



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

SEP 12 1986

Ms. Lynne Bernabei
Government Accountability Project
1555 Connecticut Avenue, NW, Suite 202
Washington, DC 20036

IN RESPONSE REFER
TO FOIA-85-482

Dear Ms. Bernabei:

This is in response to your letter to the U.S. Department of Justice (DOJ), dated January 3, 1984, in which you requested, pursuant to the Freedom of Information Act (FOIA), copies of records pertaining to any investigation conducted by the Federal Bureau of Investigation (FBI), regarding allegations of dumping and destruction of new and usable materials and equipment, and any other potentially criminal activities of the Bechtel Power Company and Arizona Public Service Company employees or managers regarding the Palo Verde nuclear power plant.

The DOJ has asked that the Nuclear Regulatory Commission (NRC) respond directly to you regarding four NRC documents found in DOJ files. These four documents are listed on the enclosed appendix. The documents identified at numbers one through three on the enclosed appendix were made available to you previously under your earlier request, FOIA-83-161. The record identified on the enclosed appendix at number four is being withheld in part pursuant to Exemptions (6), (7)(C) and (7)(D) of the FOIA (5 U.S.C. 552(b)(6), (7)(C) and (7)(D)) and 10 CFR 9.5(a)(6), (7)(iii) and (7)(iv) of the Commission's regulations. Information withheld pursuant to Exemptions (6) and (7)(C) consists of personal information the release of which would constitute a clearly unwarranted invasion of personal privacy. Information withheld pursuant to Exemption (7)(D) consists of the names and other identifying information the disclosure of which would reveal the identities of confidential sources. Handwritten notations made by an employee of the Criminal Division of the DOJ, are also being withheld from public disclosure. These notations are being withheld pursuant to Exemption (5) of the FOIA (5 U.S.C. 552(b)(5)). The nonexempt portions of this document are being placed in the NRC's Public Document Room in file folder FOIA-85-482.

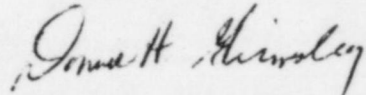
Pursuant to 10 CFR 9.15 of the Commission's regulations, it has been determined that the information withheld is exempt from production or disclosure and that its production or disclosure is contrary to the public interest. The person responsible for the denial of the NRC information is Mr. Ben B. Hayes, Director, Office of Investigations. The person responsible for the denial of the DOJ information is Mr. L. Jeffrey Ross, Chief, Freedom of Information/Privacy Acts Unit, Office of Enforcement Operations, Criminal Division, DOJ.

Ms. Bernabei

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The NRC denial may be appealed to the Secretary of the Commission within 30 days from the receipt of this letter. Any such appeal must be in writing, addressed to the Secretary of the Commission, U. S. Nuclear Regulatory Commission, Washington, DC 20555, and should clearly state on the envelope and in the letter that it is an "Appeal from an Initial FOIA Decision." The DOJ denial may be appealed to Mr. Ross.

Sincerely,

A handwritten signature in cursive script, reading "Donnie H. Grimsley".

Donnie H. Grimsley, Director
Division of Rules and Records
Office of Administration

Enclosure: As stated

cc: Mr. L. Jeffrey Ross

APPENDIX

1. 05/17/82 Affidavit of Robert D. Gunderson. (5 pages)
2. 01/08/83 Affidavit of Robert D. Gunderson. (5 pages)
3. 02/25/83 Affidavit of Wallace R. Royce with attachments. (28 pages)
4. 11/03/82 NRC Report of Investigation Palo Verde Nuclear Generating Station Allegation Regarding Falsifications of Termination Installation Cards for Unit 1.