



# PECO NUCLEAR

A Unit of PECO Energy

PECO Energy Company  
965 Chesterbrook Boulevard  
Wayne, PA 19087-5691

January 21, 1997

Docket Nos.	50-277
	50-278
	50-352
	50-353
License Nos.	DPR-44
	DPR-56
	NPF-39
	NPF-85

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, DC 20555

Subject: Limerick Generating Station, Units 1 and 2  
Peach Bottom Atomic Power Station, Units 2 & 3  
Response to An Apparent Violation in Inspection Report  
Nos. 50-277/96-11, 50-278/96-11, 50-352/96-08 and 50-353/96-08

Gentlemen:

In response to your letter dated December 20, 1996, which transmitted the apparent violation concerning the referenced inspection report, we submit the attached response. The subject report concerned an inspection that was conducted on October 3 through November 27, 1996 at PECO Nuclear Headquarters at Chesterbrook.

The circumstances of this apparent violation are separate from another apparent violation forwarded in Inspection Report No. 50-352/96-03 and 50-353/96-03 that involved the Local Area Network at Limerick Generating Station.

If you have any questions or desire additional information, do not hesitate to contact us.

Sincerely,

*G. A. Hunger, Jr.*  
G. A. Hunger, Jr.  
Director - Licensing

Enclosure: Affidavit, Attachment

cc: H. J. Miller, Administrator, Region I, USNRC  
W. L. Schmidt, Senior Resident Inspector, PBAPS, USNRC  
N. S. Perry, Senior Resident Inspector, LGS, USNRC  
R. R. Janati, Commonwealth of Pennsylvania

*IEO1/1*

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COMMONWEALTH OF PENNSYLVANIA :

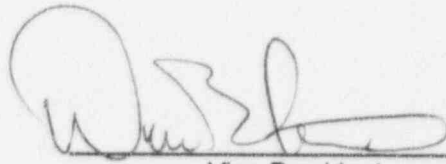
COUNTY OF CHESTER

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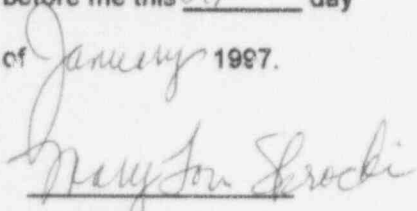
D. B. Fetters, being first duly sworn, deposes and says:

That he is Vice President of PECO Energy; that he has read the attached response to an apparent violation, and knows the contents thereof; and that the statements and matters set forth therein are true and correct to the best of his knowledge, information and belief.

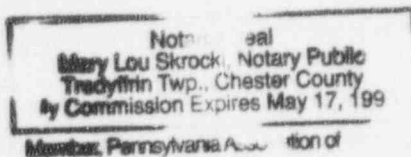


Vice President

Subscribed and sworn to  
before me this 21<sup>st</sup> day  
of January 1997.



Notary Public



## Response to An Apparent Violation

### Restatement of Apparent Violation

On June 26, 1996, the licensee identified that documents containing Safeguards Information (SGI) were found uncontrolled in the Chesterbrook Engineering Information Center. The number of uncontrolled documents, the various locations and the duration that these documents remained uncontrolled and accessible to unauthorized persons constitute a programmatic breakdown in the protection of SGI in accordance with the requirements of 10CFR73.21

### Reasons for the Apparent Violation

Inadequate change management control resulted in unclear roles and ownership of the SGI process which allowed specific breakdowns to occur. Several causal factors were identified that contributed to inadequate controls of SGI within PECO Nuclear, other areas of PECO Energy, and by outside vendors. The major causal factors are discussed below.

The majority of events involved noncompliance with administrative procedures for the identification, control and distribution of SGI by PECO Energy and vendor personnel. Improper handling of SGI led to placement in unsecured locations.

Immediate supervision failed to provide adequate accountability and supervisory oversight of individuals responsible for handling SGI.

Additionally, there was inadequate assessment of the process for controlling SGI and inadequate direction in PECO Nuclear procedures. The need for training personnel who handled and stored SGI was also missed.

### Corrective Steps That Have Been Taken and the Results Achieved

When SGI was found uncontrolled at one location on June 26, 1996, it was placed under control and an investigation was begun. Once the extent of the issue was identified, appropriate security compensatory measures were initiated at Limerick Generating Station (LGS) on July 2, 1996 and at Peach Bottom Atomic Power Station (PBAPS) on July 10, 1996. Prompt notification was made to the NRC on July 2, 1996, for LGS and on July 10, 1996 for PBAPS. These notifications were subsequently followed up with submittal of Special Report 1-96-014 for LGS dated August 1, 1996, and Special Report 2-96-008 for PBAPS dated August 9, 1996. These reports were supplemented on September 30, 1996. A comprehensive investigation and root cause analysis was conducted and many actions were taken immediately or within days of the issue discovery. As the investigation identified additional problems with the control of SGI, the scope of the investigation was expanded to review the adequacy of control of SGI at all PECO Energy facilities and vendors who perform security-related work. PECO Nuclear identified the problem before an event occurred and determined that the uncontrolled SGI would not have significantly contributed to an act of radiological sabotage.

Corrective actions were initiated to comprehensively address all elements needed to protect SGI. These corrective actions include interim corrective actions until all the corrective actions have been implemented. Eighty-four of 128 action items have been completed including the following:

1. Temporary suspension of duplication, filing and distribution of SGI while the investigation was in progress.

2. Recall of numerous properly controlled SGI drawings/documents to specific safe locations to restrict access to reduce the number of access locations.
3. Established a temporary single point supervisory approval for access to SGI.
4. Word searches of backup computer files and Nuclear Records Management System ensured no copies of SGI text existed.
5. Training/retraining of individuals involved with SGI.
6. Auditing areas/vendors where SGI may have been located.
7. Completely redesigning SGI process with single point focus.
8. Enhancing line audits/QA oversights.
9. Reducing the quantity of SGI, the number of individuals who handle it, and the number of locations where it is stored.
10. Performing an independent review of five common security procedures to ensure regulatory compliance.
11. Conducting an independent investigation that concluded there was no evidence of collaboration, collusion, or malevolent intent by PECO Energy or vendor personnel associated with the operability of safety related structures, systems, or components.

#### Corrective Actions that Will be Taken to Avoid Further Violations

Procedure SEC-C-4 "Control of Safeguards Information," will be revised to upgrade the expectations for handling SGI and require a new position of Safeguards Administrator who will be responsible for providing safeguards training, conducting periodic audits, performing self-assessments, and recommending any necessary programmatic changes. This revision will also require an inventory of all SGI be created for maintenance and assessment purposes. Procedure SEC-C-4 will be revised and implemented by March 1997.

Training on revised Procedure SEC-C-4 will be accomplished prior to its implementation in March 1997. A method for yearly requalification of Authorized Individuals will be developed by March 1997.

Additional procedures describing the interfacing process for handling and distributing SGI will be standardized between Limerick, Peach Bottom and PECO Nuclear Headquarters. These procedures will be revised and implemented by March 1997.

A review of the three remaining common security procedures by an independent contractor is in progress for compliance to regulations. The independent review by the contractor will be completed by March 1997.

Change management guidance for use by PECO Nuclear organizations in the areas of measuring progress and success, and assessing the implementation of change will be established in February 1997.

Future vendor contracts will include a statement describing the vendor's responsibilities for handling, controlling and storing SGI. Procedure P-C-7, "Services Requisition Process," governing the vendor's responsibilities will be revised and implemented by June 1997.

Additional assessment activities are planned to monitor and evaluate the effectiveness of the corrective actions associated with these issues.

Date When Full Compliance Was Achieved

Full compliance with control of SGI was achieved on August 5, 1996, during a PECO Nuclear conducted audit of a vendor facility. On September 9, 1996, the investigation team completed the search for improperly controlled SGI. At this time it was concluded that the SGI under the control of PECO Energy personnel was properly controlled in accordance with existing regulatory requirements.