



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

January 19, 2006

EA-05-221

Mr. Luther C. "Dan" Daniels, President
Williams Industrial Services Group, LLC
2076 West Park Place
Stone Mountain, Georgia 30087

SUBJECT: OFFICE OF INVESTIGATIONS REPORT NO. 1-2004-030

Dear Mr. Daniels:

This letter refers to an investigation regarding Entergy Nuclear Operations, Inc., Pilgrim Nuclear Power Station (PNPS) and FPLight Energy, Seabrook Station (Seabrook) conducted by the U.S. Nuclear Regulatory Commission's (NRC) Office of Investigations (OI). The purpose of the investigation was to determine if a former contract pipefitter, who engaged in a protected activity on April 29, 2003, while working for Williams Industrial Services Group, LLC, f/k/a Williams Power Corporation (Williams) at PNPS, was the subject of employment discrimination by being blacklisted (deselected) from obtaining subsequent employment at Seabrook in September 2003 in violation of 10 CFR 50.7, "Employee protection." The investigation also included the circumstances by which the former pipefitter left the job at PNPS and whether that may have constituted discrimination.

The investigation did not substantiate that the contract pipefitter was the subject of discrimination at PNPS when he walked off the job for refusing to, in his opinion, violate the work package requirements. The OI investigation did substantiate that the pipefitter was subsequently discriminated against by Williams at Seabrook for raising concerns at PNPS regarding the quality of a work package.

Concurrent with the OI investigation, the U.S. Department of Labor's Occupational Safety & Health Administration (OSHA) performed an independent investigation into whether the pipefitter was blacklisted by Williams supervision when they did not select him for employment at Seabrook. The OSHA investigation concluded that the evidence supported a finding, based on its merit, that discrimination occurred. On October 20, 2004, in response to the OSHA finding, the NRC issued a "chilling effects letter" to Williams, Seabrook, and PNPS requiring responses describing the actions the parties had taken or planned to take to assure the matter is not having a chilling effect on the willingness of other employees to raise safety and compliance concerns within their respective organizations. In a letter dated November 19, 2004, Williams described the actions they had taken to address concerns regarding an actual or potential chilling effect caused by the event. These actions included: (1) counseling the supervisors involved in the event, (2) reviewing and, as appropriate, enhancing its safety conscious work environment (SCWE) program not only at Seabrook, but all nuclear projects where Williams is engaged, and (3) developing a methodology to test the current understanding of Williams' employees at Seabrook regarding all aspects of their SCWE program.

Based on a review of the OI report, the NRC concluded that the contract pipefitter voluntarily walked off the job at PNPS and that the individual was not discriminated against. However, an apparent violation was identified at Seabrook and was considered for escalated enforcement in accordance with the NRC Enforcement Policy. The current Enforcement Policy can be found on the NRC's Web site at www.nrc.gov; select **What We Do, Enforcement**, then **Enforcement Policy**. The apparent violation of 10 CFR 50.7, "Employee protection," involves the deselection of the contract pipefitter for employment at Seabrook, for engaging in a protected activity (expressing concerns regarding a PNPS work package).

Before the NRC makes a final enforcement decision, we would normally provide you with an opportunity to either attend a closed, predecisional enforcement conference (PEC), provide a written response, or request alternative dispute resolution (ADR) to discuss the apparent violation. The purpose of a PEC is to obtain information to assist the NRC in making an enforcement decision, including whether a violation occurred. ADR is a general term encompassing various techniques for resolving conflict outside of court using a neutral third party. Additional information concerning the NRC's ADR pilot program can be obtained at <http://www.nrc.gov/what-we-do/regulatory/enforcement/adr.html>.

The NRC issued a Confirmatory Order to Williams dated November 14, 2005, for a separate but similar action that occurred in March 2000. The Order required you to take a wide range of corrective actions including: comparing Williams' SCWE program with industry SCWE "best practices" to ensure your program incorporates industry trends and developments, conduct periodic audits of Williams' SCWE program to ensure its effectiveness; and continue your existing SCWE training program and train all Williams Group supervisory and management level employees involved in nuclear work. In light of the Confirmatory Order and actions previously taken in response to this issue as documented in your November 19, 2004, letter; the NRC decided not to pursue further enforcement action against Williams on the subject of this investigation.

In accordance with the Confirmatory Order, Williams is required to provide the NRC with a letter summarizing its actions within eight months from the date of the Order. The NRC will evaluate the implementation of your corrective actions related to employee protection and your SCWE program during future inspections.

You are not required to respond to this letter. However, should you choose to respond, your response should be sent to the U.S. Nuclear Regulatory Commission, ATTN: Director, Office of Enforcement, Washington, DC 20555. If you have any questions, contact Mr. Russell Arrighi of my staff at 301-415-0205 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, and your response, if you choose to submit one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS),

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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.

Sincerely,

/RA/

Michael R. Johnson, Director
Office of Enforcement

cc: David K. Baxter, Counsel for Williams Service Group, LLC

D. Daniels

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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.

Sincerely,

/RA/

Michael R. Johnson, Director
Office of Enforcement

cc: David K. Baxter, Counsel for Williams Service Group, LLC

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