations of security or Fitness for Duty requirements were identified.

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The NRC's December 21, 1994 letter requested our response within 30 days. In our discussion with Roy J Caniano, (Chief, Reactor Support Programs Branch) on January 12, 1995, we received approval for a delay to approximately February 10, 1995 for providing our response.

The following information and Attachment 1 responds to the NRC request for information discussed in the December 21, 1994 letter. Per the NRC request, this response contains no personal privacy, proprietary, or safeguards information.

#### NRC Concern

*The first concern described two situations that occurred involving a confrontation between two plant security force members. The NRC requested that we:*

- a) determine whether these or similar situations had occurred,*
- b) evaluate compliance with our security plan and Fitness for Duty requirements for the situations identified, and*
- c) evaluate the performance of a specific individual who may have been involved in the events.*

#### CPCo Response

- a) The independent investigation confirmed that the two situations described in the NRC letter had occurred. The two incidents included interaction with the same security officer and lieutenant.
- b) A review of these situations by Licensee security management determined that no deviations from our security or fitness for duty programs occurred as a result of these events. The evaluation determined that in no cases were required security duties not performed, a security response force was always available to respond as required, the incidents involved only two security force personnel and each incident took place in the security building. Both individuals involved in the December 9, 1994 incident were administered and passed for-cause fitness for duty testing. The evaluation is available on site for review.
- c) Prior to receiving the NRC information request, the contract security management conducted their own inquiry into the December 9, 1994 event. They concluded that the behavior of the security force Lieutenant mentioned in the NRC's December 21, 1994 letter was unacceptable. This conclusion resulted in the dismissal of the Lieutenant and the other security officer involved in the December 9, 1994 incident.

Attachment 1 contains the full report of the investigation.

#### NRC Concern

*The NRC's second concern was that several security personnel may be anxious about their job security if they contact licensee security management with information on the above concern or other security problems. The letter further indicated that our review and response should include, as a minimum, the following:*

- a. *Fully describe your action plan, including scope of interviews, to review and evaluate this concern (chilling effect).*
- b. *Discuss your results and conclusions and if substantiated describe your actions taken or planned to assure that the chilling effect does not discourage contract security personnel from raising real or perceived safety and/or security concerns.*

#### CPCo Response

- a. CPCo takes these concerns very seriously. The independent investigation to address these situations was thorough and specifically designed to encourage security personnel to speak freely without fear of consequences.

An experienced investigative team was commissioned that was fully independent of both the security organization and plant management. This investigative team was given complete freedom to determine the scope and the manner in which the investigation would be conducted. To this end, the investigation included interviews with more than 95 per cent of the present plant security organization, some former security employees and several licensee employees. All interviews were treated with complete confidentiality.

Plant management requested that a thorough report of the investigation be sent directly to the plant general manager. The investigators were also given direction to immediately bring to the attention of the plant general manager any potential Security Plan violations or potential reportable occurrences so that immediate actions could be taken. None were identified.

- b. The full report of the independent investigation is contained in Attachment 1. The conclusions of the independent investigative team regarding a potential "chilling effect" that would discourage contract security personnel from raising real or perceived safety and/or security concerns are summarized from the Attachment 1 report as follows:

People in the contract security force are generally conscientious and continue to report safety, security and operational type problems. Many people pride themselves on not being intimidated in any way when it comes to reporting such matters.

There was little reluctance on the part of the security force to report issues involving plant safety and security and as stated in the report; "...indeed most people believe it is an important part of their job to log and report such events."

There has been no deliberate attempt by the contract security management to create a chilling effect by retaliating against employees for reporting incidents.

A lack of feedback and effective communications from the contract security management has led to a sense of apathy in terms of reporting personnel type problems, not out of fear of retribution, but more from a sense that it would be futile to make such reports.

The independent investigation also cautions us to consider that the situations surrounding the dismissal of the two employees involved in the December 9, 1994 event, and another officer dismissed on January 5, 1995 for an unrelated performance problem, may have created a perceived "chilling effect" for at least some members of the security work force. The recent firing of three employees within a three week period may have encouraged them to adhere to a "silence is best" philosophy for the time being. The independent investigation report supports this caution with the following conclusions from their investigation:

There is a strong sentiment among the work force that the security officer involved in the December 9 incident was a victim whose discharge was unwarranted.

There is a widely-held belief, which the investigators accept, that the report to the state police was a factor considered in the termination of the security officer involved in the December 9, 1994 incident.

There is a significant faction of the work force who believe that the discharge of the officer on January 5, 1995 was due in part to frequent reports to the NRC. The investigators do not accept that underlying proposition as being true, but the perception among the work force is present nonetheless.

We conclude from this investigation that for most members of the contract security work force no chilling effect has occurred that would discourage them from raising real or perceived safety and/or security concerns.

Based on the findings from the investigation however, actions are needed to improve morale and communication within the contract security organization, to provide specific emphasis to address what the investigators termed the "apathy effect" displayed by some security force members, and to ensure that the security force understands that the recent firings were related strictly to on-the-job performance behavior issues. These actions have been consolidated into an Action Plan assigned to the contract security force management. Implementation of the Action Plan will be monitored by Palisades plant personnel.

Some elements of the action plan are as follows:

The senior contract security management visits were increased in January 1995. This increased attention by the senior contract security management will continue.

Contract security management has established a goal to provide feedback to all contract security force employees who initiate incident reports.

Plans are being finalized to release the entire independent investigation report to the security force.

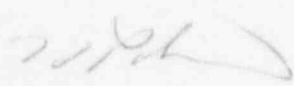
Licensee security supervision back shift visits will continue.

The Property Protection Superintendent is responsible to insure that the contract security agency meets the requirements assigned to them in the Action Plan.

The Action Plan is available on site for review.

#### SUMMARY OF COMMITMENTS

This letter contains no commitments.



Thomas J Palmisano  
Palisades Plant General Manager

CC Administrator, Region III, USNRC  
NRC Resident Inspector - Palisades

Attachment

ATTACHMENT 1

Consumers Power Company  
Palisades Plant  
Docket 50-255

PHYSICAL SECURITY CONCERNS AT PALISADES  
Report of Independent Investigation

55 Pages