



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
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January 10, 2001

EA-99-157

Gregory M. Rueger, Senior Vice President
and General Manager
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Pacific Gas and Electric Company
Nuclear Power Generation, B32
77 Beale Street, 32nd Floor
P.O. Box 770000
San Francisco, California 94177

SUBJECT: SAFETY-CONSCIOUS WORK ENVIRONMENT AT DIABLO CANYON

Dear Mr. Rueger:

Your letter of February 25, 2000, and the NRC letters of January 14 and May 2, 2000, discussed the safety-conscious work environment at the Diablo Canyon Nuclear Power Plant. Your letter described the actions that Pacific Gas and Electric (PG&E) have taken to address the potential negative effects on the safety-conscious work environment as a result of the events associated with the discrimination case involving Mr. Neil J. Aiken, a former shift foreman at Diablo Canyon. On April 4, 2000, PG&E and Mr. Aiken reached a settlement in the discrimination case that was pending before the Department of Labor. Because a settlement was reached, the Department of Labor closed the discrimination case without reaching a final decision.

PG&E and the NRC discussed this matter during a May 19, 2000, public meeting in the San Luis Obispo area. In November 2000, PG&E continued its efforts (as described at the May 19 meeting) for monitoring its safety-conscious work environment by conducting another site-wide culture survey. The results of this survey are expected in early 2001.

Throughout this period, the NRC has monitored PG&E's actions to address the potential for a chilling effect to evolve. We have reviewed the findings that have emanated from the site culture surveys and the NRC's inspection and allegation programs. Based upon our reviews, no further specific NRC actions are planned related to the potential chilling effect resulting from the Mr. Neil Aiken discrimination case; however, we will continue to monitor PG&E's ongoing efforts to maintain the safety-conscious work environment at Diablo Canyon, including review of the upcoming survey results.

Please contact me if you have any questions about this letter.

Sincerely,

/RA/

Ellis W. Merschoff
Regional Administrator

Docket Nos.: 50-275
50-323
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