August 10, 2000

Mr. Mark L. Marchi
Site Vice President
Kewaunee Plant
Wisconsin Public Service
Corporation
Post Office Box 19002
Green Bay, WI 54307-9002

SUBJECT: KEWAUNEE - NRC INSPECTION REPORT 50-305/2000013(DRS)

Dear Mr. Marchi:

On July 21, 2000, the NRC completed a baseline inspection at the Kewaunee Nuclear Generating Plant. The enclosed report presents the results of that inspection. The results of this inspection were discussed with Mr. K Hoops and other members of your staff on July 21, 2000.

The inspection was an examination of activities conducted under your license as they relate to the Safeguards Strategic Performance Area and compliance with the Commission's rules and regulations and with the conditions of your license. Within this area, the inspection consisted of a selected examination of procedures and representative records, observations of activities, and interviews with personnel. Specifically, this inspection focused on performance involving your access control and access authorization programs, and your program for collecting and reporting performance indicator information.

Based on the results of this inspection, the NRC has determined that a violation of NRC requirements occurred. It related to an inadequate search of a vehicle, and is described in Section 3PP2 of the report details. The issue was determined to be of very low risk significance (Green). You are addressing the issue as part of your corrective action program, and therefore the NRC is treating the issue as a Non-Cited Violation (NCV), in accordance with Section VI.A.1 of the NRC's Enforcement Policy. If you contest the violation or severity level of the Non-Cited Violation, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with a copy to the Regional Administrator, Region III, and the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/NRC/ADAMS/index.html (the Public Electronic Reading Room).

Sincerely,

/RA/

James R. Creed
Safeguards Program Manager
Division of Reactor Safety

Docket No. 50-305
License No. DPR-43

Enclosure: Inspection Report 50-305/2000013(DRS)

cc w/encls: K. Weinhauer, Manager, Kewaunee Plant
B. Burks, P.E., Director, Bureau of Field Operations
Chairman, Wisconsin Public Service Commission
State Liaison Officer
The Honorable Jerome Zelten
D. Day, President, Two Rivers City Council
D. C. Markwardt, Chairperson, Manitowac County
H. Reckelberg, Chairman, Kewaunee County
N. Crowley, Director, Manitowac County
Emergency Government
L. Schmiling, Director, Kewaunee County
Emergency Government
G. Buckley, Two Rivers City Manager
C. Meyer, President, Village of Mishicot
INPO

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U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket No.	50-305
License No.	DPR-43
Report No:	50-305/2000013(DRS)
Licensee:	Wisconsin Public Service Corporation
Facility:	Kewaunee Nuclear Power Plant
Location:	N490 Highway 42 Kewaunee, WI 54216
Dates:	July 17–21, 2000
Inspector:	T. J. Madeda, Physical Security Inspector
Approved by:	J. R. Creed, Safeguards Program Manager Division of Reactor Safety

NRC's REVISED REACTOR OVERSIGHT PROCESS

The federal Nuclear Regulatory Commission (NRC) recently revamped its inspection, assessment, and enforcement programs for commercial nuclear power plants. The new process takes into account improvements in the performance of the nuclear industry over the past 25 years and improved approaches of inspecting and assessing safety performance at NRC licensed plants.

The new process monitors licensee performance in three broad areas (called strategic performance areas) reactor safety (avoiding accidents and reducing the consequences of accidents if they occur), radiation safety (protecting plant employees and the public during routine operations), and safeguards (protecting the plant against sabotage or other security threats). The process focuses on licensee performance within each of seven cornerstones of safety in the three areas:

Reactor Safety	Radiation Safety	Safeguards
● Initiating Events	● Occupational	● Physical Protection
● Mitigating Systems	● Public	
● Barrier Integrity		
● Emergency Preparedness		

To monitor these seven cornerstones of safety, the NRC uses two processes that generate information about the safety significance of plant operations: inspections and performance indicators. Inspection findings will be evaluated according to their potential significance for safety, using the Significance Determination Process, and assigned colors of GREEN, WHITE, YELLOW or RED. GREEN findings are indicative of issues that, while they may not be desirable, represent very low safety significance. WHITE findings indicate issues that are of low to moderate safety significance. YELLOW findings are issues that are of substantial safety significance. RED findings represent issues that are of high safety significance with a significant reduction in safety margin.

Performance indicator data will be compared to established criteria for measuring licensee performance in terms of potential safety. Based on prescribed thresholds, the indicators will be classified by color representing varying levels of performance and incremental degradation in safety: GREEN, WHITE, YELLOW, and RED. GREEN indicators represent performance at a level requiring no additional NRC oversight beyond the baseline inspections. WHITE corresponds to performance that may result in increased NRC oversight. YELLOW represents performance that minimally reduces safety margin and requires even more NRC oversight. And RED indicates performance that represents a significant reduction in safety margin but still provides adequate protection to public health and safety.

The assessment process integrates performance indicators and inspection so the agency can reach objective conclusions regarding overall plant performance. The agency will use an Action Matrix to determine in a systematic, predictable manner which regulatory actions should be taken based on a licensee's performance. The NRC's actions in response to the significance (as represented by the color) of issues will be the same for performance indicators as for inspection findings. As a licensee's safety performance degrades, the NRC will take more and increasingly significant action, which can include shutting down a plant, as described in the Action Matrix.

More information can be found at: http://www.nrc.gov/NRR/OVERSIGHT/index.html.

SUMMARY OF FINDINGS

IR 50-305/2000013(DRS), on 07/17–21/2000; Wisconsin Public Service Corporation, Kewaunee Nuclear Power Plant; Access Controls, Access Authorization and Performance Indicator Verification

This inspection was conducted by a regional security specialist. The inspection identified one green issue which was a Non-Cited violation. The significance of issues is indicated by their color (green, white, yellow, red) and was determined by the Significance Determination Process.

Cornerstone: Physical Protection

- Green. The inspector identified a Non-Cited violation by observing that, a security officer failed to search an easily accessible compartment on one vehicle. The failure resulted from human error because the officer did not observe the access panel to the compartment during the vehicle search process. When searched, no prohibited items were found. Corrective actions were implemented (Section 3PP2.1).

- The inspector determined that the licensee's effectiveness of implemented corrective actions for a previously identified inspection finding regarding an inadequate vehicle search was not totally effective in preventing recurrence. Previous corrective action was not adequately focused (Section 3PP2.2).

Report Details

3. SAFEGUARDS

Cornerstone: Physical Protection (PP)

3PP1 Access Authorization (AA) Program (Behavior Observation)

.1 Access Authorization Program

a. Inspection Scope

The inspector interviewed five supervisors and five non-supervisors (both licensee and contractor employees) to determine their knowledge of fitness-for-duty (FFD) and behavior observation responsibilities. Licensee procedures pertaining to the Behavior Observation Program and licensee submitted semi-annual fitness-for-duty test result reports were also reviewed.

The inspector reviewed a sample of licensee records to verify the implementation of the licensee's problem identification and resolution program. Specifically, two self-assessments, and two calendar quarters of logged security events were randomly reviewed to determine their scope to correctly identify issues that involved the behavioral observation program.

The inspector reviewed a sample of licensee self-assessments, audits, and security logged events (see attached list of documents reviewed). In addition, the inspector interviewed licensee and contract security managers to evaluate their knowledge and use of the licensee's corrective action system.

b. Findings

No findings were identified during this inspection.

3PP2 Access Control (Identification, Authorization and Search of Personnel, Packages, and Vehicles)

a. Inspection Scope

The inspector reviewed the licensee's protected area access control testing and maintenance procedures. The inspector observed licensee testing of all protected area access control equipment to determine if testing and maintenance practices were performance based. On at least two occasions during peak and routine ingress periods, the inspector observed in-processing search of personnel, packages, and vehicles to determine if search practices were conducted in accordance with regulatory requirements. Interviews were conducted and records were reviewed to verify that security staffing levels at protected area entry points were consistently and effectively implemented. Also, the inspector reviewed the licensee's process for limiting access to only authorized personnel to the protected area and vital equipment by a review of access control records and interviews with security management personnel. The inspector reviewed the licensee's program to control hard-keys and computer input of security-related personnel data.

The inspector reviewed a sample of licensee self-assessments, audits, and security logged events to determine their scope to identify and correct issues that involved access control programs (see attached list of documents reviewed). In addition, the inspector interviewed security managers to evaluate their knowledge and use of the licensee's corrective action system.

b. Findings

(1) Section 9.5.2 of the Kewaunee security plan requires the search of all vehicles for unauthorized material prior to protected area entry. Areas required to be searched included cargo compartments. On July 19, 2000, the inspector observed a member of the security force conducting a vehicle search. The vehicle, a licensee owned front-end loader, was re-entering the protected area. The inspector observed that the officer had conducted an adequate search of the vehicle's cab, engine and undercarriage. While observing the officer's search, the inspector noted that the officer did not search an easily accessible and identifiable cargo storage compartment located near the vehicle's cab.

After the search was completed, but prior to vehicle entry, the inspector questioned the officer. In response, the officer stated that he had overlooked the compartment and acknowledged that the compartment was required to be searched. Search of the compartment area identified no prohibited items.

The inspector's finding demonstrated that the observed search activity was inadequate. It appeared that the officer understood the search requirement, but failed to see the compartment. The search deficiency did not appear to be predictable to exploit the vulnerability to introduce unauthorized material into the protected area because the vehicle's driver had not observed the search activity. However, the inadequate search could have resulted in prohibited materials, such as weapons or explosives, entering the protected area. Two other vehicle searches were observed, no problems were noted. Inspector review determined that the finding was a vulnerability in the licensee's access control program. The finding was evaluated using the NRC Significance Determination Process (SDP) for physical protection. The act was not malevolent and there has not been greater than two similar finding in the last four quarters. Therefore, the finding was determined to be green.

The inadequate search violated the security plan commitment noted above. The failure was attributed to human error. Licensee corrective action included retraining the individual officer, review of the vehicle search training program to evaluate program adequacy and to evaluate human performance issued involved in the vehicle search process. This issue is considered a Non-Cited violation rather than a minor violation, because corrective action for a similar low-safety significant issue was not effective.

The licensee entered this violation into their corrective action program (Commitment Tracking System, No. 00-050). This Severity Level IV violation is being treated as a Non-Cited Violation (NCV), consistent with Section VI A.1 of the May 2000 NRC Enforcement Policy (NCV 50-305/2000013-01).

(2) During inspector review of the finding noted above, the inspector determined that licensee's resolution (corrective action) for a vehicle search finding identified in NRC Inspection Report No. 50-305/2000001 was not totally effective to prevent the vehicle search finding noted above. Previous licensee corrective action primarily focused on a specific problem and not the generic nature of vehicle search, and licensee resolution to address the human performance issue was not totally effective. The inspector verified that licensee corrective action, noted above in Section 1, will consider the extent of condition, generic implications, and common causes.

4. OTHER ACTIVITIES (OA)

40A1 Performance Indicator Verification

a. Inspection Scope

The inspector reviewed the licensee's Performance Indicator (PI) program for the purpose of verifying PI accuracy for the Physical Protection Performance Indicators (PI) pertaining to Protected Area Equipment, Personnel Screening, and Fitness-for-Duty/Personnel Reliability Programs. The inspector reviewed a sample of plant reports generated for the current four calendar quarters related to security and fitness-for-duty events and other applicable records to validate the accuracy of licensee submitted PI data.

b. Findings

There were no findings identified. Each Physical Protection PI was in the Green Band.

40A6 Management Meeting

.1 Exit Meeting Summary

The inspector presented the inspection results to Mr. Hoops, Plant Manager, and other members of licensee management at the conclusion of the onsite inspection on July 21, 2000. The licensee's representatives acknowledged the inspector's remarks. No proprietary information was discussed.

PARTIAL LIST OF PERSONS CONTACTED

Licensee

K. Hoops, Plant Manager
K. Evers, Manager, Nuclear Plant Support
J. Fletcher, Security Manager
M. Fencl, Security Coordinator, Nuclear Management Company
B. Presl, Security Operations Supervisor
D. Peters, Access Authorization Supervisor

Security Contractor - Wackenhut

N. Deda, Project Manager

NRC

J. Lara, Senior Resident Inspector
Z. Dunham, Resident Inspector

LIST OF ITEMS OPENED, CLOSED AND DISCUSSED

Opened and Closed During This Inspection

50-305/2000013-01 NCV Inadequate Search of a Vehicle

LIST OF DOCUMENTS REVIEWED

Fitness-For-Duty Program Performance Data, July–December 1999
Nuclear Administrative Directive - No. 1-22, Access Authorization Requirements, October 23, 1996
General Nuclear Procedure - No. 1.4.4, Behavioral Observation-For-Cause Testing
Nuclear Administrative Directive - No. 1.04, Fitness-For-Duty
General Employee Training, Revision D
Quality Audit Report - No. 96-022, October 2, 1996
Self-Assessment - FFD/AA, July 13, 2000
Security Event Logs, January–July 2000
Security Implementing Procedure, No. 30.02, Testing, Inspection, and Maintenance of Security Equipment, dated May 25, 2000
Instrument and Control Procedure 60-02B, Scanray Maintenance
Instrument and Control Procedure 60-01A, Sentax Explosive Vapor Detector Maintenance
Alarm Station Event Loss, January–July 2000
Monthly Access Authorization Roster, July 17, 2000
Security Implementing Procedure, -20-05, Lock, Key and Combination Control, May 25, 2000
Root Cause: 00-01, Improper Vehicle Search, S00-006