



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
478 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406

June 21, 1990

MEMORANDUM TO: Dennis K. Rathbun, Director
Congressional Affairs

FROM: Thomas T. Martin, Administrator

SUBJECT: ALLEGATION OF FALSE TESTIMONY TO CONGRESS BY AN NRC LICENSEE

We have become aware of an allegation of a false statement given in testimony before Congress by a representative of an NRC licensee, Northeast Utilities. The alleged false information was presented during a congressional hearing concerning secret settlement agreements involving nuclear utilities. We believe that this allegation has been brought to the attention of Senator John Breaux, Chairman, Senate Subcommittee on Nuclear Regulations, Committee on Environmental and Public Works. We became aware of this through a copy of the enclosed letter from Mr. Robert A. Solomon, Attorney at Law, New Haven, CT, concerning his client, [REDACTED] to Senator John Breaux.

Please confirm with Senator Breaux's office that they have received the letter from Mr. Solomon of the firm Pittman, Sweeney, Solomon and Swaine dated March 14, 1990.

Thomas T. Martin
Regional Administrator

Enclosure:
As Stated

bcc:
W. Raymond
J. Sheelosky
A. Vega
Allegation File No. RI-90-A-0042
C. White, CI

Information in this record was deleted
in accordance with the Freedom of Information
Act, exemptions b7C
FOIA 91-162

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March 14, 1990

The Honorable John Breaux
Chairman, Senate Subcommittee
on Nuclear Regulations
Committee on Environmental and Public Works
United States Senate
Washington, D.C.

Re: [REDACTED] v. Connecticut Light & Power, d/b/a Northeast
Utilities

Dear Senator Breaux:

In the [REDACTED] Congressional Record you entered certain information you received from Bill Ellis, Chairman and Chief Executive Officer of Northeast Utilities, concerning its offer of settlement to [REDACTED]. The offer included language to discourage reporting safety violations to the Nuclear Regulatory Commission. As noted in documents supplied by Northeast Utilities, I represent [REDACTED].

Mr. Ellis and Northeast Utilities have assured you that Northeast has corrected the offending language appearing in the offer to [REDACTED]. While I have no knowledge as to the treatment of other whistle-blowers, nothing could be further from the truth insofar as Northeast Utilities' treatment of [REDACTED] is concerned.

Prior to submitting a written agreement to [REDACTED] I reached an oral agreement with Northeast Utilities' attorney as follows:

- 1) Connecticut Light & Power, d/b/a Northeast Utilities and W.J. Barney Corporation (a co-defendant in the case) would [REDACTED]
- 2) All parties would keep the terms of the settlement confidential;

3) [REDACTED]

4) The litigation would be withdrawn.

Subsequent to this, Connecticut Light & Power's attorneys submitted a lengthy settlement agreement with onerous (and perhaps illegal) restrictions on [REDACTED] First Amendment rights and, in his view, duty to report safety violations to the N.R.C. Because of this, [REDACTED] refused to sign the agreement. We suggested changes, still hoping to settle the litigation on the agreed upon terms. Connecticut Light & Power's only response to us was that the settlement offer was withdrawn and we should proceed with litigation.

In a May 4, 1989 internal memorandum to Northeast Utilities's Officers, Northeast Utilities, by E.J. Mroczka stated that "settlement discussions have proved unsuccessful... Northeast Utilities plans to vigorously defend itself..." in the litigation. Since then, [REDACTED] has undergone three full days of depositions. As his attorneys, we expended numerous hours representing [REDACTED] resulting in large legal bills for which [REDACTED] an hourly worker, is obligated. All of this was necessitated by Connecticut Light & Power's refusal to enter into a written agreement consistent with the earlier oral agreement. Of course, if we go to trial, we will expend a much greater amount of time.

Contrary to Mr. Ellis' assurances, Connecticut Light & Power never offered to remove the offending language from the agreement or to substitute any alternative language. In fact, through its refusal to settle this matter on agreed upon terms and its use of superior resources to litigate beyond [REDACTED] financial resources, Connecticut Light & Power is now punishing [REDACTED] precisely because he has made public the contents of the agreement. Thus, not only has Connecticut Light & Power not corrected its actions, but it continues to act punitively toward [REDACTED] for his role as a whistle-blower, including his role in bringing this issue to your attention.

[REDACTED] will continue to speak out on safety issues. He is not anti-industry. He worked at a

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nuclear site for two years, but believes in systems to avoid the human errors which could result in a catastrophe. Apparently, this is not acceptable to all members of the industry, including Connecticut Light & Power.

Very truly yours,

Robert A. Solomon

Robert A. Solomon
Attorney at Law

RAS/lb

cc: Richard K. Walker, Esq.
