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Docket No. 50-219

License No. DPR-16

GPU Nuclear Corporation
ATTN: Mr. P. B. Fiedler
Vice President and Director
Oyster Creek Nuclear Generating Station
P. O. Box 388
Forked River, NJ 08731

Gentlemen:

Subject: Management Meeting No. 50-219/85-20 and GPU Nuclear Letter of July 22, 1985

On June 17, 1985, a Management Meeting was held at the NRC F gion I office, King of Prussia, Pennsylvania, with GPU Nuclear representatives to discuss an event involving a lost Oyster Creek identification badge and key card which occurred on January 16, 1985.

The meeting was attended by Mr. R. P. Fasulo, Director of Administration, GPU Nuclear, members of the GPU Nuclear staff and representatives of your site security organization, and by myself and members of the Region I staff. We found the meeting was beneficial and improved our understanding of the circumstances surrounding the event. A summary of the meeting is documented in the enclosed Region I Management Meeting Report.

Your letter of July 22, 1985 responded to our letter of June 10, 1985 which transmitted a Notice of Violation arising from that event. We have reviewed the corrective and preventive actions documented in your letter and will examine those actions in a subsequent inspection of your program.

In your letter and at the meeting, the belief was expressed that the event was not one which required reporting to the NRC in accordance with 10 CFR 73.71(c). I have reviewed this further and have determined that your failure to report the event is in violation of NRC requirements. That determination is based upon NRC's responsibility to evaluate breakdowns in security systems, which have the potential to result in a major or moderate loss of physical security effectiveness, for generic applicability and for thoroughness of corrective actions by the effected licensee. The event which you incurred is one in which such evaluations are necessary. Without a report, as required by 10 CFR 73.71, these evaluations cannot be carried out by NRC in a systematic and effective manner.

Also in your letter and at the meeting, we were advised that the security procedure (#1114, Rev. 12) cited in Violation B was not in effect when the event occurred, but was issued as corrective action to prevent recurrence. We agree, and regret the oversight. Therefore, Violation B is rescinded and your enforcement history will be corrected accordingly.

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Attachment A to your letter and portions of Paragraph 2 in the enclosed meeting report have been determined to be exempt from public disclosure in accordance with 10 CFR 73.21 (Safeguards Information). Therefore, they will not be placed in the NRC's Public Document Room. Your letter, this letter and the remainder of the meeting report will be placed in the Public Document Room, in accordance with 10 CFR 2.790(a).

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

Sincerely, Original Signed By: Thomas T. Martin

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

Enclosure: NRC Region I Management Meeting Report No. 50-219/85-20 (Contains Safeguards Information (SGI) in Paragraph 2)

cc w/encl (w/o SGI): M. Laggart, BWR Licensing Manager Licensing Manager, Oyster Creek Public Document Room (PDR) Local Public Document Room (LPDR) Nuclear Safety Information Center (NSIC) NRC Resident Inspector (w/SGI) State of New Jersey

bcc w/encl (w/o SGI): Region I Docket Room (with concurrences) Management Assistant, DRMA (w/o encls) Section Chief, DRP

RI: DRSS PAR RI: DRSS Martin

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