SAFEGUARDS INFORMATION

MAR 1 0 1986

Docket Nos. 50-369 and 50-370 License Nos. NPF-9 and NPF-17 EA 86-25

Duke Power Company ATTN: Mr. H. B. Tucker, Vice President Nuclear Production Department 422 South Church Street Charlotte, NC 28242

Gentlemen:

SUBJECT: NOTICE OF VIOLATION (NRC INSPECTION REPORTS 50-369/86-03 AND 50-370/86-03)

This refers to the inspection conducted on January 22-23, 1986, at the McGuire Nuclear Station in Cornelius, North Carolina, which included a review of certain protected area barriers. As a result of a previous NRC inspection at the Oconee Nuclear Station, a significant failure to comply with NRC regulatory requirements was identified by the licensee at McGuire, and accordingly, the NRC's concerns about the inspection findings were discussed by Dr. J. N. Grace, Regional Administrator, of this office and Mr. H. B. Tucker, Vice President, Nuclear Production Department, Duke Power Company, in an Enforcement Conference held in the Region II Office on January 14, 1986.

The violation described in the enclosed Notice of Violation involved a failure to maintain adequate barriers for a portion of the protected area. The events that resulted in this violation included a failure to install certain barriers and a lack of review to ensure that barriers conformed to drawings. It would appear that the inadequacy was in effect from the 1979-1980 time period until discovered by the licensee.

In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1985), the violation described in the enclosed Notice has been classified at a Severity Level III. Normally, a civil penalty is proposed for a Severity Level III violation. However, after consultation with the Director, Office of Inspection and Enforcement, I have decided that a civil penalty will not be proposed in this case because of your prompt identification and reporting and comprehensive response to the identification of the problem at Oconee.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice,

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including your proposed corrective actions, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with 10 CFR 2.790(d) and 10 CFR 73.21, safeguards activities and security measures are exempt from public disclosure; therefore, the enclosures to this letter, with the exception of the report cover page which presents a nonexempt summary, will not be placed in NRC's Public Document Room.

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely.

J. Nelson Grace Regional Administrator

Enclosurest

- Notice of Violation 1. (Safeguards Information)
- Inspection Report 2. Nos. 50-369/86-03 and 50-370/86-03 (Safeguards Information)
- cc w/encls: T. L. McConnell, Station Manager

bcc w/encls: IE File NMSS/SGPL NRR/DL/SSPB

bcc w/Inspection Summary: Document Control Desk, 016 NRC Resident Inspector State of North Carolina

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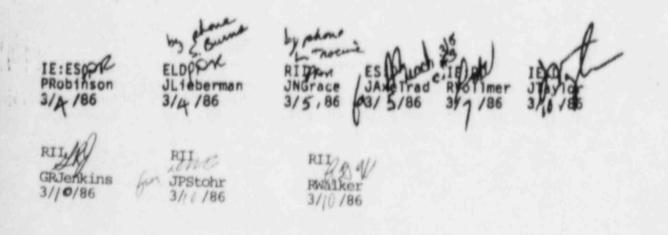
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