



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

JUN 15 1988

50-528

DD 88 - 08

Ms. Barbara S. Bush, Executive Director
Ms. Lyn McKay, President
Mr. Myron L. Scott, Intervention Coordinator
Coalition for Responsible Energy Education
315 West Riviera Drive
Tempe, Arizona 85282

Dear Ms. Bush, Ms. McKay, and Mr. Scott:

This letter responds to your July 16, 1986 petition concerning discrimination by the Arizona Public Service Company, et al. (Licensees) against certain employees by requiring them to submit to polygraph testing as a means of discouraging them from reporting unsafe conditions at the Palo Verde Nuclear Generating Station. In support of your claims, you cite the experience of an individual (Mr. Blaine Thompson) who, the Petition contends, was intimidated and harassed by the Licensees by being required to undergo polygraph testing in retaliation for allegedly reporting certain security problems to the NRC.

On the basis of these contentions, you ask the Nuclear Regulatory Commission (NRC) to provide relief by (1) imposing a stringent civil penalty; (2) requiring the posting of notices to employees advising them of protection afforded under 10 CFR 50.7 and the Energy Reorganization Act; (3) requiring the posting of notices of public apology by Licensees for alleged violations of 10 CFR 50.7 and the Energy Reorganization Act; and (4) deny or revoke all Palo Verde licenses. For the reasons stated in the enclosed "Director's Decision under 10 CFR 2.206," your request, with the exception of the request to have notices posted, has been denied.

A copy of this decision will be filed with the Secretary of the Commission for the Commission's review in accordance with 10 CFR 2.206(c) of the Commission's regulations. As provided by this regulation, the decision will constitute the final action of the Commission 25 days after the date of issuance of the decision unless the Commission, on its own motion, institutes a review of the decision within that time.

A copy of the Notice of Decision that is being filed with the Office of the Federal Register for publication is also enclosed.

Sincerely,

James Lieberman
James Lieberman, Director
Office of Enforcement

Enclosures: As Stated

cc: Arizona Public Service Corp
(w/incoming petition)

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