

DMB

February 14, 1985

Docket No: 50-285  
EA 84-122

Omaha Public Power District  
ATTN: R. L. Andrews, Division Manager-  
Nuclear Production  
1623 Harney Street  
Omaha, Nebraska 68102

Gentlemen:

This refers to the special inspection conducted by Mr. J. P. Creed and other NRC inspectors during the period August 20-24, 1984, of activities authorized by NRC Operating License DPR-40 for the Fort Calhoun Station, and to the discussion of our findings with you and members of your staff at the conclusion of the inspection.

Areas examined during this inspection were selected to evaluate Fort Calhoun's compliance with the provisions of the Fort Calhoun Physical Security Plan (PSP). As detailed in the enclosure, the inspection identified multiple violations involving failure to maintain site security as specified in your PSP. In addition, two violations were identified which concerned physical aspects of your facility which did not meet the requirement of 10 CFR Part 73. The violations and related NRC concerns were discussed with you in the Region IV office during an enforcement conference held on October 11, 1984.

The violations associated with this event collectively demonstrate programmatic deficiencies, in that management did not exercise effective control and oversight of the security program. The violations have been separated into those assessed a civil penalty and those not assessed a civil penalty. With respect to those items assessed a civil penalty, we have evaluated their significance and believe they indicate a weakness in your physical security program. Although these violations individually would be categorized at Severity Level IV or V, we have elected to consider them in the aggregate as a Severity Level III problem.

The violations assessed a civil penalty have been categorized as a Severity Level III problem in accordance with the General Statement of Policy and Procedure for NRC Enforcement Actions, 10 CFR Part 2, Appendix C, as revised, 49 FR 8583 (March 8, 1984). The base civil penalty for a Severity Level III is \$50,000. The NRC Enforcement Policy allows for reduction of a civil penalty under certain circumstances. In this instance, the base civil penalty is reduced by 50% because of prior good performance in the area of concern; specifically, no previous escalated enforcement actions and repeated ratings of 2 on your Systematic Assessment of Licensee Performance (SALP) evaluations. The justification for not mitigating the civil penalty by 100% is due to multiple violations in the area of concern.

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

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Therefore, to emphasize the need for increased management attention in the control and oversight of the security program, I have been authorized, after consultation with the Director, Office of Inspection and Enforcement, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the amount of Twenty-Five Thousand Dollars (\$25,000) for the violations described in the enclosed Notice.

You are required to respond to the enclosed Notice of Violation. You should follow the instructions specified in the Notice when preparing your response, and in doing so, you should place all Safeguards Information as defined in 10 CFR 73.21 only in enclosures, so as to allow your cover letter to be placed in the Public Document Room. In your reply you should give particular attention to those actions designed to increase the effectiveness of the management of your security program, particularly in regard to implementation of an effective maintenance and surveillance testing program. Your reply to the Notice and the results of future inspections will be considered in determining whether further enforcement action is appropriate.

Material enclosed herewith contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material, with the exception of this cover letter will not be placed in the Public Document Room.

The response directed by this letter and the enclosure is not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,

Original Signed by:  
PAUL S. CHECK, *PS*

Robert Martin  
Region Administrator

Enclosure: Notice of Violation  
and Proposed Imposition of Civil Penalty  
(Safeguards Information)

cc w/o enclosure:

W. G. Gates, Manager  
Fort Calhoun Station  
P. O. Box 399  
Fort Calhoun, Nebraska 68023

Harry H. Voight, Esq.  
LeBoeuf, Lamb, Leiby & MacRae  
1333 New Hampshire Avenue, NW  
Washington, DC 20036

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Omaha Public Power District

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bcc: Copy of entire report maintained in RIV Security File and sent to:

John G. Davis, Director, NMSS  
SSPB/NRC:NRR  
IE File  
Resident Inspector (w/766)  
R. Martin  
G. McCorkle

bcc: RIV - Transmittal Letter Only:

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