

APPENDIX B

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

Inspection Report: 50-313/92-28; 50-368/92-28

Operating License: DRP-51
NPF-6

Licensee: Entergy Operations, Inc.
Route 3, Box 137G
Russellville, Arkansas 72801

Facility Name: Arkansas Nuclear One, Units 1 and 2

Inspection At: Jackson, Mississippi
Russellville, Arkansas

Inspection Conducted: December 7-11, 1992

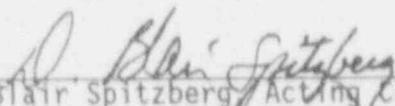
Inspectors: A. B. Earnest, Physical Security Specialist
Facilities Inspection Programs Section

T. W. Dexter, Senior Physical Specialist
Facilities Inspection Programs Section

Accompanying

Personnel: N. E. Ervin, Office of Nuclear Reactor Regulation

Approved:


D. Blair Spitzberg, Acting Chief
Facilities Inspection Programs Section

1-7-93
Date

Inspection Summary

Areas Inspected: Special inspection of the licensee's Access Authorization program as it relates to the granting of unescorted access to the plant site.

Results:

- There was good management oversight, involvement, and support for the program at the corporate level (Section 1.1).
- Management responsibilities as described in procedures were poorly defined and confusing. The procedures were general and lacked specificity (Section 1.1).
- The licensee and some of the licensee's vendors are refusing to release employment information to other vendors, contractors, and licensees even

when such requests are accompanied by a signed release. This is an unresolved item (Section 1.2).

- The licensee was not informing their self-screening contractors of information such as NRC issued Information Notices. This was considered a program weakness (Section 1.3).
- The licensee's program of psychological evaluations was good (Section 1.3).
- The licensee had not notified employees of the requirement to report any arrest which could impact their trustworthiness. This was a violation (Section 1.4).
- The "grandfathering," reinstatement, and transfer portions of the program were well implemented (Section 1.5).
- The licensee had a good program to deny or revoke unescorted access (Section 1.6).
- The licensee had a good program to protect personal information from unauthorized disclosure (Section 1.7).
- A significant weakness was identified in the area of self-screening audits. The licensee did not pursue negative audit findings that were identified in audits completed by other licensees (Section 1.8).
- The licensee had organized a records retention system that should be adequate to ensure that correct records are retained for the correct period of time (Section 1.9).

Summary of Inspection Findings:

- Violation 313/9228-01; 368/9228-01 was opened (Section 1.4).
- Unresolved item 313/9228-02; 368/9228-02 was opened (Section 1.2).
- Inspection Followup Item 313/9228-03; 368/9228-03 was opened (Section 1.8).

Attachment:

- Attachment - Persons contacted and exit meeting.

DETAILS

1 ACCESS AUTHORIZATION (TEMPORARY INSTRUCTION 2515/116)

On April 25, 1991, the Commission published 10 CFR 73.56 which required licensees to design and implement access authorization programs by April 27, 1992. The primary objective of the access authorization requirements is to ensure that all individuals granted unescorted access are trustworthy and reliable and neither constitute an unreasonable risk to the health and safety of the public nor have a potential to commit radiological sabotage. This inspection conducted an in-depth examination of the ANO Access Authorization Program at both Entergy Operations Corporate offices and at the plant site.

1.1 Access Authorization Program Administration/Organization

The ANO Access Authorization Program is centrally directed from the Entergy Corporate office. The primary responsibility for the administration of the program is assigned to the Corporate Security Department. Each plant operated by Entergy has a corporate security representative and staff that directs and operates the Access Authorization Program at the individual plant sites. At ANO, the corporate security representative was the individual responsible for making a final determination as to whether unescorted access would be granted.

The inspectors interviewed program administrators and site representatives and determined that they were professional and dedicated to performing their responsibilities in as responsible a manner as possible. The inspectors reviewed the corporate and plant Access Authorization procedures. The inspectors made the observation to the licensee that the procedures appeared to be very general rather than providing the detail and specificity necessary to implement the program. In addition, the inspectors determined that the portions of both procedures that dealt with the individual responsibilities appeared to be confusing. Without conducting interviews, it was difficult to pinpoint individual responsibilities. The licensee agreed to review the procedures.

After extensive interviews with corporate and plant staff and management, the inspectors determined that there was good management oversight, effective program management, and good support for the program.

Conclusion

The inspectors found the corporate security staff to be professional. In addition, it was apparent that the parent corporation (Entergy) supported the Access Authorization program and provided satisfactory oversight.

1.2 Background Investigations

The inspectors reviewed records and conducted interviews to determine the adequacy of the program to verify the true identity of an applicant and to develop information concerning employment history, educational history, credit history, criminal history, military service, and the character and reputation

of the applicants prior to granting them unescorted access to protected and vital areas.

The inspectors requested and received 21 background investigation files from the licensee. The files were broken down into 13 files from the licensee and 8 from self-screening contractors. The files appeared to be complete with the exception of one area discussed below.

In numerous files, the inspectors noted that employment contacts made by the contractor performing the background screen often resulted in the company contacted refusing to release information other than dates of employment. This also included instances in which the licensee refused to verify past employment of a person being screened for access. Regulatory Guide 5.66 states that the licensee should determine complete dates of employment, position held, disciplinary history, reason for termination, eligibility for rehiring, and any other information that would adversely reflect upon the reliability and trustworthiness of the individual. Paragraph (f)(2), 10 CFR 73.56, requires that "Licensees, contractors, and vendors shall make available such personal information to another licensee, contractor, or vendor provided that the request is accompanied by a signed release from the individual." The contact records indicated that numerous licensees, contractors, and vendors refused to answer most of the questions posed by the investigative contractor. The contractor had made most of the contacts by telephone; however, the licensee stated that the companies were offered the signed releases and still refused the information, including their own company. The licensee considered that the phone call contact constituted a "best effort." The issue of what should constitute a "best effort" will be referred to NRC Headquarters for guidance. The failure to confirm required employment information and the refusal of licensees, contractors, and vendors to release the information is considered an unresolved item (313/9228-02; 368/9228-02).

Conclusion

The inspectors reviewed 21 licensee and contractor background investigation files. An unresolved item was identified in the area of employment contacts that indicated that some licensees, contractors, and vendors were withholding some employment information. Except for that one area the inspectors determined that the licensee had an adequate background investigations program.

1.3 Psychological Evaluations

The inspectors reviewed the licensee's program for administering psychological tests and the methodology of evaluating the results of those tests. Regulatory Guide 5.66 states that the tests must be evaluated by qualified and, if applicable, licensed psychologists or psychiatrists.

The licensee had contracted with a psychologist in Jackson, Mississippi, to administer, control, and evaluate the tests of the employees seeking access. The psychologist under contract developed standards for use in reviewing test results. While the licensee does not require the self-screeners to review the

test results to the same standard, the self-screening records appeared to meet regulatory requirements.

The psychological tests were given at the site. They were proctored by licensee staff in order to prevent compromise. The persons taking the tests were positively identified prior to being given the test. The licensee was aware of NRC Information Notice addressing access authorization concerns; however, these Information Notices had not been sent to the contractors. The failure to inform the contractors may have resulted in one of the self-screening contractors mailing the psychological tests to their employees seeking access. Mailing the tests potentially allowed compromise of the test. The licensee discovered what the contractor had done and required it to correct this practice. If the licensee had notified their contractors of Information Notices, the incident might not have occurred. The failure to inform the contractors was identified as a program weakness.

Conclusion

The licensee's psychological evaluation program appeared to be good. A good standard was developed and used by the licensee. A weakness was identified that indicated the licensee was not providing program information promulgated by NRC to their contractors.

1.4 Behavioral Observation

The licensee's behavioral observation program was inspected to determine if the licensee had a training and retraining program in place to train supervisors and managers to have the awareness and sensitivity to detect and report changes in behavior which could adversely affect trustworthiness and reliability and to refer those persons to appropriate licensee management for evaluation and action.

The inspectors reviewed licensee training records, lesson plans, and procedures. In addition, the inspectors interviewed licensee supervisory and management personnel from the first line supervisor through the vice president level. All of the supervisory and management personnel had been trained in behavioral observation. It was apparent that the behavioral observation program had been implemented and that training and annual retraining were on-going. However, the inspectors determined from interviews with licensee personnel that the program did not appear to provide adequate emphasis on non-drug and alcohol related behavior. The inspectors informed the licensee of this observation.

Paragraph 1.3.1 of the licensee's Industrial Security Plan states that "ANO commits to Regulatory Guide 5.66." Paragraph 9.0 of Regulatory Guide 5.66 states, "Individuals with unescorted access authorization must be notified of his/her responsibility to report any arrest that may impact upon his/her trustworthiness." Licensee Procedure A5.1, paragraph 5.13.2, also requires that all personnel be notified of the responsibility to report arrests.

The inspectors determined that the licensee had only notified employees that arrests involving drugs and alcohol have to be reported. The failure to

notify the employees of the responsibility to report all arrests which could affect their trustworthiness did not meet the Industrial Security Plan and is a violation (313/9228-01; 368/9228-01).

Conclusion

The licensee's behavioral observation program was well organized and ensured that all applicable supervisors and managers had been trained and retrained as appropriate. The inspectors noted that the training appeared not to emphasize aberrant behavior other than that resulting from substance abuse. The licensee was in violation in that their requirement to inform all employees that they had to report arrests which affect their trustworthiness and not just drug and alcohol related arrests had not been implemented.

1.5 "Grandfathering," Reinstatement, Transfer, and Temporary Access Authorization

The licensee's records were reviewed to determine if they were correctly "grandfathering," reinstating, transferring, and granting temporary access authorizations.

There were no problems identified with the licensee's "grandfathering" or reinstatement programs. The inspectors reviewed four examples of access authorization transfers. The licensee had a form that was used to gain information. The licensee does a good job of transferring clearances.

The inspectors reviewed the temporary access authorization files on several employees. While the licensee had a system to prevent temporary unescorted access in excess of 180 days, they did not utilize an administrative control to track the personnel granted temporary access. The temporary files were mixed in with the completed files. The only means of ensuring that personnel granted temporary access did not exceed 180 days in this status was a badge expiration computer check. The inspectors concluded that without further controls, the licensee risked allowing a temporary access employee to exceed the 180-day limit.

Conclusion

The licensee had a good program to "grandfather," reinstate, and transfer access authorizations. There was no specific record of employees to assure that none maintained temporary access past the 180-day limit.

1.6 Denial or Revocation of Unescorted Access

The corporate security representative at ANO was the individual responsible for making a final determination as to whether unescorted access would be granted.

The inspectors reviewed files in which fingerprint submittals had been returned with a criminal record. In ten instances, the persons were granted access. The inspectors reviewed and agreed with the rationale used by the licensee in arriving at the decision in each instance. Another four files

were reviewed wherein all four persons investigated were denied access because of a criminal record. The criteria used by the licensee appeared to be consistent and equitable. The persons denied access were notified of their denial of access and of their right to review and reply to anything in the records used as a reason for access denial.

Conclusion

The licensee had a good program for denying or revoking unescorted access.

1.7 Protection of Personal Information

The inspectors interviewed licensee staff and management in order to ascertain that personal information was protected from disclosure to anyone without a need to know and authority to have access to this information. The background information files were kept in locked containers with access limited to only those staff members with a need for access. Procedural restrictions were in place to ensure that information was not released to anyone else.

Conclusion

The licensee had a good program to protect personal information from unauthorized disclosure.

1.8 Audits

The inspectors reviewed the licensee's audit program to determine if audits of sufficient depth had been conducted. The licensee had copies of several audits of contractor programs in their records. These audits were done by other licensees and, according to the rule, can be accepted by the licensee to satisfy their own audit requirements. Each licensee retains responsibility for the effectiveness of the contractors' programs and for the implementation of appropriate corrective actions by the contractors.

The inspectors determined that Entergy is a member of INDEX, which is a company that acts as a depository for clearances, background investigations, and audits. Since INDEX is not a licensee, audits conducted under their auspices are completed by teams made up from various licensees. The lead auditor of each team uses an audit number from his parent utility and takes responsibility for the audit as a representative of his parent utility. Basically, if the lead auditor is from Entergy, the audit carries an Entergy audit number and is considered to be an Entergy audit.

The inspectors reviewed several such audits received by Entergy from INDEX and other licensees. While the audits appeared to be adequate, the licensee program did not ensure that appropriate corrective action was taken by the contractors. Entergy made no effort to determine if the weaknesses discovered during audits affected any individuals already granted access at Entergy plants. One audit disclosed falsification by a background investigator, yet the audit report failed to indicate whether the contractor adequately reviewed all of the work of the investigator. Neither the licensee nor the contractor appears to have contacted all affected utilities regarding the falsification

of background investigations. When interviewed, licensee staff indicated that they had not followed up on the audit and could not state whether the falsification issue involved any personnel granted unescorted access to ANO. The inspectors concluded that the licensee's failure to assure resolution of third-part audit findings constituted a significant program weakness. This will remain an Inspection Followup Item (313/9228-03; 368/9228-03).

Licensees are allowed to grant access based on the investigation of backgrounds by self-screening contractors and background investigation contractors. The licensee normally receives only a statement that an individual either meets or does not meet licensee program requirements. That discretion was allowed by the rule based on the premise of good audits of the contractor programs. Audit Program weaknesses, as described in the paragraph above, can also bring into question the validity of licensee's review of background information of the audits are not adequate or if identified audit findings are not adequately resolved.

Conclusion

The inspectors identified a significant program weakness in the area of audit finding followup. The licensee had not followed up on audit findings received from other sources in order to ensure that proper corrective actions were taken.

1.9 Record Retention

The inspectors reviewed the licensee's records retention activities in order to ensure that records relating to access authorization are retained for the appropriate time.

The inspectors determined that the licensee's procedure for records retention correctly identified the required records and times for the records retained. Since the advent of the rule, the licensee had maintained the proper records. The licensee maintains the records on microfiche at their corporate headquarters.

Conclusion

The licensee had organized a records retention system and supporting procedures that should be adequate to ensure that the correct records are retained for the correct period of time.

ATTACHMENT 1

1 PERSONS CONTACTED

- *J. W. Yelverton, Vice President, Operations
- *J. D. Vandergrift, Unit 1 Plant Manager
- *R. K. Edington, Unit 2 Plant Manager
- *D. R. Denton, Director, Support
- *G. A. Ellis, Manager, Corporate Security
- *J. Taylor-Brown, Acting Director, Quality
- *D. James, Licensing Supervisor
- *R. L. Sears, Coordinator, Nuclear Security
- *B. Jackson, Technical Training Supervisor
- *K. Tate, Supervisor, Investigations
- *M. Cooper, Licensing Specialist
- *H. Williams, Security Superintendent

1.2 NRC Personnel

- *B. Murray, Chief, Facilities Inspection Programs Section
- *J. L. Pellet, Chief, Operations Section
- *S. Campbell, Resident Inspector

*Denotes those that attended the exit interview.

In addition to the personnel listed above, the inspectors contacted other personnel during this inspection period. Those employees included members of the licensee's technical and management staff and members of the security organization.

*Denotes those that attended the exit interview.

2 EXIT INTERVIEW

An exit meeting was conducted on December 11, 1992. During this meeting, the inspectors reviewed the scope and findings of the report. The licensee did not identify as proprietary any information provided to, or reviewed by, the inspectors.