March 16, 1999

EA 98-165

Mr. T. C. Feigenbaum Executive Vice President and Chief Nuclear Officer Seabrook Station North Atlantic Energy Service Corporation c/o Mr. James Peschel P. O. Box 300 Seabrook, NH 03874

SUBJECT: PREDECISIONAL ENFORCEMENT CONFERENCE RELATIVE TO NRC INVESTIGATION 1-98-005

Dear Mr. Feigenbaum:

This letter refers to an investigation conducted at the Seabrook Nuclear Generating Station by the NRC Office of Investigations (OI) Field Office, Region I. The purpose of the investigation was to determine whether certain activities authorized by your license were conducted in accordance with NRC requirements. A synopsis of the OI investigation report is enclosed.

Based on the findings of the investigation (1-98-005), apparent violations were identified involving Title 10, Code of Federal Regulations (CFR), Section 50.7 (Employee Protection), 10 CFR Section 50.9 (Completeness and Accuracy of Information), and 10 CFR 50, Appendix B Criterion XVI (Corrective Action). 10 CFR 50.7 prohibits a licensee from discriminating against any employee for engaging in certain protected activities. The investigation indicates that a contract electrician employed by the Williams Power Company at the Seabrook Station was discriminated against for his involvement in raising a safety concern, causing you to be in apparent violation of 10 CFR 50.7.

Specifically, the electrician was laid off from work on January 16, 1998. The individual had raised a safety concern to a North Atlantic Service Corporation's Quality Assurance representative on January 7, 1998, regarding a wire configuration problem and inaccurate information on a cable termination checklist. The investigation revealed that the lay-off was an apparent deliberate act in retaliation for the employee raising this concern. Even though this employee was subsequently rehired, we concluded that this was an apparent violation of 10 CFR 50.7. The safety concern and the inaccurate information pertained to a January 7, 1998, maintenance activity on the control panel for the control building air-conditioning system. Station procedures, requiring proper documentation for the work performed, were willfully violated, creating a false record (Cable Termination Checklist) to cover up the problem. Also, workers failed to initiate an adverse condition report to document the wiring configuration problem noted during the work activity. These apparent violations are being considered for enforcement action in accordance with "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600.

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T. C. Feigenbaum

Since we have not completed our review of this matter, we are not issuing a Notice of Violation at this time. However, we are offering an opportunity to hold a predecisional enforcement conference with you to discuss this matter further. The purpose of this conference is to discuss the apparent violations, their cause(s) and safety significance, and to provide you the opportunity to point out any errors in our understanding. In addition, this is an opportunity for you to provide your perspectives on: the apparent violations, any aggravating or mitigating circumstances that the NRC should consider, and other information that will help the NRC determine the appropriate enforcement action. Also, regarding the apparent act of discrimination, we want to understand all of the corrective actions you have taken to ensure that this event has not caused a "chilling effect" on either your staff, or your contractors. Regarding the apparent inaccurate information, we want to understand all of the corrective actions you have taken to address the apparent deliberate misconduct by Williams Power personnel, as well as a more general lack of regard for use of the station adverse condition reports by contract personnel.

The predecisional enforcement conference will be held at our Region I Office in King of Prussia, Pennsylvania. The date and time of the conference has not been determined. Mr. Clifford Anderson of this office will discuss with you the arrangements for this meeting. The conference will be closed to public observation and will be transcribed. Also, Williams Power Company management has been invited to participate in the conference due to their involvement in these activities at your site. Further, we request that you and the Williams Power Company arrange with the supervisor who apparently created the inaccurate work record and discriminated against the contract employee, to attend this conference so he may provide any additional information to the NRC concerning his perspectives on this matter. For your information, we have offered this supervisor the options either to: attend this conference, attend an individual conference that would be arranged separately, or to not attend a conference at all. In this last case, any NRC individual enforcement determination could be based solely on the investigation results. Additionally, you are welcome to bring any additional NAESC or Williams Power personnel to this conference.

We have offered the contract electrician who was terminated, the opportunity to observe the closed enforcement conference with your organization. We have informed him that we will arrange for him to interact with the NRC staff at the end of the conference without your presence, if he should so desire, in order to preclude any perception of duress, and that he may be accompanied by legal counsel or representation.

Following the conference, you will be advised by separate correspondence of the results of our deliberations on these matters. No response regarding these issues is required at this time.

T. C. Feigenbaum

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and the enclosures will be placed in the NRC Public Document Room (PDR).

Please contact Mr. Clifford Anderson at 1-800-432-1156, Extension 5227, if you have any questions regarding this letter or the predecisional enforcement conference.

Sincerely

Original Signed by:

A. Randolph Blough, Director Division of Reactor Projects

Docket No. 50-443

Enclosure: Investigation Case No. 1-1998-005 (Synopsis)

cc w/encl:

B. D. Kenyon, President - Nuclear Group

J. S. Streeter, Recovery Officer - Nuclear Oversight

W. A. DiProfio, Station Director - Seabrook Station

R. E. Hickok, Nuclear Training Manager - Seabrook Station

D. E. Carriere, Director, Production Services

L. M. Cuoco, Senior Nuclear Counsel

W. Fogg, Director, New Hampshire Office of Emergency Management

D. C. McElhinney, RAC Chairman, FEMA RI, Boston, Mass.

R. Backus, Esquire, Backus, Meyer and Solomon, New Hampshire

D. Brown-Couture, Director, Nuclear Safety, Massachusetts Emergency Management Agency

F. W. Getman, Jr., Vice President and General Counsel - Great Bay Power Corporation

R. Hallisey, Director, Dept. of Public Health, Commonwealth of Massachusetts Seacoast Anti-Pollution League

D. Tefft, Administrator, Bureau of Radiological Health, State of New Hampshire

S. Comley, Executive Director, We the People of the United States

W. Meinert, Nuclear Engineer

T. C. Feigenbaum

Distribution w/encl: Region I Docket Room (with concurrences) **PUBLIC** Nuchar Safety Information Center (NSIC) NRC Resident Inspector RI-98-A-0012 H. Miller, RA J. Wiggins, DRA W. Lanning, DRS B. Letts, OI W. Davis, OI D. Screnci, OPA D. Vito, RI C. Anderson, DRP R. Summers, DRP R. Junod, DRP Distribution w/encls (VIA E-MAIL):

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SYNOPSIS

This investigation was initiated by the Office of Investigations (OI), Region I (RI), on January 29, 1998, to determine if an electrician working at North Atlantic Energy Service Corporation's (NAESCO) Seabrook Station (SS), Seabrook, New Hampshire, was discriminated against by Williams Power Company (WPC) management, a NAESCO contractor, for raising safety issues regarding electrical wiring in the control panel for the Control Building's Air-Conditioning (CBA) Sub-System. Once initiated, the investigation was expanded to determine if the electrician and his supervisor provided incomplete and/or inaccurate information on a Cable Termination Checklist for work performed on January 7, 1998.

Based on the evidence developed during this investigation. OI concludes that the electrician was discriminated against by a WPC supervisor for raising a safety concern. In addition, the same supervisor deliberately chose not to comply with SS procedures, requiring compliance with design documents, and deliberately caused an inaccurate document to be created with regards to the work performed on January 7, 1998.

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Case No. 1-1998-005