

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of
GARY A. MINNICK

)
)
)

IA 95-061

ORDER PROHIBITING INVOLVEMENT IN NRC-LICENSED ACTIVITIES

I

On various dates in 1992 and 1993, Gary A. Minnick was employed by various contractors to perform rigging and scaffolding work at nuclear power plants licensed by the Nuclear Regulatory Commission (NRC or Commission), including Palo Verde, Beaver Valley, and North Anna. In each case, Mr. Minnick was granted temporary unescorted access to these power plants on the basis of information he submitted on security questionnaires. 10 CFR 73.56 and 73.57 require, in part, that nuclear power plant licensees conduct access authorization programs for individuals seeking unescorted access to protected and vital areas with the objective of providing high assurance that individuals granted unescorted access are trustworthy and reliable and do not constitute an unreasonable risk to the health and safety of the public. The unescorted access authorization program must include a background investigation, including criminal history, and the decision to grant unescorted access authorization must be based upon the licensee's review and evaluation of all pertinent information developed.

II

In order to be certified for unescorted access at Palo Verde, Beaver Valley, and North Anna, Mr. Minnick was required to complete security questionnaires which included a request that he list all prior criminal arrests or charges

and provide the final disposition of each such arrest or charge. Mr. Minnick completed a security questionnaire on September 21, 1992 to gain unescorted access to North Anna, on January 7, 1993 and March 12, 1993 to gain unescorted access to Beaver Valley, and on September 30, 1993 to gain unescorted access to Palo Verde. In each case, Mr. Minnick was asked to list all arrests and charges against him and the disposition of these arrests and charges, with the exception of juvenile offenses and traffic citations not involving reckless driving or alcohol.

Although Mr. Minnick listed one or two arrests on each of the forms he completed, he omitted from each of these forms several arrests and charges against him that occurred between 1971 and 1988 and that were required to be listed on the unescorted access authorization applications. Mr. Minnick also omitted potentially significant and material information associated with the arrests that he did list. Specifically, he consistently failed to disclose the fact that he was sentenced to one year in prison and served approximately 91 days after being convicted in 1988 of driving after being declared an habitual offender, which is a felony offense. Although the arrests and charges that Mr. Minnick listed varied from form to form, he failed to provide a complete list of his arrests and charges that were required to be listed on all of the involved forms.

In August 1994, the NRC's Office of Investigations (OI) began an investigation to determine whether Mr. Minnick deliberately falsified and/or omitted criminal history background information relevant to the granting of unescorted access. In a report issued in April 1995, OI concluded that Mr. Minnick had

deliberately falsified his criminal history background information which was used, in part, as the basis for granting him unescorted access to four NRC-licensed nuclear power plants. On October 6, 1995, the NRC conducted a predecisional enforcement conference with Mr. Minnick in Rockville, Maryland, to assist in determining whether civil enforcement action against him was warranted.

During the enforcement conference, Mr. Minnick admitted that he had omitted arrest information from each of the forms, but denied that he did so deliberately. He stated at various times during the conference that: (1) he may have been rushed in completing the forms; (2) he believed that, by listing some arrest information, the remaining information would be discovered by the investigating agencies and that he believed a records check would be completed before he was granted unescorted access; (3) he thought that the forms required criminal background information only for the previous 5 years; (4) he completed the forms without the assistance of any records; (5) he didn't read all of the details in the application; and (6) he thought that by writing "habitual offender" everyone would know that this offense entailed a prison sentence. The NRC has considered these statements but on balance finds them not to be convincing because: 1) the questionnaires were clear in requesting information about all arrests; 2) Mr. Minnick has stated that he read and understood the language of what he was reading; 3) on some of the forms, Mr. Minnick listed arrests that went beyond the 5-year period he stated that he believed was required; 4) Mr. Minnick exhibited a reasonably good recollection of his arrest record in listing different arrests on the various forms that he completed, and 5) Mr. Minnick consistently failed to reveal the fact that he

was sentenced to a year in prison for one offense, instead indicating that he had received other sanctions for that offense. During the enforcement conference, Mr. Minnick indicated that he now clearly understands the importance of reporting fully and accurately all information requested.

III

Based on the information described above, the NRC concludes that Mr. Minnick's omissions were deliberate and were in violation of 10 CFR 50.5(a)(2), which prohibits individuals from deliberately providing information to a licensee or a contractor that the individual knows is inaccurate or incomplete in some respect material to the NRC. His omissions were material because, as indicated above, licensees are required to consider arrest information in making unescorted access determinations.

The NRC must be able to rely on licensees, contractors and their employees to provide information that is complete and accurate in all material respects. This is essential with respect to access authorization programs at nuclear power plants because temporary access determinations are made on the basis of information provided by individuals prior to completion of background records check and because the purpose of such programs is to assure the trustworthiness and reliability of individuals granted access. Mr. Minnick's deliberate omissions, which occurred on multiple occasions, raise serious doubt as to whether he can be relied upon to comply with NRC requirements and to provide complete and accurate information to NRC licensees and their contractors, and raise doubts about his trustworthiness and reliability.

Consequently, I lack the requisite reasonable assurance that licensed activities will be conducted in compliance with the Commission's requirements if Mr. Minnick were permitted at this time to be involved in any NRC-licensed activities. Therefore, the public health, safety and interest require that Mr. Minnick be prohibited from involvement in licensed activities, including obtaining unescorted access at a licensed facility, for a period of one (1) year from the date of this Order and that for a period of one (1) year following this prohibition period Mr. Minnick be required to inform the NRC if he accepts employment with any employer that would involve work in NRC-licensed activities.

IV

Accordingly, pursuant to Sections 103, 161b, 161i, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202, and 10 CFR 50.5, IT IS HEREBY ORDERED, EFFECTIVE IMMEDIATELY, THAT:

- A. For a one-year period from the date of this Order, Mr. Gary A. Minnick is prohibited from engaging in NRC-licensed activities, including obtaining unescorted access at a licensed facility. For the purpose of this paragraph, NRC-licensed activities include licensed activities of: 1) an NRC licensee; 2) an Agreement State licensee conducting licensed activities in NRC jurisdiction pursuant to 10 CFR 150.20; and 3) an Agreement State licensee involved in distribution of products that are subject to NRC jurisdiction.

- B. For a one-year period following the one-year prohibition under paragraph A above, Mr. Minnick shall, within 20 days of his acceptance of each employment offer involving NRC-licensed activities or his becoming involved in NRC-licensed activities as defined in Paragraph A above, provide notice to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, if he accepts employment with any employer that would involve work in NRC-licensed activities. The notice shall include the name, address, and telephone number of the employer. In the first notification, Mr. Minnick shall include a statement of his commitment to compliance with regulatory requirements and the basis why the Commission should have confidence that he will now comply with NRC requirements.

The Director, Office of Enforcement, may, in writing, relax or rescind any of the above conditions upon demonstration by Mr. Minnick of good cause.

V

In accordance with 10 CFR 2.202, Mr. Minnick must, and any other person adversely affected by this Order may, submit an answer to this Order within 20 days of the date of this Order. The answer may consent to the conditions of this Order. The answer may also request a hearing on this Order. Where good cause is shown, consideration will be given to extending the time to request a

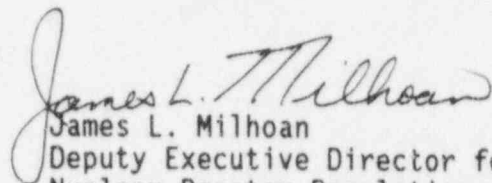
hearing. A request for extension of time must be made in writing to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555 and include a statement of good cause for the extension.

Unless the answer consents to this Order, the answer shall, in writing and under oath or affirmation, specifically admit or deny each allegation or charge made in this Order and shall set forth the matters of fact and law on which Mr. Minnick or other person adversely affected relies and the reasons as to why the Order should not have been issued. Any answer or request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, Attn: Chief, Docketing and Service Section, Washington, DC 20555. Copies also shall be sent to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555 and to the Assistant General Counsel for Hearings and Enforcement at the same address, to the Regional Administrator, NRC Region IV, Suite 400, 611 Ryan Plaza, Arlington, Texas 76011, and to Mr. Minnick if the answer or hearing request is by a person other than Mr. Minnick. If a person other than Mr. Minnick requests a hearing, that person shall set forth with particularity the manner in which his or her interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by Mr. Minnick or a person whose interest is adversely affected, 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 hearing shall be whether this Order should be sustained.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a hearing request has not been received.

FOR THE NUCLEAR REGULATORY COMMISSION


James L. Milhoan
Deputy Executive Director for
Nuclear Reactor Regulation, Regional
Operations and Research

Dated at Rockville, Maryland
this 20th day of December 1995

December 22, 1995

Gary Minnick

HQ DISTRIBUTION:

PUBLIC

SECY

CA

JTaylor, EDO

JMilhoan, DEDR

WRussell, NRR

RZimmerman, NRR

BGrimes, NRR

JLieberman, OE

LChandler, OGC

JGoldberg, OGC

Enforcement Officers

RI, RII, RIII

JGilliland, OPA

PLohaus, OSP

LNo.ton, OIG

EJordan, AEOD

GCaputo, OI

DRosano, OE

OE:EA Files (2)

NUDOCS

RIV DISTRIBUTION:

LJCallan

SCollins

EAFfile

BHenderson

MHammond

CHackney

WBrown

JDyer

AHowell

KPerkins, WCFO

FRHuey, WCFO

TPGwynn

KBrockman

LWilliamson, OI

RIV Files