

U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Report No. 50-282/91021(DRSS); 50-306/91021(DRSS)

Docket Nos. 50-282; 50-306

Licensee: Northern States Power Company
414 Nicollet Mall
Minneapolis, MN 55401

Facility Name: Prairie Island Nuclear Generating Plant, Units 1 and 2

Inspection At: Northern States Power Company Corporate Headquarters in
Minneapolis, Minnesota and NRC Region III Office, Glen Ellyn,
Illinois

Inspection Dates: Between September 6 and December 27, 1991

Inspector: Gary L. Partle
Gary L. Partle
Plant Protection Analyst

2/4/92
Date

Approved By: James R. Creed, Chief
James R. Creed, Chief
Safeguards Section

2/4/92
Date

Inspection Summary

Inspection Between September 6 and December 27, 1991 (Report No. 50-282/91021(DRSS); 50-306/91021(DRSS))

Areas Inspected: Included a reactive inspection of part of the Fitness-For-Duty (FFD) Program and a portion of the Security Access Authorization Program.
Results: No violations of NRC requirements were noted. Some weaknesses were noted within the areas inspected to include: (1) The corporate security staff should have responded more aggressively to resolve a fitness-for-duty deficiency identified in April 1991; (2) a contractor's procedure for security screening was not clear in reference to the disposition of derogatory information noted during the screening process. This significant weakness in a contractor's security screening procedure was not identified during the licensee's review of the procedure; and (3) a contractor's written response to audit findings was not adequate in some respects.

The licensee's audit of a health physics contractor with potential security screening deficiencies was extremely thorough and well documented. Recent changes in the access authorization screening program significantly strengthened the program and provide a much more effective level of oversight by the licensee's Corporate Security Department.

DETAILS

1. Persons Contacted

- *D. Musolf, General Manager, Nuclear Support Group, Northern States Power (NSP)
- *G. Miserendino, Manager, Corporate Security, NSP
- R. Cleveland, Fitness-For-Duty Program Administrator, NSP
- C. Bowman, Superintendent, Personnel Security, NSP
- *J. Kuhn, Power Supply Quality Assurance Auditor, NSP
- D. Schroeder, Security Consultant, NSP
- M. Petitclair, Quality Assurance Engineer, NSP

The asterisk (*) denotes those personnel who were present during the telephone exit interview conducted on December 27, 1991.

2. Entrance and Exit Interviews:

- a. At the beginning of the inspection initiated at the licensee's Corporate Headquarters in Minneapolis, Minnesota on September 6, 1991, the Manager of Corporate Security was advised of the purpose of the inspection and the areas to be examined.
- b. The inspector conducted a telephone exit interview with the licensee representatives denoted in Section 1 at the conclusion of the inspection on December 27, 1991. A general description of the scope of the inspection was provided. Briefly listed below are the findings discussed during the telephone exit interview. The details of each finding discussed are referenced, as noted, in this report. Included below is a statement provided by or describing the licensee management's response to the inspection results.
 - (1) The licensee representatives were advised that a more aggressive and timely response seemed warranted to resolve a security access authorization deficiency they were advised of in April 1991 (refer to section 4 for further details).
 - (2) Security screening requirements in reference to disposition of derogatory information were not clear in a contractor's screening procedure which was reviewed and approved by the licensee. This deficiency was not identified during the licensee's review and approval of the procedure. (refer to sections 5.a for further details).
 - (3) A contractor's written response to audit findings did not identify or address root cause(s) for the deficiencies (refer to section 5.b for further details).
 - (4) The personnel present during the exit interview were also advised that the licensee's audit of a health physics contractor's security screening program was excellent in scope

and depth and well documented. Recent changes to strengthen licensee Corporate Security oversight of contractor security screening programs were considered as effective actions to improve program implementation (refer to sections 5.c for further details).

The Manager, Corporate Security acknowledged the inspector's comments and stated that the Corporate Security staff would address the issues noted above that have not already been resolved.

3. Background Information:

On April 12, 1991, the licensee (Northern States Power-NSP) Corporate Security Department (CSD) was notified by a health physics contractor that a person currently seeking employment with them and who had been granted unescorted access in the past to the Prairie Island Nuclear Plant had been denied access at three nuclear facilities in 1987 because of positive drug tests. NSP CSD changed the person's access authorization status to preclude access to the plant until the issue could be resolved.

On April 16, 1991, NSP CSD contacted the health physics contractor who had previously requested unescorted access for the individual and determined that the contractor was aware that the individual had been denied access to other nuclear facilities. The contractor claimed that NSP had been notified of the individual's past access denials, but NSP had no record of such a notification.

On July 15, 1991, NSP received information from a non-NSP nuclear plant security representative which indicated that the worker in question had made significant omissions of information on the health physics contractor's security questionnaires, including a positive drug test result which occurred in 1989. Based upon the omission of information on the contractor's security questionnaires, the licensee terminated the contractor employee's unescorted access authorization to the Prairie Island nuclear plant and made a telephone report to the NRC in accordance with 10 CFR 73.71(b) and Generic Letter 91-03, "Reporting of Safeguards Events," dated March 4, 1991. (Although the worker in question was not currently working at the licensee's facility, his access authorization was active.) The contractor's "approval" status for their access authorization screening program was revoked pending completion of an audit and followup results.

A written report, "Safeguards Event Report (SER) No. 91-009-00" dated August 14, 1991, was also provided to the NRC. The SER addressed a description of the event, cause of the event, analysis of the event, and corrective actions.

As a result of the incident described above, a licensee contractor conducted an audit of the health physics contractor's access authorization screening program between August 27-30, 1991. The audit was conducted by Quality Systems, Inc. of Birdsboro, Pennsylvania, and five audit findings were identified. As a result of the five audit findings, the licensee continued the revocation of the "approved" status for the contractor's access authorization screening program. The health physics contractor responded to the audit findings by letter dated November 14, 1991.

The names of the individuals involved with access authorization screening deficiencies are not included in this report to protect their personal privacy. The name of the specific health physics contractor is not included in this report since the details, causes, and impact of the specific screening deficiencies are still being evaluated by the NRC. The evaluation results relating to the health physics audit deficiencies will be addressed in separate correspondence at a later date. This report addresses the licensee's actions when advised of the contractor's security screening deficiencies and FFD program weaknesses noted during this inspection.

4. Fitness-For-Duty Program (IP 81502): No violations or deviations were identified in the review of this program area. However, the licensee's Corporate Security Department (CSD) should have been more proactive and timely in resolving a fitness-for-duty (FFD) issue identified in April 1991.

The CSD received information on April 12, 1991, that a health physics contractor employee previously granted unescorted access to the Prairie Island Nuclear Plant had three positive drug test results in 1987. On April 16, 1991, the CSD contacted the contractor management personnel and learned that the contractor was aware that the worker had been denied access at nuclear plants due to positive drug tests and claimed to have provided this information to the licensee.

As of April 16, 1991, the CSD staff was aware that at least one contractor employee had been granted unescorted access to the Prairie Island Nuclear Plant without NSP being advised of past positive drug test results. The licensee's SER stated that such actions are contrary to NSP security screening procedures. The CSD should have realized that the incident could have also indicated that a programmatic weakness existed in the contractor's access authorization programs since the licensee did not receive the notification they expected to receive under such conditions. Since the contractor allegedly advised the licensee of the past positive drug test results, the programmatic weakness could have been in the contractor's or the licensee's program.

An audit of the contractor's access authorization program was not conducted until August 27-30, 1991, which was four months after initial receipt of information that a deficiency existed, and 1 1/2 months after receiving information on July 15, 1991 that the contractor employee's access authorization screening deficiency may be more significant than identified in April 1991. The audit conducted in August 1991 identified some significant programmatic deficiencies. A more aggressive proactive approach in April 1991, when the deficiency was initially identified, should have resulted in a much more timely identification of significant deficiencies in the contractor's access authorization screening program.

It should be noted that the licensee's CSD suspended the worker's access authorization in April 1991. Additionally, the contractor employee had satisfactorily completed a pre-access drug and alcohol screen test and was entered into the licensee's random drug testing pool and also was covered by the licensee's continuous behavior observation program while at the Prairie Island Nuclear Plant. Such actions however did not seek the root cause for the initial deficiency or address potential programmatic weaknesses which may have contributed to the deficiency.

5. Access Control-Personnel (IP 81070): No violations or deviations were identified in the review of this program area. However, a weakness was noted in reference to procedural guidance for disposition of derogatory information discovered during the security access authorization screening process. It was not clear if the licensee's or contractor's procedure was applicable for such circumstances. An additional weakness was noted in reference to a contractor's written response to audit findings not identifying or addressing root causes for deficiencies.

- a. The licensee's SER noted a procedure deficiency as one of the causes for the contractor employee access authorization screening deficiency. The SER noted that the health physics contractor procedure, (GA-1317.8, "Security Screening Program For Nuclear Safety Related Assignment") did not include the requirement to contact the appropriate licensee representative (Fitness-For-Duty Coordinator) upon identifying a suitable inquiry record (denials of access authorization for FFD reasons). The SER also noted that the contractor's screening procedure did not prohibit the contractor from submitting to the licensee workers who had been denied unescorted access at nuclear facilities. The SER further noted that both practices would violate the licensee's procedure.

The inspector's review of the applicable procedures showed that the licensee had "approved" the contractor's procedure for access authorization screening purposes. The procedure deficiencies noted above were not identified to the contractor during the review process. The licensee's letter to the contractor (dated June 22, 1990) stated that the licensee had reviewed the contractor's procedure and "after careful evaluation," the contractor had been designated as having a licensee approved access authorization program.

Based upon the licensee's letter specifically designating the contractor's program as "approved" for access authorization purposes, it is unclear if the contractor was technically required by their procedure to advise the licensee of personnel with past access authorization denials. The procedure deficiencies noted in the SER should have been identified to the contractor during the licensee's procedure review process, or the contractor should have been clearly advised of what parts of the licensee's procedure were applicable to the contractor.

10 CFR 26.23(a)(2) requires licensee notification and consent prior to assigning a person to duties within the scope of 10 CFR Part 26 if the individual has been denied access under Part 26 for FFD reasons. The Manager, Corporate Security should assure that the licensee notification requirements for "approved" contractor screening programs are clearly stipulated in correspondence to the appropriate contractor if such notification requirements are not included in the contractors procedure (282/91021-01; 306/91021-01).

- b. An audit of the health physics contractor's access authorization screening program was conducted by a licensee contractor between August 27-30, 1991. The scope and depth of the audit was excellent

and the audit findings were well documented. Five audit findings were identified which addressed multiple deficiencies found in personnel security screening files. The significance, causes, and impact of the audit findings are still being evaluated by the NRC and will be addressed in separate correspondence at a later date.

The health physics contractor responded to the audit findings by letter dated November 14, 1991. The licensee's contractor who performed the audit advised the health physics contractor by letter dated November 19, 1991, that the five audit findings were in an open status pending verification, and that no further response was required from the health physics contractor.

The inspector's review of the audit report and the health physics contractor's written reply to the audit findings showed that the root cause(s) for the deficiencies were not addressed in the audit report or the contractor's written response to the audit findings.

The licensee's contractor that performed the audit completed a "Finding Report" for each of the five audit findings. The Finding Report had a section to identify the cause for the deficiency, but the cause was not identified for any of the audit findings. The health physics contractor's written response to the audit findings basically described actions that would be implemented in the future, but did not identify the root cause for the audit findings.

Failure to assure that contractors identify and address root causes for audit deficiencies has the potential to have deficiencies reappear at a later date or in a different form. Future audits of contractor access authorization programs should identify root causes for deficiencies noted or the contractor's response to the audit findings should address the cause(s) for the deficiencies (282/91021-02; 306/91021-02).

- c. The licensee's CSD implemented several actions to strengthen oversight of contractor access authorization screening programs. The two most significant actions are addressed below:
 - (1) All contractor personnel requiring unescorted access to the licensee's two nuclear plants (Prairie Island and Monticello) will be required to complete a self-disclosure form in which the individual states if they have been denied access to a nuclear plant in the past for fitness-for-duty reasons (such an inquiry is required by 10 CFR 27.26.a). Previously, such forms were reviewed by the contractor management personnel and the licensee was advised only if a person stated they had been denied site access in the past. The current practice of the licensee reviewing all self-disclosure forms as part of the security access authorization process adds another level of management review into the process and compensates, to a degree, for any self-disclosure form review errors that a contractor supervisor may cause.

(2) Effective November 30, 1991, all contractor access authorization screening programs were terminated. Subsequent contractor screening programs will fall within three categories (I, II, III). Category I approved programs are limited to contractors who provide 35 or more employees to the licensee's nuclear plants annually. The licensee expects five or six contractors will be reviewed and approved by the licensee and the programs will be administered their own program and be audited annually by the licensee.

Category II contractors provide 5-34 employees a year and are required to have background investigations and suitable inquiries conducted by an investigative service identified by the licensee. The investigative results will be submitted to the licensee for review prior to granting unescorted access authorization. The licensee will also administer the psychological tests. The licensee expects five or six contractors will be reviewed and approved by the licensee and the programs will be administered their own program and be audited annually by the licensee.

Category III contractors provide 1-4 employees a year and are required to have background investigations and suitable inquiries conducted by an investigative service identified by the licensee. The investigative results will be submitted to the licensee for review prior to granting unescorted access authorization. The licensee will also administer the psychological tests. The licensee expects five or six contractors will be reviewed and approved by the licensee and the programs will be administered their own program and be audited annually by the licensee.

The above actions significantly increase the licensee's oversight of the contractor access authorization screening programs.

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Category III contractors provide 1-4 employees a year and background investigations, suitable inquiries, and other screening requirements will be conducted by the licensee's CSD.

The above actions significantly increase the licensee's oversight of the contractor access authorization screening programs.