

January 29, 2001

Mr. R. P. Powers
Senior Vice President
Nuclear Generation Group
American Electric Power Company
500 Circle Drive
Buchanan, MI 49107-1395

SUBJECT: NRC OFFICE OF INVESTIGATIONS REPORT 3-2000-008

Dear Mr. Powers:

The Nuclear Regulatory Commission (NRC) recently completed an investigation regarding the allegation that an American Electric Power (AEP) Manager deliberately discriminated against the owner of American Nuclear Resources (ANR) for raising nuclear safety concerns regarding the Unit 2 ice condenser during a December 23, 1999 meeting. The NRC's investigation concluded that insufficient evidence exists to substantiate that the AEP manager deliberately discriminated against the owner of ANR by causing the termination of ANR's ice condenser contract because the owner of ANR raised nuclear safety concerns.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if any, 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).

If you have any questions concerning this matter please contact me at (630) 829-9500.

Sincerely,

/RA/ Roy J. Caniano for

John A. Grobe, Director
Division of Reactor Safety

Docket Nos. 50-315; 50-316
License Nos. DPR-58; DPR-74
Enclosure: As stated
cc w/enclosure: AMS File No. RIII-00-A-0024

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R. Powers

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cc w/encl: A. C. Bakken III, Site Vice President
J. Pollock, Plant Manager
M. Rencheck, Vice President, Nuclear Engineering
R. Whale, Michigan Public Service Commission
Michigan Department of Environmental Quality
Emergency Management Division
MI Department of State Police
D. Lochbaum, Union of Concerned Scientists

SYNOPSIS

This investigation was initiated on January 31, 2000, by the U. S. Nuclear Regulatory Commission, Office of Investigations, Region III, to determine whether an American Electric Power Company Construction Manager deliberately discriminated against the owner of American Nuclear Resources for raising safety-related concerns on December 23, 1999, regarding the D. C. Cook Nuclear Power Plant Unit 2 ice condenser refill project.

Based on the evidence developed during this investigation, it is concluded that insufficient evidence exists to substantiate the allegation that an American Electric Power Construction Manager deliberately discriminated against the owner of American Nuclear Resources by causing the termination of that company's ice condenser contract as a result of nuclear safety concerns raised on December 23, 1999.