

~~SENSITIVE ALLEGATION MATERIAL~~

FOLLOW UP ARB; RIII-2002-A-0005

May 17, 2002

MEMORANDUM TO: John Jacobson, Chief, Mechanical Engineering Branch, DRS

FROM: A. Kock, RIII - OAC

SUBJECT: FOLLOW UP ARB: RIII-2002-A-0005 (EXELON)

On November 1, 2001, EICS received a concern regarding discrimination for raising safety issues. During the Office of Investigations interview with the CI, the CI provided additional documentation. Review of this documentation by the Decommissioning Branch identified new issues related to quality assurance in cask manufacturing that were discussed at a February 6, 2002 Allegation Review Board. Since that time, EICS, Decommissioning Branch, and Mechanical Engineering Branch, interviewed the CI. Based upon the results of the interview, several of the CI's concerns were clarified and 2 new issues were identified by MEB, which were discussed at an April 8, 2002 Allegation Review Board. One of the identified issues related to the CI being blackballed from employment. This issue was discussed at the April 8, 2002 Allegation Review Board and it was determined that OI would review the transcript of the CI and the issue would be re-ARB'd. OI has reviewed the transcript, I have discussed the proposed action with OI, and an Allegation Review Board is needed to discuss this issue.

A Follow up ARB has been scheduled for May 20, 2002. Please review the attached information to prepare for the ARB.

cc w/attachments:

ARB Copy
OT
RC
DRP Br Chief For Rx Cases-Ring
DNMS-Jorgensen
DRS Division Director For Rx Cases-Grobe

ckujtd

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AMS No. RIII-2002-A-0005

Each stated concern or NRC identified issue should be documented on a separate sheet. Each concern must be documented and written with enough detail to allow thorough follow up.

Concern No. 13 (RIII-2002-A-0005). The claimed that s/he had been blackballed from employment at Sargent and Lundy as a result of the safety issues s/he raised while employed at Exelon.

Regulatory Basis: 50.7

I. Action Evaluation: The following method of resolution is recommended (circle):

- A. Send to Licensee Requesting Response in _____ Days. (Describe the general areas we expect the licensee to address.)
- B. Priority RIII Follow up and Closure Memo to OAC.
- C. Follow up During Routine Inspection Within _____ Days and Closure Memo to OAC.
- D. Refer to OI. Recommended Priority: HIGH NORMAL LOW
Recommended Basis:
- E. Outside NRC's Jurisdiction. Describe Basis Below.
- F. Too General for Follow-up. Describe Basis Below.
- G. Other (specify) -

Questions for CI's that allege discrimination:

(1) What action was taken against you? An offer of employment was removed in November 2001 after the CI reported safety concerns to the NRC.

(2) What issues did you raise? When? The CI reported discrimination for raising safety issues and problems with the organization of the QA department on 11/01/01. An OI investigation was initiated on 11/19/01. The CI raised additional issues regarding the quality of dry casks and Exelon's QA program for vendors to OI in January 2002. Exelon would be aware of the CI's discrimination complaint if OI began interviewing individuals in November 2001. The CI also raised safety concerns with Exelon while employed there until 2001 as follows:

A. The CI was team leader for an audit of analytical services provided to the licensee by General Electric. The team identified about a dozen significant findings that resulted in a ComEd "stop work" issued to G-E. During the exit the CI stated that a G-E manager (Dave Helwig) objected to the findings and argued with the CI. After the audit Mr. Helwig left G-E (unknown if this was related to the audit) and became a ComEd corporate engineering manager.

B. In December 2000 the CI completed an audit of the contractor (UST&D) used by the vendor for the Dresden Dry Cask storage project to fabricate casks. The audit identified several significant findings that were eventually discussed during a meeting between the licensee, utility representatives, and the vendor.

C. The CI stated the NRC (Ross Landsman) was at the meeting and subsequently called the CI for more information. After the telephone call, the CI complied with the company policy by informing Ms. Caya (her/his immediate supervisor) that the NRC had called. Shortly after the CI told his supervisor about the conversation with Dr. Landsman, the CI's was transferred to a new job and demoted, and later fired (the subject of RIII-2001-A-0174).

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(3) Did you inform anyone from management to the NRC of your concern? Exelon would have been aware that the CI filed a complaint of discrimination with the NRC and was aware of the safety concerns raised, as indicated in (2) above. Sargent and Lundy is a contractor for Exelon.

(4) Why Do you believe the action taken against you was a result of your raising these safety issues? Sargent and Lundy allegedly made the CI a job offer then rescinded it in November 2001 and indicated that there were no openings. A month and a half later, they offered the position to another person who did not have qualifications equal to the CI. Individuals who the CI has contacted at S&L are reluctant to speak with the CI due to fear of hurting their careers and have told the CI that S&L wants the CI escorted while on their premises.

Responsible for Action - OI

II. Special Considerations/Instructions: