Mr. Michael B. Roche Vice President and Director GPU Nuclear, Inc. Oyster Creek Nuclear Generating Station P.O. Box 388 Forked River, New Jersey 08731

SUBJECT: INTEGRATED INSPECTION 50 1.9/98-02

Dear Mr. Roche:

This letter refers to your July 2, 1998 correspondence, in response to our June 3, 1998 letter.

Thank you for informing us of the corrective and preventive actions documented in your letter. These actions will be examined during a future inspection of your licensed program.

Your cooperation with us is appreciated.

Since

Original signed By:

Michele G. Evans, Chief Projects Branch 7 Division of Reactor Projects

Docket No.: 50-219

cc w/o cy of Licensee Response Letter:
M. Laggart, Manager, Licensing and Vendor Audits
G. Busch, Manager, Nuclear Safety and Licensing

cc w/cy of Licensee Response Letter: State of New Jersey

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GPU Nuclear, Inc. U.S. Route #9 South Post Office Box 388 Forked River, NJ 08731-0388 Tel 609-971-4000

July 2, 1998 1940-98-20368

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

Dear Sir:

Subject:

Oyster Creek Nuclear Generating Station

Docket No. 50-219

IR 98-002: Reply to Notice of Violation

In accordance with 10CFR 2.201, the enclosed provides GPU Nuclear's response to the violations identified in the subject inspection report.

If you should have any questions, or require further information, please contact Kenneth Quintana, Oyster Creek Licensing Engineer, at 609-971-4917.

Very truly yours,

Michael B. Roche

Vice President and Director

Oyster Creek

MBR/KCQ/g!

Attachment

CC

Administrator, Region I

NRC Project Manager

NRC Sr. Resident Inspector

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Attachment 1

IR 98-002

Response to Notice of Violation

Violation

The Code of Federal Regulations, Title 10, Part 26, Fitness-for-Duty Programs, Appendix A, Section 2.3(2) states, "Appropriate background checks and psychological evaluations shall be completed prior to assignment of any tasks associated with the administration of the program, and shall be conducted at least once every three years."

Contrary to the above, on March 25, 1998, the inspector determined through review of Fitness-for-Duty records that personnel that administer the Fitness-for-Duty program did not have a background check conducted at least once every 3 years.

This is a Severity Level IV violation (Supplement VII).

Response

GPUN concurs with the violation as stated.

Reason for Violation

Approximately nine years ago a determination was made that compliance with the requirement to periodically supplement an initial background investigation with additional and/or updated appropriate background check information could be satisfied via positive determinations derived through the continual behavioral observation program. This determination of the interpretation of "appropriate background checks" was reflected in the wording of a portion of the GPUN Fitness-for-Duty Program procedure which contained the following: "Background investigation evaluations or updates as a minimum shall include a continual behavioral observation program (CBOP) check." While this interpretation had been reviewed by both internal and external organizations in the past, it was subsequently determined that taking credit for positive determinations derived from the CBOP does not meet the intent of 10 CFR 26, Appendix A, Section 2.3(2).

IR 98-002: Response to Notice of Violation Page 2

Corrective Actions Taken and Results Achieved

Subsequent to discussions with the inspector and prior to the issuance of the Notice of Violation, GPUN ditiated actions through the GPUN Corrective Action Program. It was ultimately decided that the three-year background check update components would mirror initial background check requirements, except that the employment history check would only be required back to the initial background check or last update completed. A memo was issued to appropriate program administration personnel informing them of the changes being made in the components that comprise the periodic updates.

Corrective Actions Taken to Avoid Further Violations

A revision to GPUN Fitness-for-Duty Program Procedure 1000-ADM-2002.06 has been initiated to include specific identification of the three-year background check update components in addition to other existing requirements.

Date of Full Compliance

The expanded periodic background checks for appropriate personnel will be completed no later than July 30, 1998. This will establish full compliance with the regulations. The revision to Procedure 1000-ADM-2002.06 is currently under review and implementation is expected no later than September 30, 1998.