From:PAUL M. BLANCH <PMBLANCH@ix.netcom.com>To:WND2.WNP3(jaz,awd,jnh),WND1.WNP2(hjm,dcd),TWD1.TWP...Date:10/18/96 10:32amSubject:Letter from Chairman Jackson

Friends:

Forwarded without comments at this time. If anyone does have comments I will consider drafting a response to Dr. Jackson.

UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D.C. 20555-0001

October 15, 1996

CHAIRMAN

Mr. Paul Blanch 135 Hyde Road West Hartford, Connecticut 06117

Dear Mr. Blanch:

I am responding to your September 11, 1996 letter, in which you expressed dissatisfaction with NRC's implementation of its enforcement policy, particularly with respect to protection of individuals who raise safety concerns at the nation's nuclear power plants. You also took issue with a statement by our Director of Enforcement in his August 9, 1996 letter to you concerning NRC resources to investigate allegations of wrongdoing associated with 10 CFR 30.7, 50.7 and 70.7 and asserted that the staff is reluctant to take enforcement action in discrimination cases.

The Commission recognizes the importance of the issues you are raising and is considering ways to focus agency resources more appropriately on high priority discrimination cases. Our goal is to place greater emphasis on the NRC staff's investigations of discrimination issues and the enforcement of the employee protection regulations when allegations of discrimination are substantiated.

The NRC, like all government agencies, has limited resources and mustprioritize issues in order to best conduct its mission. The priorities for cases involving alleged discrimination were recently revised as a result of the "Reassessment of the NRC's Program for Protecting Allegers Against Retaliation," NUREG-1499 (January 1994), which I have enclosed for your information.

The Commission continues to evaluate initiatives to improve its handling of discrimination cases as a result of ongoing studies. The General Accounting Office (GAO) has been conducting an audit of the way the NRC and the Department of Labor handle complaints of discrimination raised by employees of the nuclear industry. The GAO is expected to report its findings by

9612130058 961210 PDR DRG NRRA PDR January 1997. Concurrently, an NRC team recently completed a review of the handling of allegations of discrimination at Millstone over the last ten years. The team's report is to be issued shortly.

These efforts are expected to lead to improvements in the handling of NRC investigations of discrimination cases and in the timeliness of related enforcement actions. However, these improvements do not necessarily mean that enforcement action will occur in every substantiated instance of discrimination. The Commission's Enforcement Policy does provide that enforcement action is normally taken when discrimination is substantiated.

However, under Section VII.B.5 of the Enforcement Policy, the NRC may choose not to take enforcement action in certain instances in order to encourage prompt settlement and to foster broad corrective action to reduce the potential chilling effect at a licensee's facility.

You referred to the Statement of Policy, "Freedom of Employees in the Nuclear Industry to Raise Safety Concerns Without Fear of Retaliation," dated May 14, 1996. As you know, it emphasizes NRC's expectation that licensees and other employers subject to NRC authority will establish and maintain safety conscious environments in which employees feel free to raise safety concerns, both to their management and to the NRC, without fear of retaliation. The NRC has the authority to investigate alleged discrimination and take enforcement action against licensees, contractors of licensees, and individuals who are found to have unlawfully discriminated against employees in violation of NRC regulations, and the NRC staff has taken enforcement action against individuals in certain reactor and materials discrimination cases. We will continue to do so.

The Commission appreciates your comments and your concerns about protection of nuclear plant employees who have safety concerns. Although I am unable to meet with you in early November, I want to assure you that the Commission is focusing increased attention on the handling of discrimination cases.

Sincerely,

Shirley Ann Jackson

Enclosure: NUREG-1499

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