

U-601377
142-89(02-17)-LP
1A.120

ILLINOIS POWER COMPANY



CLINTON POWER STATION, P.O. BOX 678, CLINTON, ILLINOIS 61727

February 17, 1989

Docket No. 50-461

Mr. A. B. Davis
Regional Administrator
Region III
U.S. Nuclear Regulatory Commission
Glen Ellyn, Illinois 60137

~~CONFIDENTIAL~~ BSD
5/31/89

Subject: Response to Allegation Concerning
Wrongful Employment Termination

Dear Sir:

On December 21, 1988, Illinois Power Company (IP) received Nuclear Regulatory Commission (NRC) Region III letter dated December 14, 1988, which forwarded an allegation to IP for investigation. This allegation concerns wrongful employment termination. On January 16, 1989, IP issued letter #U-601355 to you, requesting an extension of the due date for response to this allegation to February 20, 1989. The IP Quality Assurance Department has now completed this investigation, and the results are summarized in Attachment A to this letter.

Please contact me if you have any questions regarding this information.

Sincerely yours,

A handwritten signature in cursive script that reads 'D. L. Holtzscher'.

D. L. Holtzscher
Acting Manager -
Licensing and Safety

KAB/pgc

Attachment

cc: NRC Clinton Licensing Project Manager
NRC Resident Inspector
Illinois Department of Nuclear Safety

B906270051 B90615
PDR ADOCK 05000461
P PNU

Attachment A
Wrongful Employment
Termination Allegation

~~CONFIDENTIAL~~ BSD
5/31/89

Allegation Description

The NRC requested Illinois Power Company (IP) to conduct an investigation to establish the validity of a wrongful employment termination allegation. The allegation concerns an individual who was allegedly terminated (laid off) after surfacing safety concerns.

Investigation Summary

The investigation did not substantiate the wrongful employment termination allegation. The results of the investigation concluded that the individual was terminated as a result of a reduction in force and not in retribution for surfacing safety concerns.

Supporting documentation providing further details of this investigation is available at Clinton Power Station (CPS) for NRC review.

NRC Inquiries

1. Did a Baldwin Associates (BA) management individual attempt to influence the outcome of an audit conducted by the allegor?

This issue could not be substantiated.

The BA management individual who was alleged to have influenced the outcome of the audit was interviewed. The BA management individual vaguely remembers the allegor and can not associate the allegor with the specific audit. The BA management individual recalls sending personnel to vendors to resolve items on Document Exception Lists (DELs).

The allegor's former manager was also interviewed and recalls sending the allegor to many vendors but can not recall sending the allegor to the specific vendor related to this allegation.

A previous investigation file was reviewed that directly relates to the wrongful employment termination allegation. This investigation revealed that the allegor was unable to verify that all the requirements necessary for the acceptance of the vendor's material under alternate rules of a code case were met; however, the requirements necessary for the acceptance of the material under the alternate rules of a different code case were met. BA management did not consider these results to be unfavorable. The results of the audit were used to close the DEL items making the material in question acceptable.

BSD
5/31/89

2. Did a BA management individual allegedly advise the allegor to buy a new car approximately two months before the allegor was laid off?

This issue could not be substantiated.

The BA management individual was interviewed and specifically questioned if he advised the allegor to purchase a new car. The BA management individual stated that he did not advise the allegor to purchase a new car.

3. Was an alleged request for transfer refused because the allegor was too valuable an asset to his organization approximately two weeks prior to the allegor being laid off?

This issue could not be substantiated.

The manager of the organization in which the allegor was assigned was interviewed and could not recall a request for transfer from the allegor approximately two weeks prior to the allegor's layoff.

The allegor's former supervisor was interviewed and could not recall if the allegor requested a transfer back to the organization in which the allegor worked prior to being transferred and subsequently laid off.

A review of the allegor's personnel file did not reveal a documented request for transfer approximately two weeks prior to being laid off.

4. Why was a clerical BA employee allegedly transferred to fill the allegor's position shortly after being laid off instead of recalling the allegor?

This issue could not be substantiated.

Investigation confirmed that the alleged BA employee was transferred to an organization of similar responsibilities; however, this individual was not transferred to the group and section where the allegor worked when the allegor was laid off.

The investigation also revealed that the BA employee did not have clerical responsibilities. A review of the employee's personnel file revealed that this individual was certified as a Level I procurement engineer.

5. Were there previous allegations or concerns implicating a BA management individual in the forced layoff of individuals who had surfaced safety concerns?

~~CONFIDENTIAL~~ BSD
5/31/89

Three allegation files were located; however, it could not be substantiated that the BA management individual attempted to intimidate or treat unfairly individuals who raised safety concerns.

A review of previous allegations and concerns was conducted which identified one allegation that directly relates to this investigation. The same BA management individual was implicated for allegedly attempting to influence the outcome of the allegor's audit. The investigation of the previous allegation did not substantiate that the allegor was laid off for generating an unfavorable supplier quality assurance activity report. The second and third allegation files that were located apply to one allegation. Two separate files are being maintained for this allegation. The same BA management individual was identified in the allegation. A review of the allegation files did not reveal any evidence implicating the BA management individual in the forced layoff of individuals who had surfaced safety concerns. No other allegations or concerns were located.

6. Was the allegor's layoff consistent with BA's work load level in the allegor's area of responsibilities?

Investigation confirmed that the allegor's layoff was consistent with BA's work load in the allegor's area of responsibility.

The allegor's area of responsibility at the time the allegor was laid off was identified as technical support for a specific group. The allegor was the only BA individual assigned to technical support with the exception of a lead individual. A review of BA organization charts revealed that the allegor's position was not filled after the allegor was laid off. Several BA employees transferred to the allegor's group after the allegor was laid off; however, these individuals did not transfer into the same section where the allegor had worked. Approximately three months after the allegor was laid off, the group the allegor was assigned to was reorganized and the technical support function was deleted.

The allegor's former manager was interviewed and contended that the allegor was laid off because of a lack of a work load.

7. Was the allegor's layoff consistent with personnel of similar years of service for BA?

The investigation concluded that the number of years of service for BA was not relevant when individuals were selected for the reduction in force.

An attempt to locate a reduction in force list from the BA archives was unsuccessful. As a result of this lack of evidence, it can not be substantiated if other individuals with similar years of service with BA were laid off at or near the same time as the allegor.

The investigation confirmed through interviews and reviews of weekly force reports that a reduction in force occurred during the time period the allegor was laid off. A letter outlining the selection criteria for the reduction in force was obtained. A review of the selection criteria does not include or consider the number of service years for BA.

The investigation also revealed that during the time period the allegor was laid off, the activities the allegor was associated with prior to being transferred to a technical support position were being transferred to Illinois Power Company. The allegor's former supervisor was interviewed and indicated that personnel who were not selected by Illinois Power Company would have been laid off.

JUN 15 1989

Docket No. 50-461

Illinois Power Company
ATTN: Mr. W. C. Gerstner
Executive Vice President
500 South 27th Street
Decatur, IL 62525

Gentlemen:

We have reviewed the supporting documentation for the Illinois Power (IP) Company's investigation of NRC Allegation RIII-88-A-0076 (alleged wrongful termination of an employee) which was forwarded to Region III by your April 20, 1989 letter.

Our review of the supporting documentation determined that your conclusions outlined in your February 17, 1989 letter of the same subject were based on a thorough and in-depth investigation of the NRC concerns described in our December 14, 1988 letter.

We agree with your finding that the allegation could not be substantiated.

However, in addition to this allegation, several other allegations involving contractor employee protection at Clinton have caused us to be concerned with IP control over contractor management in the area of employee protection. Accordingly, we request you provide to us details as to the method employed by IP to insure contractors comply with the employee protection provisions of 10 CFR 19 and 10 CFR 50.7. We request this information be provided to the NRC within 60 days of the date of this letter.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and a copy of your February 17, 1989 letter will be placed in the NRC Public Document Room.