

November 23, 1999

EA 99-272

EA 99-273

Carolina Power and Light Company
ATTN: Mr. C. S. Hinnant, Senior Vice President
and Chief Nuclear Officer
411 Fayetteville Street
Box 1551
Raleigh, North Carolina 27602

SUBJECT: NOTICE OF VIOLATION (NRC INSPECTION REPORT NOS. 50-325 and 50-324/99-10, 50-400/99-10 and 50-261/99-10 and INVESTIGATION REPORT NO. 2-99-010)

Dear Mr. Hinnant:

This refers to the inspection conducted on March 10, 18-19 and 25, 1999, at Carolina Power and Light Company's (CP&L) Corporate office and an Office of Investigations (OI) investigation completed in August 1999. The purpose of this inspection was to review your Access Authorization (AA) Program and to evaluate the circumstances surrounding an apparent falsification of background investigations. The results of the inspection, including five apparent violations, were communicated to you during an NRC exit conducted on March 25, 1999, and were formally transmitted to you by letter dated May 6, 1999. The OI investigation, which did not conclude wrongdoing on the part of CP&L management, was sent to you on September 15, 1999.

Based on our review of the inspection and investigation findings, we have determined that four of the five apparent violations should be characterized as multiple examples of the failure to comply with in 10 CFR Part 73, 10 CFR 50.9 and the provisions of the Physical Security Plan. Therefore, one violation is cited in the enclosed Notice of Violation (Notice). The examples include: (1) the willful failure of an individual to review and evaluate background information for persons granted unescorted AA in accordance with 10 CFR 73.56(b)(3) and your security plan and procedures; (2) the failure to discontinue temporary unescorted AA for three individuals having inaccurate background information records as required by 10 CFR 73.56(b) and your security plan and procedures; (3) the failure to maintain original data upon which unescorted AA was granted for five years as required by 10 CFR 73.56(h)(1); and (4) the failure to appropriately resolve and document safeguards events in the security event logs in accordance with 10 CFR 73.71(c). Regarding Example A in the Notice, we determined that it constituted a willful act, but that it was isolated to the actions of a low-level individual with no management involvement.

The Shearon Harris and H. B. Robinson Nuclear Power Plants were both affected by these noncompliances. For the Robinson facility, the violation was assessed in accordance with Section VII.B.1.a of the Enforcement Policy, 64 *Federal Register* 61142, issued on

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November 9, 1999 (formally Appendix C). Although the violation was identified by CP&L and entered into your corrective action program, we concluded that the non-cited violation criteria of the Policy were not met due to your failure to restore compliance within a reasonable time. In this regard, we note that CP&L personnel became aware of the inaccurate AA records on January 29, 1999, and received confirmation of additional inaccurate information on February 2, 1999. However, actions were not initiated until the afternoon of February 3, 1999, to remove the AA for the individuals with inaccurate background checks. The February 3, 1999, actions affected two individuals at Robinson and one at Harris. For these individuals, all elements of their AA were not removed until February 5, 1999. Therefore, a Notice is warranted for the Severity Level IV violation in accordance with Section VII.B.1.a of the NRC Enforcement Policy for the Robinson facility. In addition, although none of the three individuals gained access to the protected area during the period January 29 through February 5, 1999, on February 4, 1999, one of the individuals with inaccurate background information was badged for unescorted access to the Robinson facility.

Because the Harris facility is participating in the NRC's Power Reactor Oversight Pilot Plant Study, the evaluation of regulatory issues documented in the enclosed Notice were evaluated and dispositioned in accordance with the Interim Enforcement Policy for Use During the NRC Power Reactor Oversight Pilot Plant Study, issued on November 9, 1999, 64 *Federal Register* 61142 (formally Appendix F). Since it was determined that the individuals granted unescorted AA would have been granted access if the background information had been actually verified, Region II determined the significance of the violation, under the NRC Significance Determination Process (SDP), to be a Green finding. Due to the failure to restore compliance within a reasonable time as described above, a Notice is also warranted for the violation for the Harris facility.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. Although the enclosed Notice is charged to the Harris and Robinson dockets, the aspects of the AA program principally affected by the noncompliances were implemented at the CP&L Corporate Office. Based on this, the NRC expects your response to this Notice to address the corporate aspects of this issue. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In addition to the issues addressed in the Notice, Inspection Report Nos. 50-261, 400, 325, and 324/99-10 also described an additional apparent violation associated with the failure to document an individual's training in accordance with the licensee's plans and procedures. Based on further review, the NRC has concluded that this failure constitutes a violation of minor significance and is not subject to formal enforcement action. This letter and Notice therefore closes EEI Nos. 50-261, 400/99-10-01, 02, 03, 04, and 05.

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In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be placed in the Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

Sincerely,

**signed by BSMallett
on 11/23/99**

**Bruce S. Mallett, Director
Division of Reactor Safety**

Enclosure: Notice of Violation

**Docket Nos. 50-400 and 50-261
License Nos. NPF-63 and DPR-23**

cc w/encl:

**Carolina Power & Light Company
ATTN: Mr. D. E. Young
Vice President**

**H. B. Robinson Steam Electric Plant Unit 2
3581 West Entrance Road
Hartsville, SC 29550**

**Carolina Power & Light Company
ATTN: Mr. James Scarola
Vice President - Harris Plant
Shearon Harris Nuclear Power Plant
P. O. Box 165, Mail Code: Zone
New Hill, NC 27562-0165**

**J. W. Moyer
Director, Site Operations
Carolina Power & Light Company
H. B. Robinson Steam Electric Plant
Electronic Mail Distribution**

cc w/encl: Cont'd Page 4

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H. K. Chernoff, Supervisor
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Mel Fry, Director
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N. C. Department of Environment,
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cc w/encl: Cont'd Page 5

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cc w/encl (Cont'd):

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Vice President & Corporate Secretary
Carolina Power & Light Company
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Bo Clark
Plant General Manager--Harris Plant
Carolina Power & Light Company
Shearon Harris Nuclear Power Plant
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cc w/encl: Cont'd Page 6

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cc/encl (Cont'd):

**Donna B. Alexander, Manager
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Carolina Power & Light Company
Shearon Harris Nuclear Power Plant
Electronic Mail Distribution**

**Johnny H. Eads, Supervisor
Licensing/Regulatory Programs
Carolina Power & Light Company
Shearon Harris Nuclear Power Plant
Electronic Mail Distribution**

**Chairman of the North Carolina
Utilities Commission
P. O. Box 29510
Raleigh, NC 27626-0510**

**Vernon Malone, Chairman
Board of County Commissioners
of Wake County
P. O. Box 550
Raleigh, NC 27602**

**Richard H. Givens, Chairman
Board of County Commissioners
of Chatham County
Electronic Mail Distribution**

Distribution w/encl:

- L. Plisco, RII
- B. Mallett, RII
- B. Bonser, RII
- K. Barr, RII
- G. MacDonald, RII
- D. Thompson, RII
- G. West, RII
- R. Laufer, NRR
- R. Subbaratnam, NRR
- C. Evans, RII
- A. Boland, RII
- B. Summers, OE (2)
- R. Bordchardt, OE
- D. Nelson, OE
- PUBLIC

NRC Resident Inspector
 U. S. Nuclear Regulatory Commission
 5421 Shearon Harris Road
 New Hill, NC 27562-9998

NRC Resident Inspector
 U.S. Nuclear Regulatory Commission
 2112 West Old Camden Road
 Hartsville, SC 29550

| OFFICE | RII:DRP | RII:DRP | RII:DRS | OE | NRR | RII/CS | SIGNATURE |
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| | * | * | * | | | | |
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| YES | YES NO | | YES | YES NO | YES NO | YES NO | |
| NO | | | NO | | | | |

11/15/99 Per D. Nelson
11/15/99 Per D. Nelson

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**see previous concurrence*



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| | * | <i>BB</i> | * | | | | NAME |
| | KBarr | BBonser | CEvans | RWBorchardt | VOrdaz | ABoland | DATE |
| 11/ /99 | 11/ /99 | 11/15/99 | 11/ /99 | 11/ /99 | 11/ /99 | 11/ /99 | COPY? |
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| YES NO | YES NO | YES NO | YES NO | YES NO | YES NO | |