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~~SAFEGUARDS INFORMATION~~

OCT 08 1986

Docket No. 50-461
Docket No. 70-2947

Illinois Power Company
ATTN: Mr. W. C. Gerstner
Executive Vice President
500 South 27th Street
Decatur, IL 62525

Gentlemen:

This refers to the announced preoperational physical protection inspection and the Special Nuclear Material control and accountability inspection conducted by Messrs. B. Drouin and G. L. Pirtle of this office on August 11 through September 17, 1986, of activities at Clinton Power Station authorized by NRC Construction Permit No. CPPR-137 and SNM License No. 1886 and to the discussion of our findings with Mr. J. Perry and other members of your staff on September 5, 1986 and with Mr. J. Palchak on September 17, 1986.

The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, and interviews with personnel. Additionally, a review of the circumstances pertaining to alleged drug abuse by certain contractor personnel, your actions in reference to the allegation, and our conclusions are addressed in the Appendix of this report.

During this inspection, certain of your activities appeared to be in violation of NRC requirements, as specified in the enclosed Notice. A written response is required. Corrective action should be directed at the repetitive nature of inadequate access control to Special Nuclear Material described in section 6.a of the Report Details and to your management actions to correct the identified root causes.

Areas examined during this inspection concern a subject matter which is exempt from disclosure according to Part 73, Title 10, Code of Federal Regulations, Section 73.21(c)(2). This information must be handled and protected in accordance with the provisions of 10 CFR 73.21. Consequently, the enclosure to this letter, our report of the inspection, and your response to the violation identified in the enclosure to this letter will not be placed in the NRC Public Document Room. Therefore, your statement of corrective action regarding the violation identified in the enclosure should be submitted as a separate enclosure to your transmittal letter in the manner prescribed.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of the Appendix to this report, pertaining to the drug use allegations, will be placed in the NRC Public Document Room.

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Illinois Power Company

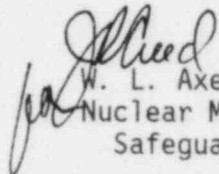
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OCT 08 1986

The responses directed by this letter and the accompanying 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.

We will gladly discuss any questions you have concerning this inspection.

Sincerely,


W. L. Axelson, Chief,
Nuclear Materials Safety and
Safeguards Branch

Enclosures:

- 1. Notice of Violation
- 2. Inspection Reports
No. 50-461/86056(DRSS); and
No. 70-2947/86002(DRSS)
- (UNCLASSIFIED SAFEGUARDS INFORMATION)
- 3. Appendix, Review of Allegation


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- IE/DI/ORPB
- IE/ES
- NMSS/SGPL
- NRR/PWR-B/SSPB
- ACRS
- IE/DI/SMPBi
- NMSS File


See Attached Distribution

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APPENDIX A
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
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Axelson

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Richard Hubbard
Gary N. Wright, Manager
Nuclear Facility Safety
Mark Jason, Assistant
Attorney General,
Environmental Control Division
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