

NOTICE OF VIOLATION  
AND  
PROPOSED IMPOSITION OF CIVIL PENALTY

Tennessee Valley Authority  
Sequoyah Nuclear Plant

Docket Nos. 50-327 and 50-328  
License Nos. DPR-77 and DPR-79  
EA 95-199

As the result of the Nuclear Regulatory Commission (NRC) staff's review of the NRC Office of Investigations investigation completed on August 31, 1995, and a Department of Labor (DOL) Administrative Law Judge (ALJ) Recommended Decision and Order (RDO) issued on July 31, 1996, in DOL Case No. 94-ERA-24, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions," NUREG-1600, the NRC proposes to impose a civil penalty pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violation and associated civil penalty are set forth below:

10 CFR 50.7 prohibits discrimination by a Commission licensee against an employee for engaging in certain protected activities. Discrimination includes discharge or other actions relating to the compensation, terms, conditions, and privileges of employment. The activities which are protected include, but are not limited to, the reporting of safety concerns by an employee to his employer or the NRC.

Contrary to the above, Tennessee Valley Authority (TVA), through the actions of the former Vice President of Nuclear Operations, discriminated against a management employee, who was a former corporate Manager, Chemistry and Environmental Protection and Chemistry Manager at the Sequoyah Nuclear Plant, for engaging in protected activities. Specifically, as determined by DOL and the NRC Office of Investigations, on April 5, 1993, TVA forced the resignation of Mr. William F. Jocher because he engaged in the identification of deficiencies in the chemistry program and inconsistencies in TVA reports to the NRC and other oversight groups related to activities at the Sequoyah Nuclear Power Plant. (01011)

This is a Severity Level I Violation (Supplement VII).  
Civil Penalty - \$100,000

The NRC has concluded that information regarding TVA's (licensee) position on the violation and the corrective actions taken and planned is addressed on the docket in the licensee's letter to NRC, dated September 25, 1996. However, the licensee may submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect the corrective actions or the licensee's position. In that case, or if TVA chooses to respond, the response should be marked clearly as a "Reply to a Notice of Violation," and sent to the U. S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D. C. 20555 with a copy to the Regional Administrator, Region II and the Resident Inspector at Sequoyah Nuclear Plant within 30 days of the date of the letter transmitting this Notice of Violation. Any such response shall be under oath or affirmation.

The licensee may pay the civil penalty by letter addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, money order, or electronic transfer payable to the Treasurer of the United States in the amount of the civil penalty proposed above or may protest imposition of the civil penalty in whole or in part, by a written answer addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission. Should the licensee fail to answer within the time specified, an order imposing the civil penalty will be issued. Should the licensee elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalty, in whole or in part, such answer should be clearly marked as an "Answer to a Notice of Violation" and may: (1) deny the violation listed in this Notice, in whole or in part, (2) demonstrate extenuating circumstances, (3) show error in this Notice, or (4) show other reasons why the penalty should not be imposed. In addition to protesting the civil penalty in whole or in part, such answer may request remission or mitigation of the penalty.

Any written answer in accordance with 10 CFR 2.205 should be set forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate parts of the 10 CFR 2.201 reply by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. The attention of the licensee is directed to the other provisions of 10 CFR 2.205, regarding the procedure for imposing a civil penalty.

Upon failure to pay any civil penalty due which subsequently has been determined in accordance with the applicable provisions of 10 CFR 2.205, this matter may be referred to the Attorney General, and the penalty, unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C. 2282c.

The response noted above (Reply to Notice of Violation, letter with payment of civil penalty, and Answer to a Notice of Violation) should be addressed to: Mr. James Lieberman, Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738, with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region II, and a copy to the NRC Resident Inspector at the Sequoyah Nuclear Plant.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding

confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

Dated at Atlanta, Georgia  
this 13th day of January 1997

Tennessee Valley Authority

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Sequoyah Nuclear Plant

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