

*R. Kenison  
Switzerland*

**From:** Brian McDermott  
**To:** RKK, PDS  
**Date:** 6/25/97 3:46pm  
**Subject:** Current PP&L Corporate Auditing Investigation

On June 24, 1997, I spoke with Mr. Martin Urban, Manager - PP&L Corporate Auditing, regarding several ongoing investigations at the SSES site. Mr. Urban discussed a recent assignment regarding a concern that has to do with non-licensed and licensed operators not performing alarm tests that they signed for. He specifically mentioned alarm tests for the ESS transformer local panels, control room overhead annunciators, and a panel in the radwaste area. He stated that the issue was brought to PP&L by an "outside" entity (the attorney for a former NPO).

As of June 24th, Mr. Urban was collecting data and conducting interviews. He had not reached any conclusions. However, he stated that his interview with Mr. Chamblis led him to believe that the ESS transformer alarm issue was previously addressed (CR 97-0289) and that Mr. Chamblis did not previously know about the other alarm test issues.

Mr. Urban stated that he would be attending the union arbitration hearing on June 25, 1997, and would be looking for any supporting information provided by the former employees.

Ken Jenison reviewed the ESS transformer issue in February 1997 and found the licensee's conclusion acceptable. A re-evaluation of licensee data in June 1997 found the licensee has made four revisions of their report on the issue but made no substantial changes to the conclusion.

CC: KMJ

9902080003 990129  
PDR FOIA  
SORENSEN99-36 PDR

*Item # 41*

*A/41*

*1*

9902080003

Allegation No.: RI-97-A-0145

Branch Chief (AOC): Keimig

Site: Susquehanna

Acknowledged: Yes \_\_\_ No \_\_\_ N/A \_\_\_

Panel Date: 6/23/97

Confidentiality Granted: Yes \_\_\_ No \_\_\_

Issue discussed (if other than original allegation):

Allegor contacted prior to referral to licensee (if applicable)? Yes \_\_\_ No \_\_\_

ALLEGATION PANEL DECISIONS (Previous Allegation Panels on issue: Yes \_\_\_ No \_\_\_)

Attendees: Chair - Hehl *Chahl*

Branch Chief (AOC) - Keimig

SAC - Vito

OI Rep. - Letts, Monroe

RI Counsel - Fewell

Others - Nicholson (DRS),  
Walker (ORA), Swetland (DRP)  
Holody (ORA)

DISPOSITION ACTIONS: (State actions required for closure (including special concurrences), responsible person, ECD and expected closure documentation)

- 1) Acknowledgement letters (if known) include IG notification paragraph for allegor dissatisfied with allegation process; also include statement that involvement in union activities is not a 10 CFR 50.7 issue. Request additional info. for allegor who stated that he advised his supervisor about the other alarms not being tested (i.e. time periods, etc.).

Responsible Person: SAC

ECD: July 20, 1997

Closure Documentation:

Completed:

- 2) DRP/ Residents to contact allegors for more specific info; followup on alarm testing issues to determine if there are required tests and if they are documented.

Responsible Person: *Keimig*

ECD: July 1, 1997

Closure Documentation:

Completed:

- 3) Repanel.

Responsible Person: SAC

ECD: July 2, 1997

Closure Documentation:

Completed:

Safety Significance Assessment: TBD at 7/2/97 panel meeting.

Priority of OI Investigation:

*Item #42*

*A/42*

*(3)*

**NOTES:** (Include rationale for any referral to licensee, and identify any potentially generic allegations)

**Issue not to be referred to licensee**

A. Region 1 should refer as many allegations as possible to the licensee for action and response unless any of the following factors apply:

- Information cannot be released in sufficient detail to the licensee without compromising the identity of the alleged or confidential source (unless the alleged has no objection to his or her name being released).
- The licensee could compromise an investigation or inspection because of knowledge gained from the referral.
- The allegation is made against the licensee's management or those parties who would normally receive and address the allegation.
- The basis of the allegation is information received from a Federal agency that does not approve of the information being released in a referral.

Even if the above conditions exist, Region 1 shall refer the substance of the allegation to the licensee regardless of any factor if the allegation raises an overriding safety issue, using the guidance in Management Directive 8.8.

Factors to Consider Prior to Referral to a Licensee

In determining whether to refer eligible allegations to a licensee, The Region 1 Allegation Panel shall consider the following:

- Could the release of information bring harm to the alleged or confidential source?
- Has the alleged or confidential source voiced objections to the release of the allegation to the licensee?
- What is the licensee's history of allegations against it and past record in dealing with allegations, including the likelihood that the licensee will effectively investigate, document, and resolve the allegation?
- Has the alleged or confidential source already taken this concern to the licensee with unsatisfactory results? If the answer is "yes," the concern is within NRC's jurisdiction, and the alleged objects to the referral, the concerns should normally not be referred to the licensee.
- Are resources to investigate available within the region?

Prior to referring an allegation to a licensee, all reasonable efforts should be made to inform allegeders or confidential sources of the planned referral. This notification may be given orally and subsequently documented in an acknowledgement letter. If the alleged or confidential source objects to the referral, or does not respond within 30 calendar days, and the NRC has considered the factors described above, a referral can be made despite the allegeder's or confidential source's objection or lack of response. In all such cases, an attempt will be made to contact the allegeder by phone just prior to making the referral.

Also, referrals are not to be made if it could compromise the identity of the alleged, or if it could compromise an inspection or investigation. Note: Document the basis for referring allegations to a licensee in those cases where the criteria listed above indicate that it is questionable whether a referral is appropriate.

Distribution: Panel Attendees, Regional Counsel, OI, Responsible Persons (original to SAC)

Options for Resolution:

- Licensee Referral (Div. Dir. Concurrence Required (First Consider Factors Prior to Referral) / Document NRC Review of Response - Resp. - AOC)
- Referral to Another Agency (OSHA, etc. - Resp. - SAC)
- Referral to an Agreement State (MD, ME, NH, NY, RI - Resp. - SAC)
- Referral to Another NRC Office (OIG, NRR, Other Regions - Resp. - SAC)
- Request for Additional Info. (From allegeder, licensee, others - Resp. - AOC)
- Closeout Letter/Memo (If no further action planned - Resp. - AOC)
- Inspection (Resident/Specialist routine or reactive)

IF H&ID INVOLVED:

- 1) has the individual been informed of the DOL process and the need to file a complaint within 180 days (has DOL information package been provided?) Yes No
- 2) has the individual filed a complaint with DOL Yes No
- 3) if the complainant filed directly with DOL, have they been contacted to obtain their technical concerns (Resp. - SAC) Yes No
- 4) is a chilling effect letter warranted: (DOL finding in favor of allegor) (conciliation w/licensee prior to DOL decision) Yes No

ADDITIONAL NOTES: \_\_\_\_\_  
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