

DEC 11 1990

Docket No. 50-302
License No. DPR-72

Florida Power Corporation
Mr. Percy M. Beard, Jr.
Senior Vice President, Nuclear
Operations
ATTN: Manager, Nuclear Operations
Licensing
P. O. Box 219-NA-21
Crystal River, FL 32629

Gentlemen:

SUBJECT: ENFORCEMENT CONFERENCE

The NRC's Office of Investigation (OI) has completed its investigation of alleged discrimination against two contractor employees formerly employed at Florida Power Company's Crystal River Nuclear Plant. The results of that investigation are documented in OI Case No. 2-90-003, dated October 31, 1990. The OI report concludes that a senior level Crystal River Nuclear Plant manager discriminated against the former employees. Discrimination by an NRC licensee against an employee for engaging in certain protected activities, as defined by Section 210 of the Energy Reorganization Act of 1974 as amended, is prohibited by 10 CFR 50.7. This matter, which was also reviewed by the U.S. Department of Labor under Case Nos. 89-ERA-0028 and 89-ERA-0029, is under consideration for escalated enforcement action. The synopsis of the OI report is enclosed for your information.

In view of the OI findings, you are requested to attend an Enforcement Conference in our office at 1:00 p.m., on January 18, 1991, as agreed upon in a telephone conversation between Mr. R. Crlenjak of our staff and Mr. W. Rossfeld of Florida Power Corporation. You are requested to address the pertinent issues associated with the case; including, the possible "chilling effect" which may have resulted at the Crystal River facility due to your actions.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2 Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the Public Document Room.

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Should you have any questions concerning this letter, we will be pleased to discuss them with you.

Sincerely,

Original signed by
James L. Milhoan (for)

Stewart D. Ebnetter
Regional Administrator

Enclosure:
Synopsis of OI Case No. 2-90-003

cc w/encl:
Gary L. Boldt
Vice President, Nuclear Production
Florida Power Corporation
P. O. Box 219-SA-2C
Crystal River, FL 32629

P. F. McKee, Director
Nuclear Plant Operations
Florida Power Corporation
P. O. Box 219-NA-2C
Crystal River, FL 32629

R. C. Widell, Director
Nuclear Operations Site Support
Florida Power Corporation
P. O. Box 219-NA-2I
Crystal River, FL 32629

A. H. Stephens
General Counsel
Florida Power Corporation
MAC - A5D
P. O. Box 14042
St. Petersburg, FL 33733

Attorney General
Department of Legal Affairs
The Capitol
Tallahassee, FL 32304

cc w/encl cont'd: See page 3

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cc w/encl cont'd:
Jacob Daniel Nash
Office of Radiation Control
Department of Health and
Rehabilitative Services
1317 Winewood Boulevard
Tallahassee, FL 32399-0700

Administrator
Department of Environmental
Regulation
Power Plant Siting Section
State of Florida
2600 Blair Stone Road
Tallahassee, FL 32301

State Planning and Development
Clearinghouse
Office of Planning and Budgeting
Executive Office of the Governor
The Capitol Building
Tallahassee, FL 32301

Chairman
Board of County Commissioners
Citrus County
110 N. Apopka Avenue
Inverness, FL 36250

Robert B. Borsum
Babcock and Wilcox Company
Nuclear Power Generation Division
1700 Rockville Pike, Suite 525
Rockville, MD 20852-1631

State of Florida

bcc w/encl:
The Honorable E. Earl Thomas
District Chief Judge
Office of the Administrative Law
Judges
Mercedes City Center
200 S. Andrews Avenue, Suite 605
Ft. Lauderdale, Florida 33301

bcc w/encl cont'd: See page 4

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bcc w/encl cont'd:
Employment Standards Administration
U.S. Department of Labor
ATTN: Mr. Alfred H. Perry
Regional Director for Wage
and Hour
1375 Peachtree Street, N.E., Room 664
Atlanta, Georgia 30367

U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division
ATTN: Mr. George E. Fernandez
Acting District Director
Interstate Building, Room 402
1211 North Westshore Boulevard
Tampa, Florida 33607

O. DeMiranda, RII
J. Lieberman, OE
J. Goldberg, OGC
S. Lewis, OGC
B. Hayes, OI
J. Worse, OI
Document Control Desk
DRP Section Chief

NRC Resident Inspector
U.S. Nuclear Regulatory Commission
6745 N. Tallahassee Rd.
Crystal River, FL 32629

RII:DRP
RC
RCrLenjak
12/5/90

RII:DRP
MS
MSinkule
12/6/90

RII:DRP
GJ
GJenkins
12/6/90

RII:DRP
LR
LReyes
12/6/90

RII:DRA
JM
JMilhoan
12/7/90

SYNOPSIS

This investigation revealed two Florida Power Corporation (FPC) employees at the Crystal River Nuclear Plant (CRNP) were blacklisted because of their choice of an attorney who represented them. The attorney, an outspoken critic of CRNP, represented the allegeders in an employee protection action before the Department of Labor (DOL). It was determined that the CRNP plant manager considered the allegeders security risks because of their association with the attorney and because of a statement attributed to one of the allegeders.

As a result of being denied plant access, the allegeders filed an additional complaint with the DOL charging FPC with blacklisting. A DOL decision was handed down in favor of the allegeders and FPC initially appealed the ruling. Several area news reporters contacted the FPC public information coordinator for a corporate statement and he advised them that FPC considered the allegeders security risks. This statement was widely publicized in regional news stories with no explanation as to why they were considered security risks.

Testimony in this investigation revealed the CRNP plant manager willfully and intentionally discriminated against the prospective employees by means of blacklisting when he refused plant access. The plant manager admitted his refusal was a personal decision based on the employees' choice of an attorney to represent them in an employee protection hearing before the DOL. The plant manager said he also based his decision not to hire the allegeders on a statement allegedly made by one of the employees which was never documented or investigated.