

U. S. NUCLEAR REGULATORY COMMISSION
REGION II

Docket No.: 70-1113
License No.: SNM-1097
Report No.: 70-1113/98-05
Licensee: General Electric Company
Wilmington, NC 28402
Facility Name: Nuclear Energy Production
Date: September 8-10, 1998
Inspectors: W. Tobin, Senior Safeguards Inspector
Approved by: E. J. McAlpine, Chief
Fuel Facilities Branch
Division of Nuclear Materials Safety

Enclosure

9810290266 980930
PDR ADOCK 07001113
C PDR

EXECUTIVE SUMMARY

General Electric Nuclear Energy
NRC Inspection Report No. 70-1113/98-05

The primary focus of this routine announced inspection was the observation and evaluation of the licensee's program for security and safeguards. The inspection covered a one week period and the report includes the inspection effort of one regional fuel facility inspector.

Security and Safeguards

- The security program was implemented in accordance with the approved Physical Security Plan (98-05, Section 1.b).
- The Controlled Access Area was defined by a physical barrier and controlled by an adequate number of security watchpersons (98-05, Section 1.b).
- Procedures for the duties of watchpersons were adequate and program staffing and management were as appropriate (98-05, Section 1.b).
- Responses to Hurricane Bonnie and to a security advisory from the NRC were thorough and aggressive (98-05, Section 1.b).
- The conspicuous wearing of identification badges by employees while onsite needed improvement (98-05, Section 1.b).

Attachments:

Persons Contacted and Exit Interview
List of Items Opened, Closed and Discussed
List of Acronyms
Inspection Procedures Used

REPORT DETAILS

1. Security and Safeguards (IPs 81401, 81402 and 81431)

a. Inspection Scope

License SNM-1097 Safeguards Condition Section 2.0 Physical Protection for Special Nuclear Material (SNM) of Low Strategic Significance requires the licensee to follow its General Electric Security Plan (GESP) as may be revised under the provisions of 10 CFR 70.32. By letter dated September 8, 1997, the licensee submitted Revision 4 to the GESP which was accepted by the NRC on October 7, 1997. The inspector reviewed the licensee's program, procedures and performance to assure that they met the objectives of 10 CFR 73.67 and adhered to the Security Plan.

b. Observations and Findings

The inspector reviewed the following procedures and determined that they were adequate:

- Site Physical Security Practices and Procedure, Revision 8
- Personnel Identification Badges, S10-100
- Vehicle Registration and Control, S10-102
- Vehicle Inspection, S10-103
- Site Lock and Key Control, S10-104
- Physical Protection of SNM, S10-108

At the initiation of this inspection, the inspector toured Controlled Access Area (CAA) to include the physical barrier fence and secured gates. Access to the CAA was controlled at the Emergency Control Center (ECC) which was continuously occupied by at least one member of the security force. Another member of the force was posted at a vehicle gate to the CAA during peak traffic hours.

Exterior to the CAA, other officers were present at the South Gate which was the security post that controls vehicle and personnel access to the entire facility. An additional post, at the North Gate, was open during daylight hours and also helps in vehicle and pedestrian controls for the entire facility. It was at these two checkpoints that visitors are identified and badged prior to arrival at the CAA parking lot.

All employees and visitors used a coded card (picture-badge) to access the turnstile at the CAA entrance. This was also done upon exit from the CAA. The inspector observed numerous employees wearing their picture-badge while inside the CAA, however, at the cafeteria and while on breaks, several (six) individuals either left the badge at their desks or put the badge inside their shirt pocket. When this observation was made known to the licensee's

Security Manager an immediate effort was made to identify these individuals and correct the matter. Patrols were informed of the inspector's observation, the marquee at the CAA entrance was programmed with a message informing employees of the need to wear badges while inside the CAA and management discussed the issue at morning meetings. An Inspector Followup Item (IFI) is opened to verify the effectiveness of the licensees response to this issue (IFI 70-1113/98-05-01).

The inspector witnessed several searches of vehicles as they entered and left the CAA. The visual search included the passenger and cargo areas of the vehicles. The inspector verified the procedural provisions for emergency access of ambulance and fire vehicles through the CAA gates.

Within the ECC there are various capabilities for onsite and offsite communications.

The inspector found that the rear door of the fire house building, which is part of the CAA barrier, alarmed in the ECC when opened.

The inspector toured the Fuel Manufacturing Operation and the Dry Conversion Process Building and determined that security of special nuclear material (pellets in trays and powder in cans) was assisted by the employees being alert for unauthorized persons and activities.

Relative to Hurricane Bonnie, through interview and records review, the inspector learned that from August 25-27, 1998, there were five members of the security force onsite along with eighteen maintenance, operations and supervision employees. Hourly communications checks were exercised among the various departments during this storm. Telephones remained in use.

The inspector reviewed the records of the contract security force and determined that the State of North Carolina licenses these officers. Additionally, the contractor conducts a drug test as part of the background investigation.

As a result of a recent NRC security advisory, the licensee conducted additional patrols, contacted the local FBI and other NRC licensees, and increased badge and automobile decal verification at the site entrances.

By letter dated November 7, 1996, the local sheriff documented the response agreement with the site for purposes of disorders and radiation accidents.

c. Conclusion

The licensee was effectively meeting the commitments of the GESP. Actual responses to an NRC advisory and hurricane were aggressive and well managed. Screening of the security force by the contractor was thorough. The licensee will take action to assure that all employees conspicuously display their picture-badges while onsite.

2. Exit Meeting

The Exit Meeting was held on September 10, 1998, with those so identified in the Attachment in attendance. The licensee was advised of the preliminary results of the inspection. No dissenting comments were voiced. No proprietary information was identified.

ATTACHMENT

1. PERSONS CONTACTED

- * D. Dowker, Chemical Production Manager
- * R. Keenan, Site Security and Emergency Preparedness Manager
- * C. Monetta, Environmental Health and Safety Manager
- * S. Murray, Facility Licensing Manager

Non-Licensee Personnel

- P. Foltz, Security Forces Inc., District Manager
- * M. Weldrick, Security Forces Inc., Site Manager

* Denotes attendance at the Exit Meeting

2. INSPECTION PROCEDURES USED

- IP 81401 - Plan and Procedures
- IP 81402 - Reports of Safeguards Events
- IP 81431 - Physical Protection of SNM

3. LIST OF ITEMS OPENED, CLOSED and DISCUSSED

<u>Number</u>	<u>Status</u>	<u>Description</u>
98-05-01	Open	IFI-Wearing Badges Onsite

4. ACRONYMS USED

- CAA - Controlled Access Area
- ECC - Emergency Control Center
- GESP - General Electric Security Plan
- IFI - Inspector Followup Item
- PSP - Physical Security Plan
- SNM - Special Nuclear Material