



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION II  
SAM NUNN ATLANTA FEDERAL CENTER  
61 FORSYTH STREET SW SUITE 23T85  
ATLANTA, GEORGIA 30303-8931**

April 22, 2002

EA-01-308

Mr. Dale E. Young, Vice President  
Crystal River Nuclear Plant (NA1B)  
ATTN: Supervisor, Licensing &  
Regulatory Programs  
15760 West Power Line Street  
Crystal River, FL 34428-6708

**SUBJECT: NRC OFFICE OF INVESTIGATIONS REPORT NO. 2-2001-001**

Dear Mr. Young:

This letter refers to an investigation conducted by the NRC's Office of Investigations (OI) completed on October 17, 2001. The purpose of the OI investigation was to determine whether a former Florida Power Corporation (FPC) employee at the Crystal River Nuclear Plant was subjected to discrimination as a result of engaging in protected activities. Following OI's completion of the investigation and issuance of the OI report on October 17, 2001, an apparent violation of 10 CFR 50.7, Employee Protection, was identified. The synopsis of the OI report and report summary were provided to FPC by letter dated December 27, 2001. A closed, predecisional enforcement conference was conducted at the NRC Region II Office in Atlanta, Georgia, on February 22, 2002, to discuss the apparent violation. A list of conference attendees and copies of the NRC's presentation material are enclosed.

Based on our review of the information presented at the predecisional enforcement conference and the information developed during the OI investigation, the NRC has concluded there was insufficient evidence to support a violation of 10 CFR 50.7. To summarize the basis for this conclusion, the NRC found that the selection process for the newly created positions within the security organization was established prior to the merger of FPC with Carolina Power and Light Company (CP&L), and that the selection decisions were made in accordance with the process. Specifically, as discussed at the conference, the management of Progress Energy Corporation (PEC), the parent company of FPC and CP&L, established certain minimum educational standards for the newly created positions within the security organization, and these standards were adhered to during the selection process. Discussions may have taken place between the former security access control employee, her future supervisor and possibly others which may have led her to believe that her skills would be of value to the new security organization after the merger and that she would be retained. The information provided by the licensee established that the former security access control employee initially was not offered a position within the new security organization because minimum educational prerequisites were not satisfied.

No response to this letter is required. In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be made 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/reading-rm/ADAMS.html> (the Public Electronic Reading Room).

Should you have any questions concerning this letter, please contact me at (404) 562-4501 or Ms. Carolyn Evans, Enforcement Officer, at (404) 562-4414.

Sincerely,

*/RA/*

Victor M. McCree, Deputy Director  
Division of Reactor Projects

Docket Nos: 50-302  
License Nos.: DPR-72

Enclosures: 1. List of Attendees  
2. NRC Presentation Material

cc: (see page 3)

cc w/ encls:

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Crystal River Nuclear Plant (NA2C)  
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L. Reyes, RII  
C. Casto, RII  
L. Plisco, RII  
V. McCree, RII  
L. Wert, RII  
R. Musser, RII  
S. Sparks, RII  
S. Stewart, RII  
C. Evans, RII  
R. Hannah, RII  
K. Clark, RII  
OE:EA File  
PUBLIC

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| NAME                              | CEVANS   | FCONGEL          | DDAMBLY |        |        |        |        |
| DATE                              | 4/19/02  | 4/19/02          | 4/19/02 |        |        |        |        |
| COPY?                             | YES NO   | YES NO           | YES NO  | YES NO | YES NO | YES NO | YES NO |

## LIST OF CONFERENCE ATTENDEES

### Nuclear Regulatory Commission:

Bruce Mallett, Deputy Regional Administrator, Region II (RII)  
Victor McCree, Deputy Director, Division of Reactor Projects (DRP), RII  
Scott Sparks, Senior Enforcement Specialist, RII  
Len Wert, Chief, DRP, Branch 3, RII  
Scott Stewart, Senior Resident Inspector, Crystal River Nuclear Plant, DRP, RII  
Len Williamson, Field Office Director, Office of Investigations (OI), RII  
Darrell White, Special Agent, OI, RII  
Susan Chidakel, Senior Attorney, Office of General Counsel  
Barry Westreich, Senior Enforcement Specialist, Office of Enforcement

### Florida Power Corporation (FPC)/Progress Energy Corporation (PEC):

Clayton Hinnant, Senior Vice President - Chief Nuclear Officer, FPC/ Carolina Power and Light Company  
William Johnson, Executive Vice President/General Counsel, PEC/FPC  
Dale Young, Site Vice President, Crystal River Nuclear Plant, FPC  
Robert Gill, Director, Corporate Security, PEC  
Robert Champion, Manager, Access Authorization, PEC  
Suzanne Ennis, Associate General Counsel, PEC  
Linda Brenner-David, Primary Access Authorization Supervisor, Crystal River Nuclear Plant  
Douglas Levanway, Outside Counsel for Florida Power Corporation (FPC)  
Sid Powell, Supervisor of Licensing and Regulatory Affairs, PEC

PREDECISIONAL ENFORCEMENT CONFERENCE AGENDA

FPC

FEBRUARY 22, 2002, 8:30 A.M.

NRC REGION II OFFICE, ATLANTA, GEORGIA

- I. OPENING REMARKS AND INTRODUCTIONS  
B. Mallett, Deputy Regional Administrator
- II. NRC ENFORCEMENT POLICY  
S. Sparks, Senior Enforcement Specialist
- III. SUMMARY OF THE ISSUE AND APPARENT VIOLATION  
V. McCree, Deputy Director  
Division of Reactor Projects
- IV. LICENSEE PRESENTATION
- V. FORMER SECURITY ACCESS CONTROL EMPLOYEE'S STATEMENT
- VI. LICENSEE REBUTTAL
- VII. BREAK / NRC CAUCUS
- VIII. NRC FOLLOWUP QUESTIONS
- IX. CLOSING REMARKS  
B. Mallett, Deputy Regional Administrator

NOTE: The apparent violation discussed at this predecisional enforcement conference is subject to further review and subject to change prior to any resulting enforcement decision.

Enclosure 2

## ISSUE TO BE DISCUSSED

10 CFR 50.7, Employee Protection, prohibits, in part, discrimination by a Commission licensee or a contractor of a Commission licensee against an employee for engaging in certain protected activities. Discrimination includes discharge or other actions relating to the compensation, terms, conditions, and privileges of employment.

In January 2001, FPC discriminated against a former employee of FPC as a result of her engaging in protected activity. Specifically, discrimination was a factor in the former employee's non-selection to a position with the company after the merger of FPC and CP&L. These actions were taken, at least in part, in retaliation for the former employee's protected activities involving her preventing the conduct of an audit of security Access Authorization files in the latter half of 2000, and her initiation of an Employee Concern in November 2000 regarding this matter.

NOTE: The apparent violation discussed at this predecisional enforcement conference is subject to further review and subject to change prior to any resulting enforcement decision.