



UNITED STATES
 NUCLEAR REGULATORY COMMISSION
 REGION II
 101 MARIETTA STREET, N.W., SUITE 2900
 ATLANTA, GEORGIA 30323-0199

Report Nos.: 50-327/95-17 and 50-328/95-17

Licensee: Tennessee Valley Authority
 6N 38A Lookout Place
 1101 Market Street
 Chattanooga, TN 37402-2801

Docket Nos.: 50-327 and 50-328

License Nos.: DPR-77 and DPR-79

Facility Name: Sequoyah Nuclear Plant Units 1 and 2

Inspection Conducted: August 7-11, 1995

Inspector: William J. Tobin
 William J. Tobin, Senior Safeguards Inspector

8/12/95
 Date Signed

Approved by: David R. McGuire
 David R. McGuire, Chief
 Safeguards Section
 Nuclear Materials Safety and Safeguards Branch
 Division of Radiation Safety and Safeguards

8/21/95
 Date Signed

SUMMARY

Scope:

This routine, announced inspection was conducted in the areas of the licensee's corrective actions to prior violations, unresolved items and inspector followup items. In addition the licensee's Security Training Program was reviewed.

Results:

In the areas inspected, violations or deviations were not identified. The inspector "closed" all prior items relative to Fitness For Duty, Access Authorization and Physical Security. The licensee's firearms training of contract security officers appears to be adequate.

Enclosure

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REPORT DETAILS

1. Persons Contacted

Licensee Employees

- *B. Adney, Site Vice President
- J. Billings, Security Training Instructor
- R. Casey, Access Authorization Coordinator
- *T. Flippo, Site Support Manager
- P. Hamilton, Fitness For Duty Coordinator
- *C. Kelly, Corporate Nuclear Security Manager
- *M. Ridge, Human Resources Officer
- *J. Smith, Regulatory Licensing Manager
- *R. Thompson, Personnel Security Manager

Other licensee employees contacted during this inspection included craftsmen, engineers, operators, mechanics, security force members, technicians, and administrative personnel.

Other Organizations

C. Cronan, Stone and Webster Project Manager

U. S. Nuclear Regulatory Commission

- *W. Holland, Senior Resident Inspector
- S. Schaeffer, Resident Inspector
- D. Starkey, Resident Inspector

*Attended exit interview

2. Licensee's Actions on Prior Items (92702)

Inspector Followup Item No. 93-17-01 CLOSED: The inspector reviewed Work Request C077841 relative to underground culverts and drains which traverse under the protected area barrier. On September 1, 1993, the licensee completed a walkdown of the barrier and identified such penetrations at the new Discharge Structure and the Switchyards. Additional barriers were installed at the current Secondary Alarm Station following its upgrade. The inspector randomly verified installation of barriers in penetrations identified by the licensee. A security representative attends the Daily Planning Meeting to identify activities of construction or maintenance that necessitate a security compensatory measure.

Severity Level IV No. 94-301-01 CLOSED: By letter dated February 1, 1995, the licensee responded to this violation citing the cause to be personnel error. The inspector reviewed the corrective actions to be retraining of the officer, and informing the security shifts of the error

of leaving a vehicle unattended. The inspector reviewed the Safeguards Event Logs to date for 1995 and found no reoccurrences of this violation.

Severity Level IV No. 93-48-01 CLOSED: By letters dated December 10, 1993 and April 1, 1994, the licensee responded to this violation citing a failure to establish adequate procedures as the cause. The Central Medical Laboratory no longer conducts the initial tests of urine specimens. A reorganization of the Fitness For Duty staff has been completed. An independent audit by a nationally recognized consultant concluded that the Laboratory was unable to perform forensic drug testing, and, that the Fitness For Duty organization was fragmented. The auditors found 28 Findings (e.g., obsolete procedures, deficient quality control records, poorly documented chains of custody and poor calibration practices) which have been corrected and documented in Significant Corrective Action Report No. 93-00002. The inspector toured the Sequoyah Medical Facility, observed activities and conversed with the Fitness For Duty staff. The Quality Control and Maintenance Ledger was reviewed as was Procedure No. 6 "Quality Control Procedure for Intoximeter 3000."

Severity Level V No. 93-34-01 CLOSED: An individual was erroneously granted access because the licensee failed to detect the omission of derogatory information during its adjudication process. To preclude reoccurrence, the licensee has trained its staff in the use of a standardized adjudication document which facilitates the use of key factors in determining adverse information. This formalizes and documents the process of finding and adjudication data, as well as supports consistent decisions.

Inspector Followup Item No. 93-34-02 CLOSED: The facilities for psychological testing have been renovated to provide for more privacy, control and proctoring of the students being given the Minnesota Multiphasic Personality Inventory. The inspector toured the licensee's facility as well as the facilities used by two major contractors. The areas are secured, reserved and monitorable (either by camera or in person). The test's sheets and scoring cards are protected in locked desks under the control of the appropriate staff member.

Inspector Followup Item No. 93-34-03 CLOSED: The licensee has revised its training of supervisors on the continued observation of employees' behavior to now address such issues as violence, destruction of equipment, aberrant behavior, and suspicious activities. This training is in addition to signs of drug and alcohol abuse.

Unresolved Item No. 93-34-04 CLOSED: It is the licensee's Policy that individuals granted unescorted access must report all arrests and all charges, with the exception of parking tickets and speeding violations where fines are less than \$200. This Policy has been communicated to the work force via Site Dispatches, TVA Bulletins, newsletter articles and bulletin board notices. This Policy is also a topic presented in General Employee Training. The inspector verified that the licensee's Personnel Security Questionnaire (Form 9871) and its Procedure No. 11.1 "Clearance for Nuclear Plants" are consistent with this Policy.

Inspector Followup Item No. 93-34-05 CLOSED: Currently, the licensee has a mechanism (access computer) to identify those security badges which have not been used in the preceding 28 days. These individuals are now furnished a form titled "Ascertaining of Activities" which requires they answer questions relative to arrest history, drug and alcohol tests, substances abuse treatment, activities while absent and any other changes that they might have encountered. Any adverse information discovered while ascertaining an individual's activities while away from the licensee's behavior observation program must be resolved prior to reissuance of the security badge.

Severity Level V No. 93-34-06 CLOSED: The licensee's Nuclear Power Standard 11.1, "Providing Access Clearance for Nuclear Power Plants and Safeguards Information" Paragraph 2.6 Military History Check has been revised to now require that every six months military service records are requested from the National Personnel Records Center. The site implementing procedure, Personnel Screening and Badging Instruction, has been revised to require this military record request every six months.

Severity Level IV No. 93-34-07 CLOSED: By letter dated September 13, 1993, the licensee responded to this violation citing its cause as inadequate procedures. The inspector reviewed Procedure 5.6.601 "Personnel Screening and Badging Instruction" and noted that in the event of fingerprints not being classifiable, the licensee will make at least two more attempts to reprint the individual. If the prints remain as unclassifiable the licensee will conduct a "name search" through the Federal Bureau of Investigation (FBI). This "name search" includes at least the name, date of birth and social security number of the applicant. It, however, was noted to the inspector that current policy of the FBI and the Office of Personnel Management (OPM), who process the licensee's fingerprints, restricts the licensee to only two attempts to process unclassifiable fingerprints. Additionally, draft Nuclear Energy Institute Guideline No. 95-01 requires only two attempts for unclassifiable prints. The inspector agreed that the licensee will need to adhere to the FBI/OPM criteria.

Inspector Followup Item No. 93-34-08 CLOSED: As result of this Item, the licensee suspended the contractor's psychological testing program until better security was provided for the test media, and access authorization records. The licensee notified all contractors of the requirements to protect personnel confidential records such as psychological tests and background screening documents. The inspector toured several contractors' work areas and found such records and documents to be adequately secured.

Severity Level V No. 94-34-09 CLOSED: The licensee's Corporate Nuclear Security Compliance Section audited the Access Authorization Program in 1993. In the future, the Corporate Nuclear Assurance Group will audit the Program at least every 24 months.

Inspector Followup Item No. 94-35-01 CLOSED: To date in 1995, the licensee has experienced four examples of applicants submitting falsified information. Two were falsified arrest histories, one was falsified employment and the last was falsified education. The licensee's response to the discovery of falsified information is to evaluate the age and relevancy of the omitted data, and possibly suspend the individual's access if so warranted. Following adjudication of the omitted/false information, the individual may be terminated for lack of a clearance. Following revocation of a clearance, the person may appeal through the Screening Review Board.

Inspector Followup Item No. 95-03-07 CLOSED: The licensee's response to the NRC's findings of an "inattentive guard" was to require closer and more frequent security shift supervision presence with the security officers on duty. By memo dated June 5, 1995, the "Floor Lieutenants" were instructed to make at least these rounds every eight hour shift. A "Security Brief" was sent to each officer advising them of this event (plus a similar event occurring on May 10th) and of the need to be fully alert even while on break.

Unresolved Item No. 95-300-01 CLOSED: The declining trend of the security program was based upon the NRC inspectors observing inadequate control of visitors entering vital areas, the failure of officers to verify authorization of NRC inspectors to enter vital areas and the inconsistent manner of officers to issue site badges at a control point exterior to the protected area. As a result of this trend, the licensee initiated Problem Evaluation Report No. SQ950388 to analyze, identify and correct the issues. The licensee's investigation determined that the officer was unsure of the correct way for an escorted visitor to use the newly installed keycard system at a vital area portal. This procedure has been given to all escorts during General Employee Training and to all security officers. As a result of this NRC identification, all officers were once again retrained on the correct process for escorts to use their keycards at vital area doors. Relative to authorization list, recent changes in status levels resulted in all status levels being authorized for Control Room access, therefore, the mere possession by the NRC inspector of an access photo-badge authorized vital area access and negated the need to verify access authorization. Relative to the third issue, the control of access to the site (exterior to the protected area) is not required nor regulated by the NRC.

3. Training and Qualification (81501)

The licensee is augmenting its proprietary security force with armed officers provided by a contractor. These officers do patrols of the protected area, issue badges at the protected area portal and issue site badges at a checkpoint exterior to the protected area perimeter. The inspector witnessed several of these contractors undergoing their firearms training, and reviewed records of other contractors who had successfully completed firearms training. It was noted that two

contractors repeatedly failed to qualify with the handgun, and not until additional training was received did they pass the qualification.

There were no violations. Firearms training appears to be adequate.

4. Exit Interview

The Exit Meeting was held on August 10, 1995, with those so noted in Paragraph 1 in attendance. The licensee was advised of the inspector's findings and of the absence of violations. There were no dissenting comments.