

From: <VMBLANCH@aol.com>  
To: WND2.WNP3(jnh,jaz),TWD1.TWP4(wjs,ljn1),WND1.WNP2(d...  
Date: 6/26/96 1:19pm  
Subject: Get out of Jail Free

Paul/XXX

The NRC granted Farley enforcement discretion:

FACILITY: FARLEY UNIT 1

DATE: 06/20/96

LICENSEE COMMENCED A TS REQUIRED SHUTDOWN OF BOTH UNITS AFTER DETERMINING THAT SURVEILLANCE TESTING OF MANUAL SI ACTUATION WAS INADEQUATE.

A REVIEW OF SURVEILLANCE TEST PROCEDURES CONCLUDED THAT A REACTOR TRIP ON MANUAL SI ACTUATION FROM THE CONTROL BOARD HAND SWITCHES HAD NEVER BEEN VERIFIED FOR EITHER UNIT. THIS PLACED BOTH UNITS IN TS 3.0.3 WHICH REQUIRES THAT WITHIN 1 HOUR FROM 1757 CDT ACTIONS BE TAKEN TO PLACE BOTH UNITS INTO MODE 3 OR BE IN HOT STANDBY WITHIN THE FOLLOWING 6 HOURS. UNIT 2 IS CURRENTLY RAMPING DOWN AT 1 MW/MIN. UNIT 1 PLANS TO BEGIN RAMPING DOWN AT .5 MW/MIN SHORTLY. THE LICENSEE INFORMED THE NRC RESIDENT INSPECTOR.

HOONOTE: A CONFERENCE CALL IS SCHEDULED AT 2100 EDT WITH THE LICENSEE TO CONSIDER A REQUEST FOR ENFORCEMENT DISCRETION.

\* \* \* UPDATE 2210 EDT 6/20/96 FROM COLLINS TO S.SANDIN \* \* \*

CONTROL ROOM NOTIFIED AT 2054 CDT THAT ENFORCEMENT DISCRETION WAS GRANTED. UNITS 1 AND 2 ARE CURRENTLY AT 94% AND 72% POWER, RESPECTIVELY. THE LICENSEE WILL RAMP BOTH UNITS TO 100% POWER.

The NRC's report states that they granted Farley enforcement discretion, but is mute on the subject of whether they even bothered to ask Farley if that licensee had (or intended) to ever test the required reactor trip on manual SI. Maybe if the NRC did not liberally distribute "get out of jail free" cards, licensees would feel somewhat more inclined to meet the conditions of their licenses.

On an unrelated subject, the NRC recently issued its Watch List. Did TIME magazine concur with this list, or did the NRC try this one on their own?

**From:** <VMBLANCH@aol.com>  
**To:** ud1.internet3("CASTAAJ@gwsmtpl.nu.com")  
**Date:** 6/26/96 1:19pm  
**Subject:** Millstone Problems

Tony C.

Could you please respond to this concerned citizen for me? I would probably just screw it up if I tried to explain it. This person's address is 71762.355@COMPUSERVE.COM. I will be gone for about 3 weeks.  
Hasta la vista

Paul, could you explain to me this problem with the emergency water system at Millstone? The newspaper articles said that the system was inoperable. Castagno said that it was a problem with seismic qualification. And all he had to say (in the article) about the service water system is that it didn't come into contact with radioactivity. I've got a sneaky suspicion Castagno is avoiding the issue.

What's the issue? And what is the EWS for? What is the SWS for? Does it matter whether they work?

Today's DAY reports that the emergency ventilation system doesn't work either. Management says this would not have posed a threat to the immediate health of the control room operators. They also said that they didn't know the health effects of breathing Iodine 131.

Doesn't that plant have a labor union?

**CC:** WND2.WNP3(jaz),KPD1.KPP2(ttm,djv),ud1.internet3("7...

**From:** <VMBLANCH@aol.com>  
**To:** WND2.WNP3(jnh,jaz),TWD1.TWP4(wjs,ljn1),WND1.WNP2(d...  
**Date:** 6/26/96 7:54pm  
**Subject:** CHRISTMAS IN JUNE?

Yes it's true, I'm giving everyone at NU and the NRC an early Christmas present and I'm going on vacation tomorrow until July 20, 1996. If anyone really needs to get in touch, leave a message with one of my kids or on the answering machine. I will be calling back about once a week to see if my kids are still alive and if Millstone has restarted. Looking at the map, I will be at least 3000 miles from the nearest land based nuclear power plant.  
Paul

960710175 1P

**From:** <VMBLANCH@aol.com>  
**To:** WND2.WNP3(jnh,jaz),TWD1.TWP4(wjs,ljn1),WND1.WNP2(d...  
**Date:** 6/26/96 10:12pm  
**Subject:** MP-1

There will be an all-hands meeting Thursday, June 27, 1996, at Millstone. Strong rumor has it that NU will announce that work on Unit 1 is being indefinitely suspended and quite a few contractor staff will be cut to save money.

From: <VMBLANCH@aol.com>  
To: WND2.WNP3(jnh,jaz),TWD1.TWP4(wjs,ljn1),WND1.WNP2(d...  
Date: 6/25/96 8:23am  
Subject: NU BOND RATINGS

(Press release provided by Standard & Poor's).

NEW YORK, June 24 - Standard & Poor's today has assigned its triple-B' senior secured rating to Connecticut Light & Power Co.'s (CL&P) \$160 million first mortgage bonds due 2001 and has placed it on CreditWatch with negative implications.

The triple-B' corporate credit rating and senior secured rating, the A-2' commercial paper rating, and the triple-B'-minus preferred stock rating for CL&P, a unit of Northeast Utilities, remain on CreditWatch with negative implications.

At March 31, 1996, CL&P had approximately \$1.9 billion of total debt outstanding.

The CreditWatch listing stems from concerns over the ongoing nuclear plant difficulties at the Millstone Nuclear Station, which is under intense scrutiny by the Nuclear Regulatory Commission (NRC).

All three Millstone Units have been shut down by the NRC pending management's ability to address numerous operational and design concerns and comply with the units' respective operating licenses.

As a result, Northeast Utilities (NU) expects to spend roughly \$25 million for monthly replacement power costs, which may be higher because of the reduction of capacity with the Millstone outage in a summer peaking demand region.

In addition, capital spending and maintenance costs are estimated to be at least \$100 million for NU and may rise.

Standard & Poor's is concerned over the erosion in CL&P's strong cash flow position, which will limit the utility's ability to reduce current high debt levels.

CL&P owns 81% of Millstone Units 1 and 2 and 53% of Millstone Unit 3.

The NRC placed the Millstone Station on its "watch list" on Jan. 31, 1996 because of the lack of operational license compliance in accordance with NRC regulation.

Management expects Millstone Unit 3 to potentially restart around August, and Units 1 and 2 to be down until later in 1996. Millstone Units 1 and 2 have been out of service since November 1995 and February 1996, respectively.

Millstone Unit 3 has been down since March 1996.

Management's ability to comply with the NRC requirements and restart the nuclear plants will be an enormous challenge. The Millstone Station accounts for about 25% of NU's power supply.

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Ratings for CL&P reflect the utility's somewhat below average business position.

The business position is supported by traditionally supportive Connecticut regulation, an affluent service area, and a modest industrial segment. This is offset by significant nuclear concentration and poor operating performance at the Millstone Nuclear Station, a sluggish local economy, and high rates.

Also, the ongoing plant outage will continue to hinder financial improvement over the near term, Standard & Poor's said.

14:34 06-24-96

From: <VMBLANCH@aol.com>  
To: udl.internet3("POLLAAL@nu.com")  
Date: 6/25/96 8:24am  
Subject: INTIMIDATION

Mr. Pollack

The following communication was sent to you on June 4, 1996. I would appreciate a response to this letter as soon as possible. This response must include a copy of your certificate, license or registration for your CPA you are claiming to have. If you fail to respond, I plan to file a complaint with the NRC/DOL for further violations of 10 CFR 50.7  
Paul Blanch

6/4/96

Mr. Alen Pollack CPA  
Northeast Utilities  
PO Box 270  
Hartford CT 06141

Dear Mr. Pollack:

I have received your letter dated May 31, 1996 and am now totally confused. In your letter you state:

"I achieved a BS-Accounting from Boston College, MBA from University of Hartford, CPA in the State of Connecticut, CFE (Certified Fraud Auditor) and I am a member in good standing with the AICPA (American Institute of CPA's). Except for the MBA, all these were in place when I was involved with the investigation back in 1989."

You are now claiming to being in possession of a CPA license in the State of Connecticut where I thought this was determined not to be the case back in 1989. I also recall the NRC's Office of Investigation determined that you were not a licensed CPA at the time of the internal audit.

It is my understanding that the title CPA is used in a similar fashion as a PE is to us engineers. I would not, and could not, use the designation of PE even though I had an engineering degree unless I obtained the certification from the State. I don't think a doctor would use M.D. after his name without board certification. My son has a degree in accounting but does not use CPA because he has not been "Certified" by any State agency.

If I am wrong about this, I am sorry and will never mention this issue in public again. Please send me a copy of your license indicating that you are a licensed CPA in the State of Connecticut and were licensed at the time of the audit.

This is an old issue but my recollection is from a letter I recently retrieved from my computer files. This letter was issued sometime in 1990 and is enclosed for your information.

I assume your letter is an official NU position as there was no indication as

96080702/APP

to its origin other than the NU phone number.

Sincerely,

Paul M. Blanch  
135 Hyde Rd. West Hartford CT. 06117  
860-236-0326

cc: Ernie Wilson NRC  
Ernie Hadley Esq.

May 31, 1996

Paul M. Blanch 135 Hyde Road  
West Hartford, CT. 06117

Dear Mr. Blanch,

You've recently made public mention about the Internal Auditor who conducted the investigation of some of your ex-employees and you've stated publicly that he falsified his credentials (or something to that effect). If you are referring to me, then I am confused. I thought you pursued that about five years ago and learned for yourself that I am not only a CPA but was also using my credentials appropriately. It was documented in a letter to you on November 15, 1990 from the State Board of Accountancy - Executive Director David Guay (Docket: 90-26).

I know that you are troubled about many things but I really think you can delete this one from your list. I would be happy to provide you with copies of documentation of my credentials since I am very proud of such accomplishments. I achieved a BS-Accounting from Boston College, MBA from University of Hartford, CPA in the State of Connecticut, CFE (Certified Fraud Auditor) and I am a member in good standing with the AICPA (American Institute of CPA's). Except for the MBA, all these were in place when I was involved with the investigation back in 1989.

I respect your right to free speech but request that you be more careful to be truthful and refrain from statements that I consider defamatory. If you are not sure, why not call me and see if I could satisfy any questions that you have about my background. Thank you.

Yours truly,

Allen L. Pollock  
203-665-3732

TO: Arnold Roby

FROM: P. M. Blanch

SUBJECT: NUP-23 Employee Grievances and Complaints  
Misrepresentation of Individual Professional



## Qualifications by the Manager of Internal Auditing

During late 1989, my Group was apprised that we were about to undergo an audit by NU's Internal Auditing Department. The identified topics of the audit were alleged abuse of time and expense sheets and also a possible "Conflict of Interest" related to my work with EPRI.

The audit was led by Allen L. Pollack, Manager of Internal Auditing Department. On the business cards presented to several members of my group at the commencement of the audit, Mr. Pollack represented himself as a CPA or Certified Public Accountant. I was also informed that Mr. Pollack is also a Certified Internal Auditor and also a Certified Fraud Examiner.

Throughout the audit, Mr. Pollack conducted himself in an extremely unprofessional manner by making false statements and eventually coming to conclusions which could not be supported by any facts. Information supplied to Mr. Pollack in support of my employees position was completely ignored when Mr. Pollack developed his conclusions and recommendations. Further I informed Mr. Pollack of a similar situation which occurred in 1985 and that management should insure consistency in their actions. This request was also ignored.

After some initial investigation via phone calls to the States of Connecticut and Massachusetts we determined the Mr. Pollack was not a licensed CPA in either of these states. The Secretary of States Office did inform me that Mr. Pollack did take the initial CPA exam but never fulfilled the requirement of three years of public accounting experience or the completion of the required ETHICS exam.

On April 17, 1990, I requested [in writing] the Secretary of State to look into this matter and determine if Mr. Pollack was authorized to use the title of CPA on an NU business card.

After numerous phone calls to Mr. David Guay, Executive Secretary for the State Board of Accountancy, I finally received a response dated November 15, 1990. Mr. Guay confirmed that Mr. Pollack did not possess any certification as a CPA and never met the other requirements or registered as a licensed CPA as implied by his NU business card. A strict interpretation of Chapter 389 of the Connecticut General Statutes concluded that there was no violation of the law.

On November 15, 1990 the State of Connecticut, in a letter, "cautioned" Mr. Pollack that the use of CPA was limited and could not be used "...to practice public accounting without holding a valid licence as a CPA and a current and valid permit to practice."

This is similar to representing myself as a Ph.D, Professional Engineer, or Attorney without possessing either a License or the professional experience. It is probably not against the law but would be considered unethical by most standards and responsible corporations.

To have the MANAGER of Internal Auditing advertising false professional credentials is preposterous behavior and completely beyond comprehension for any individual in this capacity.

It is even possible that Mr. Pollack misrepresented his qualifications to obtain his initial employment and his present position.

In accordance with the guidance on NUP-23 I am requesting the following actions:

1. Determine if it is consistent with NU's accepted practice and ethical policies to falsify the qualifications and licenses of the Manager of Internal Auditing and to advertise these false credentials to individuals within the organization.
2. Determine if Mr. Pollack also misrepresented his qualification at the time of employment and/or promotion(s).
3. If Mr. Pollack did knowingly misrepresent his qualifications by the use of CPA, then I can only suspect that he may have also misrepresented or distorted the relevant facts of the audit conducted of my group. In light of this, I believe that the results and conduct of the audit should be reviewed by an outside independent individual. The selected individual should be jointly agreed upon between the affected individuals and NU management.
4. If #3 is not acceptable to management, then the disciplinary action taken against the two individuals (Caccavale and Bhatt) should be rescinded.
5. Take appropriate disciplinary action against Mr. Pollack for the falsification and/or misrepresentation of his qualifications.
6. Apprise me as to what, if any, disciplinary action has been taken against Mr. Pollack. I will treat this information as company confidential and only inform the affected individuals that action has been taken consistent with the company practices.

Enclosed is a copy of all communication between myself and the State of Connecticut related to this matter.

As this issue is outside the scope of the Generation Engineering Department, I am requesting that this issue bypass the first two steps of NUP-23 and proceed directly to step #3.

Due to your absence, I do not expect a response within the required ten (10) working days, however I believe that a response to step #3 would be appropriate by March 29, 1991.

cc: Eric Debarba  
Barry Ilberman

CC: TWD1.TWP4(wjs,ljn1),WND1.WNP2(dcd),WND2.WNP3(jnh,j...

From: <VMBLANCH@aol.com>  
To: WND2.WNP3(jaz),udl.internet3("JAZWOL@aol.com")  
Date: 6/25/96 9:05pm  
Subject: Fwd: FILE

Z

How do I get one of these awards? I'll bet I identified more safety issues than this guy did!

B

-----  
Forwarded message:  
From: ftpserver@trobb.com  
To: vmb Blanch@aol.com  
Date: 96-06-25 14:53:49 EDT

We have received your e-mail request for a file from our system. We are replying with the requested file as an attachment to this message.

sysop trobb.com

IOWA CITY RESIDENT RECEIVES NRC MERITORIOUS AWARD  
NRCPR PR1996 3-96-31.TXT

U.S. NUCLEAR REGULATORY COMMISSION  
Region III Office of Public Affairs  
801 Warrenville Road, Lisle IL 60532-4351

NEWS ANNOUNCEMENT: RIII-96-31  
CONTACT: Jan Strasma 708/829-9663  
Angela Dauginas 708/829-9662  
E-mail: opa3@nrc.gov

June 24, 1996

#### IOWA CITY RESIDENT RECEIVES NRC MERITORIOUS AWARD

Christopher G. Miller, Senior Resident Inspector for the U.S. Nuclear Regulatory Commission (NRC) at the Quad Cities Nuclear Power Plant, Moline, Illinois, has been awarded the Meritorious Service Award.

Miller, a resident of Iowa City, Iowa, received the award for his outstanding contributions in identifying and resolving health and safety issues as Senior Resident Inspector for the Quad Cities Nuclear Power Plant.

In addition to being a Senior Resident Inspector for the last two years, he was a Resident Inspector at Duane Arnold

6/27/96 2pp

Nuclear Power Station in Iowa for five years.

Prior to his career at NRC, Miller served in the U.S. Navy from 1981-1986 where he qualified as a nuclear engineer. From 1986-1988, he was an engineer for Baltimore Gas and Electric at the Calvert Cliffs Nuclear Power Plant, Lusby, Maryland. He received a bachelor of science degree from Virginia Polytechnic Institute and State University.

At NRC Headquarters in Rockville, Maryland, Miller was honored at an award ceremony for his meritorious and excellent achievements as an employee of NRC.

NRC's Region III Office covers eight states in the midwest with 28 operating nuclear power reactors and about 2,500 licensees using radioactive materials for industrial, medical, academic, and research purposes. The eight state area includes Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio and Wisconsin.

# # # #

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Paul Smith, President  
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Telnet to trobb.com  
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not require a subject, or text in the body of your message, but YOUR mailer  
might.) Dial up BBS access by phone and ftpmail services, is FREE to ALL.  
=====

**From:** <VMBLANCH@aol.com>  
**To:** TWD1.TWP4(1jn1)  
**Date:** 6/25/96 12:39pm  
**Subject:** MP-1 Spent Fuel Pool

Mr. Norton:

Please get a copy of the attachemnts from JZ as I'm too cheap to mail or FAX these to you. A hard copy is being sent to JZ today. George Galatis has not included his comments but will discuss them with your office.  
Paul Blanch

6/25/96

John A. Zwolinski, Deputy Director Division of Reactor Projects -I/II  
Office of Nuclear Reactor Regulation  
Washington, DC 20555-0001

Dear Mr. Zwolinski:

This is in response to your letter to me dated May 7, 1996. In your letter you enclosed a matrix addressing 18 concerns I identified in my letter dated September 29, 1995.

My first and most important concern is why if all the analysis was complete when the license amendment was granted, why did it take another six months to respond to my concerns. One would have thought that the NRC would have addressed and documented all concerns prior to the issuance of the license amendment.

My comments and comments from other individuals are provided in the same format as your response. Mr. Galatis has informed me that he intends to respond to your letter directly to the Inspector General's Office. Please provide a schedule as to when the plant specific analysis for the radiological consequences for loss of spent fuel pool inventory will be provided. This commitment was made by Mr. Wayne Lanning at a public meeting on March 13, 1996. It is my opinion that this analysis should be conducted by NU under their QA program. This matter was discussed with Mr. Feigenbaum during our meeting earlier this month however no commitment was made at this time.

I will be on vacation from June 27 and returning on July 22, 1996.

Sincerely,

Paul M. Blanch  
135 Hyde Rd. West Hartford CT. 06117  
860-236-0326

**CC:** TWD1.TWP4(wjs),WND2.WNP6(jx1),WND2.WNP3(jaz),WND2....

9607110186 1P

**From:** <VMBLANCH@aol.com>  
**To:** WND2.WNP3(jnh,jaz),TWD1.TWP4(wjs,ljn1),WND1.WNP2(d...  
**Date:** 6/25/96 10:23pm  
**Subject:** Jackson says no restart

WASHINGTON, June 25 (Reuter) - U.S. Nuclear Regulatory Commission Chairman Shirley Jackson said on Tuesday it would be up to the commission to decide whether Northeast Utilities <NU.N> should be allowed to restart its three nuclear units at its power station in Millstone, Conn.

"Because of the pervasiveness of the issues here...I believe it is appropriate that you come back to the commission before that restart occurs," Jackson told regional NRC inspectors at a commission meeting.

NRC Regional Administrator Thomas Martin said that Northeast Utilities plans to file a report in July detailing 1,200 to 1,300 problems at the plant.

He said the utility estimated that half of those would have to be addressed before any restart.

"The NRC plans to closely monitor the programs and performance of Millstone" to address any problems before operations resume, he said.

An NRC staff member told the commission that the utility had not formally reported many of its problems, but had dealt with them in-house.

"We must see if there was some intention to put it in an informal system so that it would not be exposed to regulatory review," NRC staff member William Russell said.

"We should have been more forceful in addressing these problems much earlier," he said.

The three Millstone plants has been under intense scrutiny since the beginning of this year for various problems.

By Leslie Gevirtz BOSTON, June 24 (Reuter) - Nuclear Regulatory Commission inspectors, in a violations report on Northeast Utilities' <NU.N> Millstone, Conn., power plants, found the service water and emergency service water systems in Millstone 1 "may have been inoperable since the initial plant operation."

The June 6 report, excerpts of which were obtained by Reuters, said that at the 660 megawatt Millstone 1, first commercially licensed in 1971, NRC inspectors "concluded the SW (service water) and ESW (emergency service water) systems may have been inoperable since initial plant operation."

Northeast Utilities spokesman Anthony Castagno said in a telephone interview that the problem with the water systems was that "they didn't meet the seismic qualifications and we weren't upgrading them as quickly as we should have."

He said the service water system draws water from Long Island Sound, pumps it through heat exchangers, and returns it to the sound without it ever coming in contact with radioactive materials.

About the emergency service water system, Castagno said, "The issue here is the seismic qualifications of those. And, we weren't upgrading them as quickly as we should have."

The NRC report also mentions that the concrete foundation supporting Millstone 3 is dissolving.

Studies concluded a chemical reaction between two kinds of concrete in the foundation, now 40 feet below the surface, was causing a nine-inch-thick layer of concrete to dissolve.

Northeast Utilities estimated that it removed about 100 pounds of the liquefied concrete each year from the drains.

"It's eroding at such a small rate," said Castagno. "That concrete is a huge slab that weighs 670,000 pounds. And we've gotten about 1,000 pounds out of that in 25 years." (TONY, BETTER CHECK YOUR MATH )

The foundation he said later was poured in 1975.

NU said in a statement released on Friday that the utility "discovered this erosion nearly 10 years ago, and has been working with the NRC in a series of analyses and interactions...These analyses all confirmed that the containment structure meets its design requirements."

The NRC inspectors said in their report "we are concerned regarding the long-term safety implications of this concrete condition" and gave the utility 45 days to come up with an interim report.

NU said it plans to respond to the NRC request for an updated analysis in July.

The three Millstone plants are off-line and are going through intensive inspections.

"We're finding a fair number of times, first of all, we're finding documentation that wasn't properly kept up...We haven't found any that are directly significant or extremely significant to safety, but all these things, even though they are tertiary systems, are important to keep up," Castagno said.

Millstone 3 will be the first nuclear plant back on-line Castagno said, but there is no specific restart date, "although in some of our financial filings we've projected the worst-case scenario of a restart date at the end of the year."

14:04 06-24-96

13:42 06-25-96

**From:** <VMBLANCH@aol.com>  
**To:** WND2.WNP3(jnh,jaz),TWD1.TWP4(wjs,ljn1),WND1.WNP2(d...  
**Date:** 6/24/96 8:59pm  
**Subject:** NNSN letter to NRC Chairman

The following letter was mailed today to the Chairman of the NRC. This letter has been reviewed by most NNSN members and all comments have been incorporated or otherwise dispositioned. The letter is on NNSN Letterhead with the return address being that of Ernie Hadley.  
Paul Blanch

June 24, 1996

The Honorable Shirley Jackson  
Chairman  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555-0001

Dear Chairman Jackson:

I am writing to you on behalf of the National Nuclear Safety Network (NNSN).

On June 9-11, 1996 NNSN met in Duxbury Mass. The members of NNSN are aware that the NRC Staff is now currently reviewing policy addressing the NRC's responsibility to allegeders and we take this opportunity to provide the NRC with the insight of allegeders and their attorneys.

During my meeting with you on April 9, 1996, we discussed the proposed NRC Policy designed to protect these individuals. We also discussed our previous letter to SECY dated April 30, 1995. Shortly after our meeting, the Commission approved the proposed policy and provided direction to the NRC Staff to develop a some document that we understand will outline the Staff's responsibilities in providing protection to these individuals.

The scope of this policy must include not only Part 50 licensees but all licensees covered under Title 10 of the Code of Federal Regulations. NNSN is formally requesting that the following concerns be specifically addressed in the Staff's new Policy or whatever vehicle is developed to outline the NRC's responsibilities.

x The NRC must develop a position that clearly requires a documented investigation of all complaints of violations of 10 CFR 30.7, 50.7 and 70.7. The responsibility to investigate alleged violations of NRC Regulations can not be delegated to the DOL or any other Federal Agency. The NRC must assume the lead responsibility to investigate violations of NRC Regulations for harassment. NRC must investigate all allegations of HI&D for violation of NRC regulations, regardless of what DOL is doing. Should the allegeder contend that adverse employment action has occurred, it should be his/her decision as to pursuing a claim with the DOL. x The NRC, like the DOL must implement a time frame to complete the investigation and take prompt enforcement actions when required. The time frame for the NRC to complete its investigation must be within the 180 day time limit to allow filing with the DOL, should the

9607110 276 2 DP



alleged elect to take this particular action. x The NRC must consider sanctions against individuals similar to those sanctions imposed for violations of 10 CFR 26. The determination that a nuclear licensee manager has been involved in retaliation against an individual involved in a protected activity is more significant than a violation of 10 CFR 26. The retaliators must be held personally accountable and be subject to the Deliberate Misconduct provisions of 10 CFR 50.5. x Enforcement conferences dealing with violations involving harassment must be opened to both the licensee the individual alleging the harassment and the individual's counsel. For the NRC make itself available to hear one side of the story is in conflict with the interest of public health and safety. x During OI investigations of retaliation, the licensee must be precluded from having attorneys present on "behalf of the licensee's employees." Licensees have used the presence of their attorneys to further intimidate employees and witnesses.

The above suggestions will not require any changes of modifications to existing NRC regulations just vigorous enforcement of existing regulations. If the NRC Staff is unfamiliar with the existing regulations, then some type of seminar should be conducted with the appropriate staff members to refresh their understanding and the intent of the regulations.

NNSN is willing to meet with the Commission and/or the NRC staff at any time to discuss these suggestions and concerns. We look forward to your prompt and favorable response.

Should you desire to contact us by phone, you may call Mr. Ernie Hadley at 508-291-1354 or myself at 860-236-0326.

Sincerely,

Paul M. Blanch  
Spokesperson for NNSN

cc: Mr. Leo Norton  
Acting Inspector General

**From:** <VMBLANCH@aol.com>  
**To:** WND2.WNP3(jnh,jaz),TWD1.TWP4(wjs,ljnl),WND1.WNP2(d...  
**Date:** 6/23/96 1:19pm  
**Subject:** SUNDAY COURANT EDITORIAL 6/23/96

NU: drip- drip, drip  
Hartford Courant Editorial June 23, 1996

Embattled Northeast Utilities has something in common with the Clinton White House: Both are under siege, with unflattering stories about them coming out with dismaying regularity.

And neither has been especially adept at containing the damage. These are the latest droplets in the water torture afflicting NU: x In a critical report, the Nuclear Regulatory Commission took note of the slow erosion of part of the concrete foundation beneath the Millstone 3 nuclear power station and expressed concern about its long-term safety implications. The head of the NRC inspection team at Millstone said the erosion "is not currently a safety issue," but "it's got to be solved sooner or later." The NRC report also said that in earlier evaluations of the problem, NU used inaccurate data to determine whether the weakened concrete could support the weight of the reactor.

NU claims this is an old story blown out of proportion. The company contends that despite the unprecedented erosion - apparently caused by a chemical reaction where two different types of concrete meet - there is a huge margin of , safety, and that the problem should not affect the utility's ability to bring the plant back on-line, perhaps later this summer. All three Millstone nuclear plants are shut down after having been put on the NRC's safety watch list.

Perhaps the erosion in Millstone 3's foundation can be fixed and will not prevent the plant's start-up. But it pays to be skeptical, considering the company's record of cutting corners on regulations and harassing employees who raise safety concerns. x On Thursday, NU and George Galatis, an employee who blew the whistle on unsafe practices at the nuclear complex at Waterford, announced they reached an "amicable settlement" under which Mr. Galatis left the company. As usual in such cases, the details of the agreement were not released.

This whistleblower's complaint about procedures for handling spent fuel rods at Millstone I is credited with forcing regulators to look deeper into the company's operational problems. His story made the cover of Time magazine. Mr. Galatis' departure, no matter how "amicable," reminds people of NU's sorry treatment of employees who go public with safety concerns.

Paul Blanch, an engineer and whistleblower who left the company in 1993 with a settlement, said, "It's a travesty to the industry that everyone who has safety issues and brings them forth eventually is banned or bought out by the industry."

He calls it "ethic cleansing - anyone with ethics seems to be removed from the industry."

That's too extreme. But Northeast Utilities has done its share of cleansing of employees who raise safety issues. The company has even been fined for its treatment of whistleblowers.

One lesson that NU must learn from its spate of troubles is to listen to, not go to war against, employees who have such concerns.

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