



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

January 13, 1997

50-298

EA 96-384

Mr. George R. Wackenhut
Chief Executive Officer
The Wackenhut Company
4200 Wackenhut Drive, #100
Palm Beach Gardens, Florida 33410-4243

SUBJECT: DEMAND FOR INFORMATION
(NRC Investigation Report 4-96-010)

Dear Mr. Wackenhut:

This is in reference to an investigation conducted by the NRC's Office of Investigations (OI) to determine whether The Wackenhut Company (TWC) personnel were involved in committing deliberate violations of NRC access authorization requirements. The investigation focused on the processing of background investigations for contract personnel requesting unescorted access to Nebraska Public Power District's (NPPD) Cooper Nuclear Station in October 1995. This investigation is related to a separate, previous investigation conducted by OI that determined that an NPPD access authorization technician had *directed* TWC personnel to violate access authorization procedures by using references provided by applicants as *developed* references. That finding resulted in the NRC taking enforcement action against the technician and NPPD.

The synopsis from Investigation Report 4-96-010 is enclosed. As indicated, the NRC has not concluded that TWC personnel deliberately violated access authorization procedures. However, the information obtained during the investigation suggests that TWC personnel, including personnel temporarily stationed at Cooper Nuclear Station and personnel in TWC's Pensacola, Florida office, carried out the NPPD technician's instructions despite questions being raised by TWC personnel stationed at Cooper Nuclear Station, and despite indications that TWC managers in Pensacola knew the instructions were of a questionable nature.

The NRC's concern about this matter is that TWC personnel showed a willingness to follow a client's instructions even when they believed the client may be wrong. In that TWC provides security support services to a number of NRC licensees, the NRC is concerned that the circumstances of this matter reflect either a general lack of understanding of your responsibility for compliance or a lack of regard for compliance with NRC requirements in the performance of your contracts.

Furthermore, TWC personnel should understand that deliberate violations committed by contract personnel may result in criminal or civil sanctions against them personally. Enclosed is a copy of NRC's rule regarding deliberate misconduct, 10 CFR 50.5, which applies to contractor employees.

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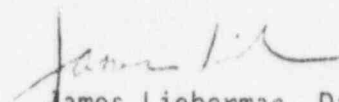
Therefore, the enclosed Demand for Information is being issued to TWC to gain assurances that TWC understands its responsibility for assuring compliance and has trained its personnel accordingly. The NRC requests information from TWC as to why the NRC should have confidence that TWC personnel are in fact assuring compliance under all contracts with NRC licensees. In addition, the NRC is requesting TWC to describe any corrective actions taken following this incident at Cooper Nuclear Station last fall, particularly any actions directed at assuring that TWC employees do not follow a client's instructions when such instructions are in direct violation of applicable procedures or requirements. This response should address what instructions are provided to TWC employees regarding complying with instructions that the employees question, in addition to the manner TWC informs its employees of their personal responsibilities pursuant to 10 CFR 50.5.

Failure to comply with the provisions of this Demand for Information may result in enforcement action.

Questions concerning this Demand for Information should be addressed to James Lieberman, Director, Office of Enforcement, who can be reached at (301) 415-2741.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

Sincerely,



James Lieberman, Director
Office of Enforcement

Enclosures:

1. Demand for Information
2. 10 CFR 50.5, Deliberate Misconduct
3. OI Report 4-96-010 Synopsis

cc w/Enclosures:

Mr. George W. Harris
The Wackenhut Company
One University Plaza
7282 Plantation Road, Suite 402
Pensacola, Florida 32504