



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV

611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011-8064

March 16, 1999

[Redacted]

EX 6-7C

7C 16

SUBJECT: Allegation Nos. [Redacted]

[Redacted]

EX 6-7C

Dear Mr. [Redacted]

[Redacted]

EX 6-7C

This letter refers to my July 30, 1998, letter which acknowledged receipt of your concerns, and advised you that we would initiate actions to review your concerns related to the procedures for free release surveys of radioactive material at Rancho Seco. Additionally, you alleged that you were the subject of harassment and intimidation for reporting safety concerns to the NRC.

The NRC has completed the review of your technical concerns. The enclosure, "Resolution of Concerns," documents each of your concerns and summarizes the NRC resolution of your concerns. Your concerns are underlined and the NRC resolution is in **bold text**. Concerns 3-6 in the "Resolution of Concerns" are additional safety concerns that were identified during our review of the transcript of your interview by the NRC Office of Investigations (OI) and your August 8, 1998, memorandum. Additionally, enclosed for your reference and information are copies of NRC Inspection Reports 50-312/98-01 and 50-312/98-03, which included reviews of the licensee's free release program.

OI has completed the investigation in response to your alleged discrimination complaint. OI concluded that you were not the subject of employment discrimination based on the evidence which was developed and the testimony which was obtained. Enclosed for your reference and information is a copy of the Synopsis from OI Investigation 4-1998-037.

Thank you for informing us of your concerns. We believe that our actions in this matter have been responsive to your concerns. We take our safety responsibilities to the public very seriously and will continue to do so within the bounds of our lawful authority. Unless the NRC receives additional information that suggests that our conclusions should be altered, we plan no further action on this matter.

Sincerely,

*Russell Wise*  
Russell Wise  
Senior Allegations Coordinator

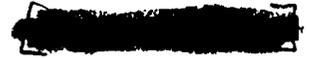
Enclosures:  
As stated

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

CF4

Ex 6 + 7c

RESOLUTION OF CONCERNS



1. There were deficiencies in the procedures for the free release program at Rancho Seco. An audit had been performed which found the program deficient in three areas that were of concern to you. These areas are as follows:

- the procedure allowed surveys to be conducted in background levels as high as 300 cpm;

The NRC inspection determined that conducting surveys in background areas as high as 300 cpm could allow material to be released from the site to the scrap yard that could alarm the detectors. The licensee subsequently revised site procedures to reflect the lower limit.

- the procedure did not require the survey instrument response time to be set on fast response; and

The NRC was informed by the licensee that the slow response time setting of the detector was acceptable. The NRC determined that there was no regulatory requirement for the survey instruments to be set on fast response.

- the procedure did not require the speaker to be turned on so that the technician would have the indication of a faster "ticking sound" from the speaker in order to recognize that contamination was found.

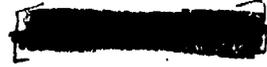
The NRC was informed by the licensee that using the speaker should be optional. The NRC determined that there was no regulatory requirement for the speaker to be turned on.

This concern was substantiated. However, no violation of NRC requirements was identified. Although an attachment to IE Circular No. 81-07, "Control of Radioactively Contaminated Material," provided data concerning the last two issues, there is no NRC requirement for the fast response setting or the use of speakers. It is considered a good practice and not a regulatory requirement.

2. You have been subjected to harassment and intimidation (H&I) by the Plant Manager for reporting safety concerns to the NRC. The Plant Manager has directed you to [REDACTED] in order to improve relationships between you, the Plant Manager and your supervisor. However, you believe it is because you discussed the above safety concerns with the NRC on July 9, 1998, and on other occasions with your employer.

Ex 6 + 7c

The NRC Office of Investigations did not substantiate that you were discriminated against by management for identifying safety concerns. A copy of the OI Synopsis is enclosed.



3. An I&C technician told you in 1993 that he had "fudged" data on calibration records involving the effluent flow totalizer and plant liquid effluent system.

The NRC determined that the licensee had investigated this issue. The technician stated to the licensee that, due to fluctuating readings during the surveillance he had to make a judgement for the value of the recorded data. The licensee conducted an evaluation of the recorded data versus the chart recorder values and found good correlation between the two. The licensee concluded that this did not constitute a falsification of records. The NRC's review determined that no further NRC action was required.

This concern was not substantiated.

4. A violation of the Technical Specifications (TS) occurred and was not reported to the NRC. The issue involved an ODCM surveillance for the wastewater flow rate totalizer.

The NRC determined that since the totalizer was not identified in the TS, or the ODCM as specifically requiring calibration, this did not constitute a violation of the TS.

This concern was not substantiated.

5. Backup power is required for the lighting system to the ISFSI. 10 CFR 73.50 required the ISFSI to have an alarm station in the protected area.

The NRC determined that security requirements for ISFSIs were not issued as a final rule until November 12, 1998. The Rancho Seco ISFSI is not licensed or operational. An NRC inspection of the ISFSI will be performed, including the security system, as part of the issuance of a Part 72 license, and will include verification of compliance with 10 CFR 73.51 as part of the routine pre-operational inspection.

This concern was not substantiated since the ISFSI was not licensed or operational.

6. Investigations performed by the licensee were inadequate as described in your August 6, 1998, memo.

The NRC reviewed the results of the licensee investigations and concluded that adequate investigations had been conducted. The NRC did not identify any issue that required further NRC review.

This concern was not substantiated.