

MAR 06 1985

Docket Nos. 50-277
50-278

Philadelphia Electric Company
ATTN: Mr. S. L. Daltroff
Vice President
Electric Production
2301 Market Street
Philadelphia, Pennsylvania 19101

Gentlemen:

Subject: Enforcement Conference Report Nos. 50-277/84-27 and 50-278/84-23

This refers to the enforcement conference held at the NRC Region I Office, in King of Prussia, Pennsylvania, on July 31, 1984, to discuss the apparent violations of NRC requirements identified in our Combined Inspection Report Number 50-277/84-19 and 50-278/84-10, dated July 25, 1984. The meeting was attended by you and members of your staff and by Dr. T. E. Murley, Regional Administrator, myself and members of the Region I staff.

It is our view that this meeting was beneficial and improved our mutual understandings of the apparent violations and regulatory concerns. A summary of the issues discussed at this meeting and the additional information you presented are documented in the enclosed Region I Enforcement Conference Report Nos. 50-277/84-27 and 50-278/84-23.

Shortly after we transmitted the subject report to you on October 10, 1984, we were requested by Mr. R. Weindorfer, PECO's Assistant Director of Security, via telephone to review the report for Safeguards Information (SGI). At that point we retrieved all copies of the report. Distribution to the NRC's Public Document Room and the Local Public Document Room had not yet been made. We have completed our review of the report for SGI and have deleted all SGI from the report which is enclosed with this letter.

In accordance with 10 CFR 2.790(a), a copy of this letter and the enclosed report will be placed in the NRC Public Document Room unless you notify this office, by telephone, within ten days of the date of this letter and submit written application to withhold information contained therein within thirty days of the date of this letter. Such application must be consistent with the requirements of 10 CFR 2.790(b)(1). The telephone notification of your intent to request withholding, or any request for an extension of the 10-day period which you believe necessary, should be made to the Supervisor, Files, Mail and Records, U.S. NRC Region I, at (215) 337-5223.

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No reply to his letter is required. Your cooperation with us in this matter is appreciated.

Sincerely,

Original Signed By:

James H. Joyner

Thomas T. Martin, Director
Division of Radiation Safety
and Safeguards

Enclosure:

Enforcement Conference Report Nos. 50-277/84-27 and 50-278/84-23

cc (w/encl)

G. Leitch, Station Superintendent

J. D. McGoldrick, Manager, Claims Division, Legal Department

John S. Kemper, Vice President, Engineering and Research

V. S. Boyer, Senior Vice President, Nuclear Power

Eugene J. Bradley, Esquire, Assistant General Counsel

Limerick Hearing Service List

Public Document Room (PDR)

Local Public Document Room (LPDR)

Nuclear Safety Information Center (NSIC)

NRC Resident Inspector

Commonwealth of Pennsylvania

bcc: (w/encl)

Region I Docket Room (with concurrences)

Senior Operations Officer (w/o encl)

Section Chief, DRP

RI:DRSS

Bailey

3/5/85

RI:DRSS

Kemmer

3/5/85

RI:DRSS

Joyner

3/5/85

RI:DRSS

Martin

3/5/85

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U.S. NUCLEAR REGULATORY COMMISSION
REGION I

Report No. 50-277/84-27
50-278/84-23

Docket No. 50-277
50-278

License No. DPR-44
DPR-56

Licensee: Philadelphia Electric Company
2301 Market Street
Philadelphia, Pennsylvania 19101

Facility Name: Peach Bottom Atomic Power Station, Units 2 and 3

Meeting At: NRC Region I, 631 Park Avenue, King of Prussia, PA 19406

Conducted On: July 31, 1984

Type of Meeting: Enforcement Conference Meeting

Prepared By: Roland J. Bailey
Roland J. Bailey, Physical Security Inspector

9-27-84
date

Approved by: R. R. Keimig
R. R. Keimig, Chief, Safeguards Section

9-27-84
date

Meeting Summary:

Enforcement Conference on July 31, 1984 (Report Nos. 50-277/84-27 and 50-278/84-23)

Summary: Enforcement conference convened by NRC Region I Regional Administrator to discuss NRC concerns regarding recent inspection findings related to licensee implementation and management of the physical security program. Senior Philadelphia Electric Company and NRC Region I management and technical personnel attended the meeting, which was held at the Region I Office.

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DETAILS1. AttendeesPhiladelphia Electric Company

S. L. Daltroff, Vice President, Electric Production
 M. J. Cooney, Manager, Nuclear Production
 R. J. Deneen, Director - Security
 R. J. Weindorfer, Assistant Director - Security
 R. S. Fleishchmann, Peach Bottom Station Superintendent
 R. H. Logue, Peach Bottom Superintendent - Nuclear Services
 R. J. Lees, Peach Bottom Electrical Engineer
 S. Q. Tharpe, Peach Bottom Plant Security Supervisor
 R. E. Creuier, Burns International Security, Inc.
 J. Collins, Burns International Security, Inc.

NRC Region I

T. E. Murley, Regional Administrator
 T. T. Martin, Director, Division of Engineering and Technical Programs
 J. M. Gutierrez, Regional Counsel
 J. H. Joyner, Chief, Nuclear Materials and Safeguards Branch
 H. B. Kister, Chief, Reactor Projects Branch 2
 R. M. Gallo, Section Chief, Projects Section 2A
 H. R. Blough, Peach Bottom Senior Resident Inspector
 W. L. Kushner, Acting Chief, Safeguards Section
 D. J. Holody, Region I Enforcement Coordinator
 R. J. Bailey, Physical Security Inspector
 G. C. Smith, Physical Security Inspector
 D. Grimsley, NRC Headquarters Enforcement Staff

2. Introduction

Dr. Murley opened the meeting with a statement on the purpose of the conference. Mr. Martin gave a brief synopsis of NRC concerns regarding the apparent violations identified in the inspection report.

Mr. Martin expressed a particular concern about the apparent lack of management controls that were evident in several violations. Areas addressed included (1) failure to have a watchman controlling access and failure to communicate at specified intervals, (2) failure to notify the Commission of a change to the security program, (3) failure to record information in the security computer file on alarm annunciations, (4) failure to maintain an isolation zone, (5) failure to provide adequate compensating security measures for the protected area perimeter, (6) failure to maintain a locked door to a vital area, (7) failure to maintain a static uninterruptible AC power system, (8) failure to detect alarms, (9) failure to respond to vital area alarms, (10) failure to provide two-way radios to all posted guards and to maintain spare radios, and (11) failure to maintain a dedicated communication link with LLEA.

3. Licensee Presentation and Discussions

The licensee provided the following information concerning the apparent violations.

a. The licensee acknowledged the apparent violations identified above as items 1, 2, 3, 8 and 9 and stated that corrective action had been taken or that immediate steps were being taken to prevent recurrence.

b. With regard to item 4, the licensee stated that the isolation zone was violated. However, additional time was needed to determine if the guard force recognized the fact that a violation of the Security Plan was being committed and failed to take action, or if they experienced difficulty in getting someone to move the items that had been placed in the isolation zone.

c. With regard to item 5, Mr. Fleischmann stated that the storm which caused temporary problems with the perimeter alarm system was very bad and that excessive flooding was experienced both on and off-site. They agreed that a second secondary alarm station (SAS) attendant was not assigned to the SAS, contrary to information contained in a security event report provided to Region I. Since they had never had to evacuate the central alarm station (CAS) before, there were no written security procedures to cover such an event. Procedures will be prepared and a corrected security event report will be submitted to Region I. He further stated that two additional guards beyond those identified in the inspection report were posted in the protected area and were serving as a compensatory security measure. Further, Mr. Fleischmann said that the closed circuit television monitors in the SAS would be reevaluated to assure that picture quality is acceptable. The NRC staff acknowledged the receipt of the additional information and agreed to give it full consideration in determining enforcement action.

d. With regard to item 6, the licensee presented documentation that provided a possible explanation of why a vault door was found unlocked. Mr. Fleischmann stated that it appeared from computer history records, that on two occasions plant personnel had opened the same door as the inspectors shortly before the inspectors' arrival. Therefore, the electrical lock had not had time to reset. The licensee further stated that extensive tests were run to duplicate the condition the inspectors witnessed, but they could not. However, it was learned that a brief period was required to reset the door lock. The licensee stated they would conduct further tests to determine the interval between the opening and resetting of the electrical lock and take corrective action as appropriate. The NRC regional staff acknowledged the information and stated that it would be considered in determining enforcement action.

e. With regard to item 7, the licensee presented their explanation of the criteria outlined in the physical security plan concerning the uninterruptible AC power system that supplies power to the central alarm station.

The licensee's representatives reinforced their interpretation by quoting the explanation they provided in paragraph 8.6(5)(2) of the Final Safety Analysis Report (FSAR). It appeared from the discussions that there are differing opinions on what constitutes "uninterruptible" power. The licensee stated that, in reality, their system provides continuous power in the event there is a loss of normal AC power. This is accomplished by normal or emergency AC power feeds that are supported by several redundant electrical systems which would activate in sufficient time to provide essentially continuous power to the central alarm station and its security related equipment. The NRC regional staff maintained that emergency uninterruptible power for intrusion detection systems includes:

- An automatic switchover from primary power to an uninterruptible power source, e.g., emergency battery and generator or emergency battery power, without causing an alarm, but with indication in the CAS and SAS.
- capability of twenty-four hours of operation without recharging batteries or refueling emergency generators, unless charging capability or emergency generator fuel is located on site.

The NRC regional staff acknowledged the licensee's explanation and stated that it would be considered in determining enforcement action.

f. With regard to item 10, the licensee stated that they did not believe the physical security plan required all guards and watchmen on duty to be equipped with continuous two-way communications. Mr. Martin stated that the matter will be reviewed to determine if there are conflicting criteria in the physical security plan. If there are conflicting criteria, the licensee needs to address the issue and submit an appropriate change to the security plan.

g. With regard to item 11, the licensee's representatives stated that, while they did not establish a dedicated communications link with the [REDACTED] after it was learned that the primary radio and telephone in the Secondary Alarm Station was inoperable, they did call the [REDACTED] and advise them that the radio and telephone were inoperable. The [REDACTED] replied that they could hear the site on the radio; however, the site could not hear the [REDACTED].

4. Conclusion

Mr. Daltroff stated that the violent storm which occurred on July 1, 1984 provided a unique trial for the security system and an opportunity to see where improvements are needed. They plan to appoint an ad hoc group to review the problems caused by the storm and to suggest improvement.

Mr. Martin stated that the additional information provided by the licensee would be considered in determining appropriate enforcement action and he thanked the licensee for the information and their cooperation with Region I.

[Safeguards Information deleted.]