

From: PAUL M. BLANCH <PMBLANCH@ix.netcom.com>
To: WND2.WNP3(jaz,awd,jnh),WND1.WNP2(hjm,dcd),TWD1.TWP...
Date: 9/13/96 8:12am
Subject: Letter to Kenyon

Senators Lieberman and Dodd:

The enclosed letter explains our concerns better than any other communication I have seen. While I may not agree with every point in the letter, it sends a clear message to NU. I have deleted the author's name from the attached letter such that he will not be further persecuted by the inept NRC.

Yesterday I received communication from Senator Lieberman's office as to the status of the NRC investigation. The NRC is still giving all of us a run-around as to where this issue is. As Senators for our State you have the responsibility to the citizens of Connecticut.

Many of the terminated employees were doing only what is required by NRC Regulations and that is identifying potential violations of these very regulations. One unnamed terminated employee reported illegal liquid discharges to the NRC, the EPA and NU management. This is now with a federal Grand Jury, yet he is still unemployed.

The initial NRC/DOL investigation was completed last April but has now been turned over to the NRC Office of Investigations. Given OI's past record, they are probably trying to find a way to justify that NU did the correct thing. If history is a predictor of the future, the statute of limitations will expire long before the NRC takes any action. This is but one more vivid example of Jim Lieberman's "Prompt and Vigorous" enforcement actions.

I am formally requesting a copy of the initial NRC/DOL investigation of this matter.

I look forward to your prompt response.

Paul Blanch

September 5, 1996

NORTHEAST NUCLEAR ENERGY CORPORATION

Attention: Mr. Bruce Kenyon

President & CEO Nuclear Operations PO Box 128

Waterford, CT. 06385

Mr. Kenyon,

I would like to take this opportunity to welcome you back to the area and offer my congratulations on your acceptance of the position of President and CEO of Nuclear Operations at Millstone Power Station.

Mr. Kenyon, this is a letter from the heart. I sincerely hope you take the time to read it and reflect on its content. Let me introduce myself. I was one of the 100 people laid off in January 1996, for "lack of work" supposedly. I was a dedicated employee who spent numerous hours above and beyond those normally scheduled. I was educated in Nuclear Systems at some great expense by NU. I used a rarely known commodity at Millstone called Common Sense. I was different.

Yet as the result of the opinion of one manager, who felt that I should be like him, I was "dishonorably discharged" from Millstone. Yet this judgment on my future was performed by a manager who has had documented severe emotional problems, in front of the NRC no less, and yet he still continues his employment at NU. I wonder if the public would appreciate knowing such unstable people are in management at a nuclear facility

If you are not aware currently, the selected 100 were categorized using a complex and highly suspicious device called a "workforce reduction matrix" which ranked us based on "leadership", "teamwork", commitment to change" and other highly subjective categories. The NRC is currently investigating this creative mechanism and will issue its findings eventually. From the NRC meetings that I and others have attended, Millstone cannot restart until this issue and others have been resolved. According to the NRC, if there is a finding that there was discrimination, there will be repercussions. I suspect they will not be in Northeast Utilities favor.

On a cold day in January 1996, the "Millstone 100" were unceremoniously told that we were no longer needed, and in 30 minutes or less, marched out the gate in front of our peers and stripped of our badges, our dignity, our livelihood, and our pride. Perhaps the upper management at Northeast Utilities did not understand how that felt, or the results that would come from it. I suspect they may be enlightened shortly.

The Millstone 100 live in the community and have families. In the past "whistle blowers" were labeled as merely malcontents. However with the force of a 100 knowledgeable technical people out in the community, the general populace has begun to listen. One merely has to attend the current series of NRC meetings to see the effect these former employees have on the public confidence in Millstone. The NRC has been forced to act, and NU while insisting it was saving money in this "Layoff", has been hemorrhaging hundreds of millions of dollars. I would believe you know exactly how much that loss of money is, and also the fact that it isn't over quite yet.

The "Millstone 100" are angry. They are hurt at the way Northeast Utilities upper management treated them. They feel betrayed. After all, upper management at Millstone had claimed "we are a Family", particularly when they asked salaried employees to work overtime without being compensated. They feel that upper management was arrogant, secretive, and deceitful. The Millstone 100 did not deserve to be treated they were. This highly secretive "ballot" called the "workforce Reduction Matrix" was certainly not in the professional image NU had tried to portray. It allowed managers to keep their friends, remove those they simply didn't like, and certainly remove those they felt might cause trouble. Think it worked well Mr. Kenyon, or did it merely bring everything that NU had tried to keep hidden out into the glare of the public light?

Their demise from Millstone accomplished numerous effects, mostly negative. In my personal opinion they were:

- 1). It instilled in the remaining employees an unhealthy fear of coming forward with concerns. After all, one merely needs to look at what happened to so and so when he raised concerns. It reinforced people's distrust of management. In prior years surveys were taken among the populace at Millstone regarding trust of Management and the results were that management said one thing and did another. "yes we want people to come forward with safety concerns", "we do not harass or intimidate those who do come forward". The fact that these people who did raise concerns no longer occupy their positions at Millstone certainly lent credence to that concept, did it not Mr. Kenyon? Even the public is beginning to wonder if NU merely discharges an employee who raises a safety concern.

- 2). NU released into the public domain angry, and hurt former employees who had extensive intimate technical knowledge of what transpired behind the fortified walls of Millstone. Former "Millstone Family" members who now struggled with the survival of keeping their families clothed, and fed. Children who no longer had insurance coverage, and possibly saw their parents arguing over which bill to pay first. Not a good business decision Mr. Kenyon. But then NU upper management felt they were invincible. NU was

the big powerful entity that certainly could do as it pleased. Is this knowledge responsible for the current predicament of all 3 plants being on the NRC's watch list? Make your own decision Mr. Kenyon.

Northeast Utilities has paraded numerous people through the papers claiming "we want to earn your trust back" People in this community are educated people of an old Yankee tradition and can see through a smoke screen. When they are mislead, they find it extremely hard to trust someone again. It will take more than these ads to regain their trust. It is this trust Mr. Kenyon that will allow Millstone Units to be restarted.

While I realize that I may not have the entire picture, I will suggest some avenues you may wish to explore.

1). Relieve the current management at Millstone of their duties. They once had the trust of the community, the state and were highly respected in the industry. Apparently somewhere along the line they changed into something that eventually lost that trust. Management was more concerned with the product, than the people who managed that product. They lost sight of the fact the treating people like people will carry a company to the top since people will put forth an extra effort when called upon. They simply forgot that in such an industry as Nuclear Power, they did have to answer to the public.

By a complete revision of the current management scheme, I do not mean merely Vice Presidents, and Directors, but all the way down to and including managers. The people at Millstone below that level are indeed hard working dedicated people, and will perform admirably given proper direction, and influence from management. The current environment of intimidation will not work, nor can it prevail.

2). Rehire the entire "Millstone 100" These people were supposedly laid off for lack of work. There is no lack of work at Millstone. People in the community are asking the question if these 100 people were laid off lack of work, and now all 3 plants are down, then why haven't there been more lay-offs? Does NU have something to hide...again?

Additionally, it would show good faith in heading off the NRC investigation that may result in another indictment of NU and another "black eye" to its image which needs to be rebuilt. If these 100 people are indeed problems, then on an individual basis use the internal method of discipline up to and including discharge to remove them. The good faith act would indicate that NU is willing to admit a mistake and correct, not keep trying to defend that mistake.

3). Restore the concept of providing Overtime for hours worked. Mr. Busch at

one meeting in January 1995 mentioned, while cutting overtime compensation, that "he was worth the salary he was paid" and that "if we didn't like the current condition, we could leave since there were 100's if not 1000's of people waiting to take our place". I wonder if he now realizes that he was included?

I am confident that you are coming to Millstone with the best of intentions. So did others. Don't make the same mistakes they did. A complete review of the current management and some subsequent discernible action may mitigate some of the mistrust, but it the confidence of the public that truly has to be regained. Pay close heed Mr. Kenyon to my suggestions, and realize the obstacles you face. As the old adage goes, "image is everything"

I wish you the absolute best of luck in your mission. If you would like to discuss anything in person, please feel free to do so at your convenience, after all, time is plentiful for me.

Sincerely,

Paul M. Blanch
Energy Consultant
135 Hyde Rd.
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Voice 860-236-0326
Fax 860-232-9350

From: PAUL M. BLANCH <PMBLANCH@ix.netcom.com>
To: VIC DRICKS <vld@nrc.gov>
Date: 9/13/96 9:38am
Subject: Fwd: PR-I59 PSE&G Enf. Conf.

Vic:

You guys are improving your image. It's really nice that you send out a meeting notice 2 days after the meeting occurs. Can I attend? Keep up the good work.

Subject: PR-I59 PSE&G Enf. Conf. Sent: 9/13/96
Received: 9/13/96 12:16 PM
From: PUBLIC AFFAIRS, OPA@nrc.gov
Reply-To: pr-opa@nrc.gov
To: Multiple recipients of list, pr-opa@nrc.gov

----- I59.TXT follows -----
United States Nuclear Regulatory Commission
Office of Public Affairs, Region I
475 Allendale Road King of Prussia, PA 19401
Phone: 610/337-5330 Fax: 610/337-5241
Internet: dps@nrc.gov or vld@nrc.gov

I-96-59
Contact: Diane Screnci
Victor Dricks

September 9, 1996
FOR IMMEDIATE RELEASE

NRC STAFF TO HOLD PREDECISIONAL ENFORCEMENT CONFERENCE WITH PSE&G

The Nuclear Regulatory Commission staff will meet with officials of Public Service Electric & Gas Company (of New Jersey) on Wednesday morning, September 11, at a predecisional enforcement conference to discuss apparent violations of NRC regulations at the Salem nuclear generating station in Lower Alloways Creek, New Jersey. Those apparent violations include potential discrimination of employees engaged in protected activities.

The meeting, which is open to the public for observation, will begin at 9:30 a.m. It will be held in the Paine Meeting Room in the Valley Forge Hilton, 251 West DeKalb Pike, in King of Prussia.

The decision to hold a pre-decisional enforcement conference does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. Rather, the purpose is to discuss apparent violations, their causes and safety significance; to provide the licensee an opportunity to point out any errors that may have been made in the NRC inspection report; and to enable the licensee to outline its proposed corrective actions. No decision on the apparent violations will be made at

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this conference. Those decisions will be made by NRC officials at a later time.

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From: PAUL M. BLANCH <PMBLANCH@ix.netcom.com>
To: DAVE LOCHBAUM <lochbaum@enercon.com>
Date: 9/13/96 5:25am
Subject: Fwd: REDUCED MARGINS

Dave:
Another credible ballbuster.

The Honorable Shirley Jackson
Chairman
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Reference 1: Letter dated July 29, 1996, from Southern California Edison to the U.S. Nuclear Regulatory Commission, Spent Fuel Consolidation, ACN# 9608010064

Dear Chairman Jackson:

In response to Reference 1 and its related issues this letter is being submitted as a Nuclear Safety Concern and a request to reject further efforts by Southern California Edison to accumulate more spent fuel 4 miles south of our homes in south San Clemente.

The NRC has been negligent with regards to spent fuel from the very beginning of commercial nuclear power and now appears to be willing to reduce the safety margin even more by allowing the consolidation of spent fuel as requested in Reference 1:

1. Reference 1 requests spent fuel to be consolidated after a minimum required residence time in the SFPs. This reduces the present questionable safety margin even more. There will be less time for decay heat reduction and radioactive decay.
2. The consolidation requested by Reference 1 will allow a large increase in the spent fuel pool structural loads reducing the seismic safety margins in the nation's most seismically active region.
3. Along with spent fuel consolidation Southern California Edison (SCE) is requesting permission to increase the maximum U-235 enrichment of the spent fuel that may be stored in the SONGS 2 and 3 SFP from 4.1 to 4.8 w/o. This greatly increases the chance of accidental criticality (especially with a consolidated mass) during a seismic event when the spent fuel pool structure fails.
4. There is no leak proof containment built around the spent fuel pool structures as was done for the main reactor containment. The NRC has rejected a previous request to build such an containment. Therefore further reductions in the margins of safety by consolidation and increased fuel enrichment cannot be justified.
5. Reference 1 proposes the use of administrative controls.....to help to ensure plant safety against accidental criticality and other postulated accidents associated with fuel consolidation and storage. This is not acceptable as the history of nuclear power shows that administrative controls (which means controls by human judgment and action) is not reliable.

Remember the =

TMI accident they said couldn't happen.

6. To reduce the safety margin even more Reference 1 is requesting an exemption to

=ECcriticality accident monitoring instrumentation in the fuel = handling building and emergency procedures to be followed in case of accidental = criticality=EE. These exemptions are only meant to save money but will increase the = risk to public health and safety.

The NRC licensed approximately 110 nuclear plants with no known safe economical way to dispose of the radioactive waste and spent fuel = assemblies. Licensing a nuclear power plant prior to licensing and completion of = a reliable permanent offsite reprocessing and radioactive spent fuel = waste disposal facility is like a city issuing building permits for a track = of houses without toilet facilities and without a sewage treatment plant = in the community. Someone in city hall has to be paid off for a developer to = get a building and occupancy permit for such houses. We all know that the = NRC bureaucrats and others have been paid off in inflated salaries, = pensions, promotions, etc to allow the current state of affairs to exist. The =

NRC promoted commercial nuclear power at any cost to build its empire and = promote the careers of NRC employees. Every new plant licensed meant career advancement and money for those employed by the NRC. The taxpayer = will be paying the bill hundreds of years from now for spent fuel generated = in the 20th century. The small payment made by the utilities to a nuclear = waste fund is insufficient and only another public relations trick. With = deregulation of the utilities industry it will be easy to spin off the responsibility = onto the taxpayer. If the taxpayers think the saving and loan bail out cost = them a lot of money just wait until the nuclear cleanup and long term disposal = bill is presented to them.

Where do the NRC bureaucrats go after leaving the NRC?: as high paid consultants to the nuclear industry especially the utilities. = Therefore the NRC regulatory process is self serving.

The NRC doesn't even begin to understand the many problems that = will occur during long term storage and disposal of nuclear fuel and waste. For = example the hydrogen explosion while loading spent fuel assemblies at Point = Beach several months ago. If this had been suggested as a problem only a = few years ago someone would have recommended you for a mental institution. New = research data from scientists studying animals living around the Chernobyl = accident site show the acceleration of gene mutations rates by factors of = 100=EDs above that which is normal.

If both the NRC and SCE feel it is absolutely necessary to store more = spent fuel just south of our homes, it is recommended that all spent fuel = be relocated to San Marino next to those multi-million dollar mansions = occupied by SCE executives. Unlike them we don't have a large legal staff = paid for by rate payer money to protect our private interest.

Please reject all attempts by SCE to further reduce the safety margin associated with spent fuel. Is there any way we can become an = intervenor to stop the continual accumulation of spent fuel south of our homes, = e.g., use

of 10CFR 2.714 (d)? We don't have the money, legal, technical and = public relations staff SCE enjoys financed by rate payer money to protect = our interest..

The Honorable Shirley Jackson
Chairman
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Re: Nuclear Safety Concern, SONGS 2/3

Dear Chairman Jackson:

Please confirm that the NRC has evaluated the following nuclear = safety concern and is satisfied that there is no problem for San Onofre Units 2 and =

3: Boraflex or similar material is used in the SONGS 2 and 3 spent fuel = racks as a neutron absorber to assist in maintaining Keff less than 0.95. = However the neutron absorber has a history of eventual degradation which could = move the spent fuel rack and pool outside its acceptable Keff design value. In = fact the boraflex neutron absorber could become dislodged during the long = anticipated Southern California magnitude 8 or greater earthquake resulting in an unacceptable Keff.

Thank you for your response.

Paul M. Blanch
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CC: WARREN LEON <WLEON@ucsusa.org>