



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, DC 20555 - 0001**

April 21, 2005

EA-01-082
EA-04-172

Mr. Dan Daniels, President
Williams Power Corporation
Williams Speciality Services
2076 West Park Place
Stone Mountain, Georgia 30087

SUBJECT: POST INVESTIGATION ALTERNATIVE DISPUTE RESOLUTION

Dear Mr. Daniels:

This refers to the investigation conducted by the U.S. Nuclear Regulatory Commission (NRC) Office of Investigations (OI) into alleged employment discrimination, during March 2000, by the Williams Power Corporation (Williams Power) at FirstEnergy Nuclear Operating Company's (FENOC) Perry and Davis-Besse Nuclear Power Plants. A predecisional enforcement conference (PEC) was held with FENOC and Williams Power at the NRC Region III office on September 26, 2001. Subsequent to the PEC, a supplemental investigation was conducted by OI (Report No. 3-2000-025S) and an apparent violation concerning the completeness and accuracy of information was identified during that investigation.

On February 24, 2005, the NRC staff issued a Notice of Violation (Notice) to FENOC and Williams Power. In our letter and Notice to you, we described violations of 10 CFR 50.7, "Employee protection," and 10 CFR 50.5(a)(2), "Deliberate misconduct." In the letter, the NRC informed you that we offered FENOC an opportunity to pursue resolution of the 10 CFR 50.7 violation with alternative dispute resolution (ADR). If FENOC had elected to do so, the NRC would have offered Williams Power an opportunity to participate. FENOC did not elect to enter into ADR, and on March 28, 2005, FENOC admitted to the 10 CFR 50.7 violation and agreed to the imposition of the civil penalty.

In a letter dated March 25, 2005, Williams Power disputed the violations cited against the company. On April 15, 2005, Mr. Charles Whitney, counsel on behalf of Williams Power, requested that Williams Power be given an opportunity to enter into ADR with the NRC in an effort to resolve these concerns. The NRC accepted Williams Power request to enter into ADR in an attempt to resolve the apparent violations cited against them.

Alternative dispute resolution is a general term encompassing various techniques for resolving conflict outside of court using a neutral third party. The technique that the NRC has decided to employ during a pilot program which is now in effect is mediation. Additional information concerning the NRC's pilot program is described in the enclosed brochure (NUREG/BR-0317) and can be obtained at <http://www.nrc.gov/what-we-do/regulatory/enforcement/adr.html>. The

D. Daniels

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Institute on Conflict Resolution (ICR) at Cornell University has agreed to facilitate the NRC's program as an intake neutral. Please contact the ICR at (607) 255-1124 within 10 days of the date of this letter if you are interested in pursuing resolution of this issue through ADR.

Questions concerning this letter should be addressed to Mr. Russell Arrighi, Senior Enforcement Specialist, Office of Enforcement, at 301-415-3936 or via e-mail at rja1@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response (if you choose to provide one) will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction. The NRC also includes significant enforcement actions on its Web site at www.nrc.gov; select **What We Do, Enforcement**, then **Significant Enforcement Actions**.

Sincerely,

/RA/

Frank J. Congel, Director
Office of Enforcement

Dockets No.: 50-346; 50-440
Licenses No.: NPF-3; NPF-58

cc:

L. Myers, Chief Nuclear Operating Officer - FENOC
R. Anderson, Vice President - Nuclear, Perry
M. Bezilla, Vice President-Nuclear, Davis-Besse
M. O'Reilly, Attorney, First Energy

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Frank J. Congel, Director
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cc:
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