United States Nuclear Regulatory Commission Office of Public Affairs, Region I 475 Allendale Road King of Prussia, PA 19406 Fax: 610/337-5241 Internet: dps@nrc.gov or nas@nrc.gov

I-98-15

February 10, 1998 FOR IMMEDIATE RELEASE Contact: Diane Screnci (610/337-5330) Neil A. Sheehan (610/337-5331)

NOTE TO EDITORS:

The Nuclear Regulatory Commission issued the attached letter to Northeast Utilities Service Company today regarding potential discrimination at Millstone Station. The letter requires that NU respond, within 30 days, under oath and affirmation.

#

enc: as stated

EA 98-055

Mr. Bruce D. Kenyon, President and Chief Executive Officer - Nuclear Group Northeast Utilities Service Company P.O. Box 128 Waterford, CT 06385

SUBJECT: POTENTIAL DISCRIMINATION

Dear Mr. Kenyon:

On January 29, 1998, the U.S. Nuclear Regulatory Commission (NRC) became aware of a memorandum developed by your Nuclear Oversight managers dated January 11, 1998, that stated, "inability to 'isolate' cynics from group culture." The language was not consistent with encouraging a questioning attitude necessary for fostering a safety-conscious work environment (SCWE). Further, the language used in the memorandum involved a potential violation of the employee protection provisions set forth in 10 CFR 50.7(f) as it may be perceived as establishing a condition of employment that would discourage employees from being engaged in protected activity. This could have a chilling effect on licensee or contractor personnel, in that these statements might deter them from identifying any nuclear safety-related concerns. We recognize that you have initiated an independent investigation into this matter to understand what occurred.

Accordingly, pursuant to Sections 161c, 161o, 182, and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.204 and 10 CFR 50. 54(f) in order for the Commission to determine whether regulatory enforcement actions are appropriate, you are required to provide this office, within 30 days of the date of this letter, a response in writing and under oath or affirmation that describes:

- 1. Your position regarding whether the actions described above violated 10 CFR 50.7 and the basis for your position, including a copy of any investigation that supports your position as well as any other investigations that addresses why this memorandum was written, distribution and release of the memorandum, and its impact on your employees, and contractor employees;
- 2. Your assessment of how this incident occurred in light of your efforts to improve your SCWE and actions you have already taken or plan to take to assure that this matter is not having a chilling effect on the willingness of other employees to raise safety and compliance concerns within your organization and, as discussed in NRC Form 3, to the NRC; and

B. D. Kenyon

 Your assessment of the need to take remedial action to prevent a recurrence of this event and if you conclude action is needed, describe such action and your schedule for achieving it.

We recognize that you may not believe that either unlawful discrimination or inappropriate conduct has occurred. Regardless of your answer to item 1 above, we request that you consider the need to address the possible chilling effect that an ongoing issue of this type may have on other employees.

Your response should not, to the extent possible, include any personal privacy, proprietary, or safeguards information, so that it can be released to the public and placed in the NRC Public Document Room. If personal privacy information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the personal

privacy-related information and a redacted copy of your response that deletes the personal privacy-related information. Identify the particular portions of the response in question which, if

disclosed, would create an unwarranted invasion of personal privacy, identify the individual

whose privacy would be invaded in each instance, describe the nature of the privacy invasion, and indicate why, considering the public interest in the matter, the invasion of privacy is unwarranted. If you request withholding on any other grounds, you <u>must</u> specifically identify the portions of your response that you seek to have withheld and provide in detail the basis for your claim of withholding (e.g., provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information).

After reviewing your response, the NRC will determine whether enforcement action is necessary at this time to ensure compliance with regulatory requirements. In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and your response will be placed in the NRC Public Document Room.

The responses directed by this letter are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96-511.

Sincerely,

ORIGINAL SIGNED BY:

William D. Travers, Director Special Projects Office

Office of Nuclear Reactor Regulation

Docket Nos. 50-245, 50-336, and 50-423

License Nos. DPR-21, DPR-65, and NPF-49