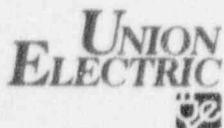


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February 8, 1996

Donald F. Schnell
Senior Vice President
Nuclear

Document Control Desk
Office of Nuclear Reactor Regulation
U. S. Nuclear Regulatory Commission
Mail Stop P1-137
Washington, DC 20555

ULNRC-3314

Gentlemen:

**REPLY TO NOTICE OF VIOLATION
INSPECTION REPORT NO. 50-483/95015
CALLAWAY PLANT**

This responds to Mr. Thomas P. Gwynn's letter dated December 29, 1995, which transmitted a Notice of Violation for events discussed in Inspection Report 50-483/95015. Our response to the violation is presented in the attachment. On January 12, 1996, Mr. William D. Johnson, Chief, Reactor Projects Branch B authorized a revised due date of February 9, 1996.

None of the material in the response is considered proprietary by Union Electric.

If you have any questions regarding this response, or if additional information is required, please let me know.

Very truly yours,

A handwritten signature in cursive script that reads "Donald F. Schnell".

Donald F. Schnell

DFS/bjp

Attachment: 1) Response to Violation

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Page 2

cc: Mr. L. J. Callan
Regional Administrator
U.S. Nuclear Regulatory Commission
Region IV
611 Ryan Plaza Drive, Suite 400
Arlington, TX 76011-8064

NRC Resident Inspector

Ms. Kristine M. Thomas (2 copies)
Licensing Project Manager, Callaway Plant
Office of Nuclear Reactor Regulation
U. S. Nuclear Regulatory Commission
Mail Stop 13-E-21
Washington, DC 20555

Manager, Electric Department
Missouri Public Service Commission
PO Box 360
Jefferson City, MO 65102

Mr. Thomas A. Baxter
Shaw, Pittman, Potts, & Trowbridge
2300 N. Street N.W.
Washington, DC 20037

Statement of Violation

During an NRC inspection conducted on November 27 through December 1, 1995, a violation of NRC requirements was identified. The violation involved problems with the access authorization program. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (60 FR 34381; June 30, 1995) the violation is listed below:

License Condition 2.E of the licensee's facility operating license requires, in part, that the licensee fully implement and maintain in effect all provisions of the Commission approved Physical Security Plan, including amendments made pursuant to the authority of 10CFR 50.54(p).

Section 1.6 (Access Authorization) of the licensee's Physical Security Plan requires, in part, that access to the protected area and vital areas of the plant be allowed only to authorized individuals.

Section 1.6.1.3(1) requires, in part, that the UE screening program meets Regulatory Guide 5.66 (June 1991) to satisfy the requirements of 10 CFR 73.56.

Section 1.6.1.3(4) of the licensee's Physical Security Plan requires, in part, that the vital area access list be reviewed and re-approved at least every 31 days to ensure the need for continuing access.

Regulatory Guide 5.66, dated June 1991, with Appendix, NUMARC 89-01 ("Industry Guidelines for Nuclear Power Plant Access Authorization Programs"), guideline 9.0, requires that each individual granted unescorted access shall be subject to a continual behavior observation program. Clarification 3 (of Regulatory Guide 5.66) states, in part, that prior to reinstatement of the access authorization, "The licensee will ascertain that whatever activities the employee engaged in during his or her absence would not have the potential to affect the employee's trustworthiness and reliability." (NUMARC 91-03, dated March 1992, paragraph III.B.4, clarifies that this absence has to have been more than 30 consecutive days.)

Contrary to the above, on November 30, 1995, the inspector determined that:

- (1) The licensee failed to withdraw the security badge for an individual no longer authorized unescorted plant access. The individual, a former Vectra contract employee, had been authorized plant access based, in part, upon his employment with Vectra. On August 17, 1995, the individual terminated his employment with that Company.
- (2) From August 17 through November 30, 1995, the licensee incorrectly validated each month, an individual's continued need for access to the protected and vital

areas of the plant. During this time the individual was not authorized plant access.

- (3) From August 17 through November 30, 1995, an individual, authorized unescorted plant access, was not subject to a continual behavior observation program. This individual could have gained unescorted plant access without the licensee ascertaining if activities during his absence had the potential to affect his trustworthiness and reliability.

This is a Severity Level IV violation (Supplement III).

Reason for the Violation

Callaway Plant access authorization procedures do not provide for monitoring a contractor/vendor employee's behavior while the person is absent from the plant and Union Electric's continuing behavioral observation program.

Our program relies on the contractor/vendor's approved screening program for determination of their personnel's need for continued access. The employer of the person in question had an active contract with Union Electric and therefore required unescorted access for its personnel. However, the contractor failed to notify Union Electric that the individual had terminated his employment and no longer had a need for continued access. This notification is a condition of our acceptance of the contractor/vendor's screening program.

Corrective Steps taken and results achieved:

On November 30, 1995, upon discovery that the individual had ended his employment with the contractor, his access authorization was terminated. On the following day, access authorization for all employees of the contractor not currently on site was also terminated.

Corrective Steps taken to avoid further violations:

All other organizations having personnel authorized for unescorted access by virtue of their approved screening programs were placed on notice regarding the obligation to inform Union Electric of changes that affect unescorted access authorization of their personnel. This notification was made by letter dated December 1, 1995.

Some contractors/vendors do not have internal screening programs and their personnel are subject only to Union Electric's unescorted access screening program. These contractors/vendors as well as those with approved screening programs will be formally

notified of the following changes in the access authorization program at Callaway Plant:

The Access Authorization Program for Union Electric - Callaway Plant will be revised to monitor contractor/vendor personnel absences greater than 30 days. When absences greater than 30 days occur, the following actions* will be taken:

- Unescorted access to Callaway Plant will be suspended. Unescorted access eligibility will remain in effect thereby maintaining the individual in the Fitness For Duty (FFD) random testing pool.
- Upon return to the Callaway site, eligible contractor/vendor personnel with absences greater than 30 days will complete a reinstatement questionnaire. The questionnaire will permit Union Electric to ascertain whether activities of the individual during the period of absence have adversely affected the person's eligibility for access, as well as to determine the person's continuing need for access.
- If no disqualifying information is evident after completing the reinstatement questionnaire, access levels will be restored.
- Union Electric will subsequently conduct a suitable inquiry and an appropriate background investigation update to confirm that the individual did not engage in activities during the absence period which affected his or her eligibility for access.

These changes in the access authorization program will be implemented and notification of affected contractors/vendors will be completed no later than February 16, 1996. Affected procedures will be suitably revised by May 1, 1996.

- * These actions do not apply to employees of Burns International, our security contractor. The exception is justified by the long-term nature of our contract with Burns and Union Electric's awareness of personnel access requirements within this organization.

Date when full compliance will be achieved:

Full compliance will be achieved by May 1, 1996.