



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011-8064

October 30, 1995

EA 95-164  
95-185

Scientific Ecology Group, Inc.  
ATTN: Mr. Don Neely  
Vice President  
628 Gallaher Road  
Oak Ridge, Tennessee 37763

SUBJECT: NOTICE OF VIOLATION  
(NRC Inspection Report 50-267/94-03 & Office of Investigations  
Reports 4-94-010 and 4-95-015)

Dear Mr. Neely:

This is in reference to: 1) NRC Inspection Report 50-267/94-03, issued on June 15, 1994; 2) the Public Service Company of Colorado's (PSC) investigation of radiation survey documentation irregularities, completed in March 1995 and based on an investigation by the law firm of Stier, Anderson & Malone; 3) the subsequent investigation conducted by the NRC's Office of Investigations (OI), which was completed in May 1995; and 4) the predecisional enforcement conference which was conducted on August 29, 1995, in the NRC's Region IV Arlington, Texas office with representatives of PSC and the Scientific Ecology Group (SEG), a contractor involved in the decommissioning of PSC's Fort St. Vrain Nuclear Generating Station (FSV).

The purpose of the August 29, 1995 predecisional enforcement conference was to discuss apparent violations of NRC requirements that were identified during the various inspections and investigations referenced above. The events leading up to the conference were described in the NRC's August 8, 1995, letter confirming the conference arrangements. Briefly, PSC's and SEG's investigations found, as was subsequently confirmed by OI, that several SEG supervisors and technicians had participated in falsely documenting two categories of radiation survey records associated with the decommissioning project. These included 14 survey records associated with the release of material from the facility in late 1992 and 20 survey records to support work conducted under various radiation work permits at FSV in early 1993. The involved records were created substantially after the surveys were purported to have been performed, but were dated and signed to make it appear they had been prepared at the time the surveys were conducted. Furthermore, the created records contained numerous inaccuracies, such as survey instrument usage and calibration dates, that could not be supported by factual information.

At the enforcement conference, SEG admitted violating 10 CFR 50.5, "Deliberate Misconduct," saying that one of the records had been deliberately falsified. The evidence collected by the law firm of Stier, Anderson & Malone, as documented in its December 1994 report, strongly suggests that the involved

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individuals knew they were creating records that contained false information. In addition to being backdated, many of the involved records included survey results and records of instrument use that had been fabricated and could not be supported by factual information. Based on NRC's review of the investigation reports and the information PSC and SEG provided at the conference, the NRC does not agree that only one of the survey records was deliberately falsified. Thus, we conclude that the involved individuals knew they were submitting inaccurate information of a material nature and that there were multiple instances of deliberate misconduct.

Despite these records being falsified, it appears from the investigations that surveys were actually done to assure that materials were released from the facility according to procedures and that workers were adequately protected from radiation hazards during these work activities. Nonetheless, such widespread falsification of required radiation protection-related records is a significant regulatory concern to the NRC. It is clear that PSC and SEG failed to instill among the SEG radiation protection staff the requisite respect for the importance of performing and documenting radiation surveys, and failed to assure through regular and vigorous oversight activities that surveys were being performed and documented properly. It is of particular concern that individuals entrusted with assuring radiation safety would attempt to resolve a concern about missing survey documentation by creating false records and, furthermore, that they would conspire to do so with supervisory involvement.

These failures represent a significant regulatory concern. In accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions," NUREG-1600, (60 FR 34381, June 30, 1995), the violation in the enclosed Notice of Violation (Notice) has been classified as a Severity Level III violation. In determining the severity level, the NRC gave considerable weight to the evidence indicating that surveys were actually performed though the records of these surveys were falsified; otherwise the violations most likely would have been classified at a higher level. Based on PSC's and SEG's ultimate efforts in identifying these violations and taking extensive corrective actions, as discussed above, the NRC is taking no action beyond the issuance of this Notice with respect to your corporation's involvement in this matter.

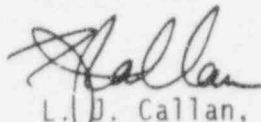
In a related matter, the NRC is exercising discretion and is proposing no sanctions against PSC or SEG for a more recent incident in April 1995 in which it was discovered that an SEG technician had not been performing instrument response checks as required by procedures. This matter, which has been assigned case number EA 95-185, was reviewed by OI (4-95-015) and it was determined that the involved technician deliberately failed to follow procedures. However, because this was an isolated occurrence that was discovered by SEG after concerns about the technician were raised by other employees, because the underlying violation though willful is considered a Severity Level IV violation, and because SEG took prompt and appropriate action in response, the NRC is taking no further action against PSC or SEG, in accordance with Section VII.B.1 of the Enforcement Policy. The NRC is issuing a separate letter to the technician involved in that incident.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. You may reference or incorporate previously submitted documentation on your corrective actions in this matter as you deem appropriate. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96.511.

Sincerely,



L. J. Callan,  
Regional Administrator

Enclosure: Notice of Violation

Scientific Ecology Group

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cc w/enclosure:

Public Service Company of Colorado  
ATTN: M. H. Holmes  
Project Assurance Manager  
16805 Weld County Road 19-1/2  
Platteville, Colorado 80651

Public Service Company of Colorado  
ATTN: A. Clegg Crawford, Vice President  
Electric Operations  
P.O. Box 840  
Denver, Colorado 80201-0840

GA International Services Corporation  
Fort St. Vrain Services  
ATTN: David Alberstein, Manager  
P.O. Box 85608  
San Diego, California 92138

Public Service Company of Colorado  
ATTN: D. D. Hock, President and  
Chief Executive Officer  
P.O. Box 840  
Denver, Colorado 80201-0840

Public Service Company of Colorado  
ATTN: Patricia T. Smith, Senior Vice  
President and General Counsel  
P.O. Box 840  
Denver, Colorado 80201-0840

Chairman  
Board of County Commissioners  
of Weld County, Colorado  
Greeley, Colorado 80631

Regional Representative  
Radiation Programs  
Environmental Protection Agency  
1 Denver Place  
999 18th Street, Suite 1300  
Denver, Colorado 80202-2413

Colorado Department of Health  
ATTN: Robert M. Quillin, Director  
Radiation Control Division  
4300 Cherry Drive South  
Denver, Colorado 80220-1530

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Colorado Public Utilities Commission  
ATTN: Ralph Teague, P.E.  
1580 Logan Street OLI  
Denver, Colorado 80203

Commitment Control Program Coordinator  
Public Service Company of Colorado  
16805 Weld County Road 19-1/2  
Platteville, Colorado 80651

Westinghouse Electric Corporation  
ATTN: Tom Howard, Project Director  
16805 Weld County Road 19-1/2  
Platteville, Colorado 80651

Division of Radiological Health  
L and C Annex, Third Floor  
401 Church Street  
Nashville, Tennessee 37243-1532