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January 10, 1997

VIA FEDERAL EXPRESS

Mr. Hubert J. Miller
Regional Administrator
U.S. Nuclear Regulatory Commission
Region 1
475 Allendale Road
King of Prussia, PA 19406-1415

**Re: December 11, 1996 letter to Bruce Hall
Enforcement Conference
OI Reports 1-94-006R & 1-94-053**

Dear Mr. Miller:

Your December 11, 1996 letter advised Mr. Bruce Hall of the NRC's decision not to initiate individual enforcement action against him. The letter also discussed certain allegations against Mr. Hall and invited him to submit a response if he chose to do so. At Mr. Hall's request and as Mr. Hall's attorney, I am submitting this brief response to your letter of December 11, 1996.

Mr. Hall appreciates the NRC's decision not to institute individual enforcement action against him. Furthermore, he is grateful that the NRC recognizes that he was candid and remorseful in discussing his role in the incidents that led to the September 11 enforcement conference. The decision not to take enforcement action against Mr. Hall is the right decision, and the NRC is entirely correct in recognizing Mr. Hall's candor and remorse.

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ROSS, DIXON & MASBACK, L.L.P.

Mr. Hubert J. Miller
January 10, 1997
Page 2

As you know, and as your December 11 letter correctly notes, Mr. Hall has consistently admitted that he may have made management mistakes in supervising the two individuals involved in this matter; however, he has also consistently and emphatically denied that he deliberately retaliated against anyone because they raised a safety concern. The purpose of this letter is to respond briefly to the comment in your December 11 letter which notes that "the NRC has evaluated your contentions but does not find them persuasive."

Obviously we have limited, if any, control over what the NRC may or may not find persuasive. Mr. Hall's position is set forth in detail in the Declaration and accompanying memorandum that he filed with the NRC on September 5, 1996 and that he has asked to be included in any files the NRC maintains on this matter. However, by this letter we wish to emphasize one fact which distinguishes the allegations of retaliation in this matter from the overwhelming majority of such allegations in other cases -- Mr. Hall had absolutely no motive to retaliate against anyone for raising the safety concerns that are at issue here. Because Mr. Hall had no reason to retaliate against the individuals involved in this matter, it is difficult to imagine why he would do so. In fact, as Mr. Hall has consistently maintained, he did not retaliate against anyone because of the December 3 incident or its aftermath or because safety concerns were raised in an October 12 memorandum.

Mr. Hall was not the subject of the concerns raised by the December 3 incident and its aftermath or the October 12 memorandum; his actions, his authority, and his standing in the company was in no way threatened by these events. The undisputed record reflects that the safety concerns related to the December 3 incident were raised before Mr. Hall even came to work at Salem and were entirely unrelated to any actions that he took or had any need or desire to defend. The undisputed record reflects that the safety concerns raised in the October 12 memorandum were also entirely unrelated to any action taken by Mr. Hall; even more importantly, the October 12 memorandum was written because Mr. Hall asked that the concerns raised in that memorandum be put in writing. In view of these undisputed facts, Mr. Hall plainly had no motive to retaliate against anyone for raising the safety concerns at issue here, and he did not do so.

The record in this matter is also clear that the two individuals who have accused Mr. Hall of retaliation had performance shortcomings and were quick to object to any attempt

ROSS, DIXON & MASBACK, L.L.P.

Mr. Hubert J. Miller
January 10, 1997
Page 3

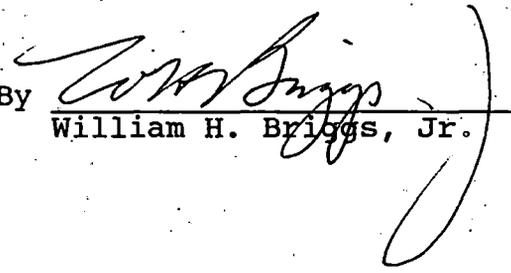
to correct these shortcomings. As Mr. Hall has consistently admitted, he may have made mistakes in trying to handle this difficult management situation. Indeed, the reasons why the NRC was apparently not persuaded by Mr. Hall's contentions go directly to Mr. Hall's possible management mistakes, not to proof of some deliberate action to retaliate. But there is a world of difference between management mistakes and deliberate violations the law. Mr. Hall did not deliberately violate the law.

Mr. Hall respectfully requests that this letter be attached to the NRC's December 11 letter and be placed into the PDR along with the December 11 letter. In addition, Mr. Hall also requests that his September 5, 1996 Declaration and supporting memorandum be included in the PDR with these materials.

Very truly yours,

ROSS, DIXON & MASBACK, L.L.P.

By


William H. Briggs, Jr.

WHB/jmh