MAY 1, 1996

Florida Power Corporation Crystal River Energy Complex Mr. P. M. Beard, Jr. (SA2A) Sr. VP, Nuclear Operations ATTN: Mgr., Nuclear Licensing 15760 West Power Line Street Crystal River, FL 34428-6708

SAFEGUARDS INFORMATION NEWOVED

SUBJECT: NRC INSPECTION REPORT NO. 50-302/96-02 AND NOTICE OF VIOLATION

Dear Mr. Beard:

This refers to the inspection conducted on March 18-22 and April 3-5, 1996, at the Crystal River facility. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress.

Based on the results of this inspection, the NRC has determined that violations of NRC requirements occurred. These violations are cited in the enclosed Notice of Violation (Notice), and the circumstances surrounding them are described in detail in the subject inspection report. The violations are of concern because they were identified by the NRC. In addition, a noncited violation for your failure to obtain a complete background investigation prior to allowing an individual unescorted access into the protected area is also noted in the Inspection Report. This licensee identified and corrected violation is being treated as a noncited violation consistent with Section VII.B.1 of the NRC Enforcement Policy.

We are also concerned over Violation A because it displayed an inability to meet a new regulatory requirement on time and a lack of understanding of what constitutes an effective compensatory measure despite industry efforts to develop such guidance.

With respect to Violation D in the enclosed Notice, on April 2, 1996, the NRC met with you to discuss appropriate compensatory measures taken during your security upgrade. Although the NRC documented your established compensatory measures in Inspection Report No. 50-302/95-12, it was surmised to be completed by the Fall of 1995. However, during the course of this inspection, we concluded that Revisions 6-7 and 6-9 did not meet the criteria specified in 10 CFR 50.54(p) in that the compensatory measures you currently had in place were inadequate and did not meet the intent of 10 CFR 73.55. Your April 18,

Document transmitted herewith contains sensitive unclassified information. When separated from enclosure(s) this document is decontrolled.

9605060241 960501 PDR ADOCK 05000302 0 PDR

> SAFEGUARDS INFORMATION 060026

2

1996 letter to the NRC documented those specific compensatory measures discussed as corrective actions to Violation D of our Notice of Violation, therefore no response is required for that violation.

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. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. 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.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR Part 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 will <u>not</u> be placed in the Public Document Room.

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, ORIGINAL SIGNED BY JOHNS JAUDON FOR:

Albert F. Gibson, Director Division of Radiation Safety

Docket No. 50-302 License No. DPR-72

FPC

Enclosures: 1. Notice of Violation 2. Inspection Report (Safeguards Information)

cc w/encls: Gary L. Boldt, Vice President Nuclear Production (SA2C) Florida Power Corporation Crystal River Energy Complex 15760 West Power Line Street Crystal River, FL 34428-5708

(cc w/encls cont'd - See page 2)

Contains sensitive unclassified information. When separated from enclosure(s) this document is decontrolled. SAFEGUARDS INFORMATION

3

FPC

(cc w/encls cont'd)
B. J. Hickle, Director
Nuclear Plant Operations (NA2C)
Florida Power Corporation
Crystal River Energy Complex
15760 West Power Line Street
Crystal River, FL 34428-6708

cc w/NOV and Inspection Summary: L. C. Kelley, Director (SA2A) Nuclear Operations Site Support Florida Power Corporation Crystal River Energy Complex 15760 West Power Line Street Crystal River, FL 34428-6708

Rodney E. Gaddy Corporate Counsel Florida Power Corporation MAC - A5A P. O. Box 14042 St. Petersburg, FL 33733

Attorney General Department of Legal Affairs The Capitol Tallahassee, FL 32304

Bill Passetti Office of Radiation Control Department of Health and Rehabilitative Services 1317 Winewood Boulevard Tallahassee, FL 32399-0700

Joe Myers, Director Division of Emergency Preparedness Department of Community Affairs 2740 Centerview Drive Tallahassee, FL 32399-2100

Chairman Board of County Commissioners Citrus County 110 N. Apopka Avenue Inverness, FL 34450-4245

(cc w/NOV and Inspection Summary cont'd - See page 4)

Document transmitted herewith contains sensitive unclassified information. When separated from enclosure(s) this document is decontrolled.

SAFEGUARDS INFORMATION

FPC

4

(cc w/NOV and Inspection Summary cont'd - See page 4)
Robert B. Borsum
B&W Nuclear Technologies
1700 Rockville Pike, Suite 525
Rockville, MD 20852-1631

Distribution w/NOV and Inspection Summary: K. Landis, RII L. Raghavan, NRR B. R. Crowley, RII Document Control Desk (RIDS IE04), 016

NRC Resident Inspector U.S. Nuclear Regulatory Comm. 6745 N. Tallahassee Road Crystal River, FL 34428

Distribution w/encls: NRR/DRIS/SB

	RLI:DRS	RIA:DRS	RII:DBP	RT DRS	ľ	
SI GNATURE NAME	STRATTON	FREDRICKSON	LANDIS	Smoon		
DATE	04/1/9	5 04/1 / 96	04/1/96	84/ 1/26	04 / / 96	04/ /9
COPY?	YES NO	YES NO	YES NO	YES NO	PYES NO	YES NO

Document transmitted herewith contains sensitive unclassified information. When separated from enclosure(s) this document is decontrolled.

SAFEGUARDS INFORMATION