



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931

October 27, 2000

EA-00-163

Tennessee Valley Authority
ATTN: Mr. J. A. Scalice
Chief Nuclear Officer and
Executive Vice President
6A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

SUBJECT: NOTICE OF VIOLATION AND EXERCISE OF ENFORCEMENT DISCRETION,
BROWNS FERRY NUCLEAR PLANT (NRC OFFICE OF INVESTIGATIONS
REPORT NO. 2-1999-028 AND INSPECTION REPORT NOS. 50-259/00-03,
50-260/00-03, 50-296/00-03)

Dear Mr. Scalice:

This is in reference to an investigation conducted by the Nuclear Regulatory Commission's (NRC) Office of Investigations (OI) between September 21, 1999 and June 15, 2000, and an inspection completed on June 24, 2000. The purpose of the OI investigation and inspection was to review the circumstances involving an individual formerly employed by the Tennessee Valley Authority's (TVA) Browns Ferry Nuclear Plant (BFN), who failed to perform measuring and test equipment (M&TE) nonconformance evaluations in accordance with Technical Specification required site procedures.

The results of the OI investigation and inspection were formally transmitted to you by letter dated July 27, 2000. Our letter also provided you the opportunity to either respond to the apparent violation in writing or request a predecisional enforcement conference. By letter dated August 25, 2000, you responded to the apparent violation and addressed the root causes and your corrective actions to prevent recurrence. We have reviewed the information you provided and have concluded that sufficient information is available to determine the appropriate enforcement action in this matter.

Based on the information developed during the investigation and our review and follow-up of the information provided in your response of August 25, 2000, the NRC has determined that a violation of NRC requirements occurred. The violation is cited in the enclosed Notice of Violation (Notice), and the circumstances surrounding it are described in detail in the subject inspection report. The violation involves the failure to adhere to TVA procedures as required by Technical Specification 5.4.1, related to out-of-tolerance M&TE. During a self-assessment in June 1999, your staff identified that certain procedurally required actions had not been taken in response to numerous out-of-tolerance M&TE. Site procedures required that upon being informed (in this case, by TVA's Central Laboratory Field Testing Services) that M&TE was out-of-tolerance, the M&TE Program Administrator was required to issue and/or disposition non-conformance evaluations for those plant components tested or inspected using the out-of-

tolerance M&TE. The purpose of a nonconformance evaluation is, among other reasons, to initiate the site review process to ensure that plant components have not been negatively affected by the out-of-tolerance M&TE, and to initiate action to address plant components that have been affected. Your review determined that from June 1997 to June 1999, approximately 500 nonconformance evaluations were not properly issued and/or dispositioned. After TVA identified the full scope of unprocessed nonconformance evaluations, your staff's reevaluation of all nonconformance evaluations determined that plant component operability, and in particular, safety related component operability, was unaffected. The NRC's OI investigation concluded that the failure of the M&TE Program Administrator to issue and/or disposition nonconformance evaluations for the out-of-tolerance M&TE was deliberate. Based on the deliberate aspects of this matter, the violation has been categorized at Severity III, in accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions - May 1, 2000" (Enforcement Policy), NUREG-1600.

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$55,000 is considered for a Severity Level III violation. Because your facility has not been the subject of escalated enforcement action in the past two years, the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process described in Section VI.C.2 of the Enforcement Policy. Your letter of August 25, 2000, described your corrective actions in response to this issue, which included: (1) an evaluation of the impact of the unprocessed nonconformance evaluations on plant equipment; (2) an overall assessment of the M&TE program to examine compliance with internal governing documents and policies; (3) increasing the awareness of M&TE issues at the site by a weekly review of nonconformance evaluations during the Plan-Of-The-Day meeting; (4) a briefing of senior site managers on the circumstances of this particular violation; (5) the development of a new training course for first line supervisors to improve their awareness of the potential for the type of behavior encountered in this particular instance, and methods of detection; and (6) inclusion of the M&TE program in the BFN Programs and Process Core Assessment program, which will re-assess the site M&TE program in June of 2001.

As stated in our July 27, 2000 letter, the NRC initially was concerned that management oversight of the M&TE program failed to detect this situation during the two year period it was occurring, and requested that TVA address any management oversight aspects of this issue. Your response referenced, as background information, the performance of M&TE periodic status reports. The purpose of these status reports, as you indicated, was to provide feedback to management as a means to ensure that all nonconformance evaluations were being properly investigated in a timely manner. As stated in your letter, four status reports were performed by the M&TE Program Administrator from 1997 to 1999 and were submitted to his management superiors. Based on our subsequent review and follow-up of the four audit reports, we have identified that the audit reports contained only one month of nonconformance evaluation data. Based on the NRC's discussions with TVA staff, it appears that the intent of these audit reports was to provide six months of nonconformance data to plant supervision. However, this discrepancy was apparently not recognized by TVA supervision at the time the audits were provided to them, nor was the discrepancy identified during TVA's review of this matter. The NRC has concluded that BFN supervisory review of the audit reports during the time of the M&TE Program Administrator's deliberate misconduct was inadequate, in that the review failed to consider that a significant quantity of nonconformance evaluation data was not submitted for review. An adequate review of the audit reports and the work of the M&TE Program

Administrator may have provided management a possible opportunity to identify the violation earlier.

More importantly, your response of August 25, 2000, indicated that an overall assessment of the M&TE program was conducted to examine compliance with internal governing documents and policies. However, the omitted data issue was not addressed by TVA. The failure to recognize the omitted data supports a conclusion that your review of the factors stemming from the violation was not adequate to fully identify management oversight deficiencies. As such, this management oversight failure was not considered in the development of TVA's corrective actions for this issue. Therefore, the NRC determined that credit is not warranted for the factor of Corrective Action.

This assessment normally would result in a proposed civil penalty of \$55,000. However, the NRC may refrain from proposing a civil penalty for a Severity Level III violation in accordance with Section VII.B.6 of the Enforcement Policy. In this case, the NRC has concluded that the underlying safety significance involving the unprocessed nonconformance evaluations was low, because safety related plant component operability was unaffected. Therefore, with approval of the Director, Office of Enforcement, and in consultation with the Deputy Executive Director for Reactor Programs, I have been authorized to propose that no civil penalty be assessed in this case. However, significant violations in the future could result in a civil penalty. Please note that an Order Prohibiting Involvement in NRC Licensed Activities (Effective Immediately) has been issued to the former employee responsible for the deliberate misconduct. A copy of the Order is enclosed for your information.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures, TVA's letter dated August 25, 2000, and your response to the Notice will be available electronically for public inspection in the NRC Public Document Room (PDR) or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR and PARS without redaction. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

TVA

4

If you have any question regarding this matter, please contact Paul Fredrickson, Chief, Projects Branch 6 at 404-562-4530.

Sincerely,

/ra

Luis A. Reyes
Regional Administrator

Docket Nos. 50-259, 50-260, 50-296
License Nos. DPR-33, DPR-52, DPR-68

Enclosures:

1. Notice of Violation
2. Order to Individual

TVA

5

cc w/encl:
Karl W. Singer
Senior Vice President
Nuclear Operations
Tennessee Valley Authority
Electronic Mail Distribution

Alabama Dept. of Public Health
RSA Tower - Administration
Suite 1552
P. O. Box 303017
Montgomery, AL 36130-3017

Jack A. Bailey, Vice President
Engineering and Technical Services
Tennessee Valley Authority
Electronic Mail Distribution

John T. Herron
Site Vice President
Browns Ferry Nuclear Plant
Tennessee Valley Authority
Electronic Mail Distribution

R. J. Adney, General Manager
Nuclear Assurance
Tennessee Valley Authority
Electronic Mail Distribution
General Counsel
Tennessee Valley Authority
Electronic Mail Distribution

Ashok S. Bahtnager, Plant Manager
Browns Ferry Nuclear Plant
Tennessee Valley Authority
Electronic Mail Distribution

Mark J. Burzynski, Manager
Nuclear Licensing
Tennessee Valley Authority
Electronic Mail Distribution

Timothy E. Abney, Manager
Licensing and Industry Affairs
Browns Ferry Nuclear Plant
Tennessee Valley Authority
Electronic Mail Distribution

State Health Officer

Distribution w/encls:

WTravers, EDO
 FMiraglia, DEDR
 LChandler, OGC
 SRosenberg, OEDO
 VOrdaz, NRR
 EJulian, SECY
 BKeeling, OCA
 WBorchardt, OE
 DNelson, OE
 Enforcement Coordinators
 RI, RIII, RIV
 OE:EA File (BSummers)
 EHayden, OPA
 RTrojanowski, RII
 KClark, RII
 GCaputo, OI
 HBell, OIG
 CEvans, RII
 LPlisco, RII
 CCasto, RII
 PFredrickson, RII
 ABoland, RII
 WLong, NRR

OFFICE	RII:DRP	RII:EICS	RII:ORA	RII: DRS	RII:ORA	
SIGNATURE	/ra	/ra	/ra	H. Christensen	/ra	
NAME	LPLISCO	ABOLAND	CEVANS	CCASTO	BMALLETT	
DATE	10/11/00	10/ 12 /00	10/12/00	10/ 12 /00	/ / 00	/ /00
COPY?	YES NO	YES NO	YES NO	YES NO		YES NO

OFFICE	NRR	OE	EDO	OGC		
SIGNATURE	J. Monniger	/ra	R. Borchardt	M. Young		
NAME	JJOHNSON	RBORCHARDT	FMIRAGLIA	DDAMBLY		
DATE	10/17/2000	10/ 27 /00	10 / 27 /00	10/ 26/ 00	/ / 00	/ / 00
COPY?	YES NO	YES NO		YES NO	YES NO	YES NO

C:\REAL FINAL.wpd

NOTICE OF VIOLATION

Tennessee Valley Authority
Browns Ferry Nuclear Plant

Docket Nos.: 50-259, 50-260, 50-296
License Nos. DPR-33, DPR-52, DPR-68
EA-00-163

During an investigation conducted by the Nuclear Regulatory Commission's (NRC) Office of Investigations (OI) between September 21, 1999 and June 15, 2000, and an inspection completed on June 24, 2000, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions - May 1, 2000," NUREG-1600, the violation is listed below:

Technical Specification 5.4.1 requires written procedures be established, implemented, and maintained covering the applicable procedures recommended in Regulatory Guide 1.33, Revision 2, Appendix A, February 1978. Appendix A, Section 8, specifically addresses procedures for control of measuring and test equipment. Appendix A further states that procedures of a type appropriate to the circumstances should be provided to ensure that tools, gauges, instruments, controls, and other measuring and test devices are properly controlled, calibrated, and adjusted at specified periods to maintain accuracy.

Browns Ferry Site Standard Practice Procedure (SSP)-6.7, Control of Measuring and Test Equipment (M&TE), Revision 8A, Effective May 27, 1997 through June 1, 1998, Step 3.14.A, states that nonconformance evaluations shall be issued for the following conditions: lost M&TE or standards, out-of-tolerance M&TE or plant standards, damaged or otherwise defective M&TE or plant standards, and disassembled M&TE or plant standards. Step 3.14.E states that all nonconformance evaluations should be completed within 30 calendar days of the site receipt of the initiating document. An extension of up to ten calendar days may be approved by the Plant Manager, or designee, using Appendix H.

Tennessee Valley Authority Standard Programs and Processes Procedure (SPP)-6.4, Measuring and Test Equipment, Revision 0, Effective May 29, 1998, Step 3.15.1, states that nonconformance evaluations shall be issued to determine the validity and acceptability of previous work for the following conditions: lost M&TE or standards, out-of-tolerance M&TE or plant standards, damaged or otherwise defective M&TE or plant standards, and disassembled M&TE or plant standards. Step 3.15.6 requires all nonconformance evaluations be completed within 30 calendar days of the site receipt of the initiating document.

Contrary to the above, during the period from June 2, 1997, to June 14, 1999, SSP-6.7 and SPP-6.4 were not implemented, in that approximately 500 nonconformance evaluations were either not issued or completed for measuring and test equipment which had been identified as out-of-tolerance or otherwise meeting the criteria for evaluation. (01013)

This is a Severity Level III violation. (Supplement I)

Pursuant to the provisions of 10 CFR 2.201, Tennessee Valley Authority is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN:

Enclosure 2

Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region II, and a copy to the NRC Resident Inspector at the Browns Ferry Nuclear Plant, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room). 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.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 27th day of October 2000



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931

October 27, 2000

Mr. Hiram J. Bass
[HOME ADDRESS DELETED]
PURSUANT TO 10 CFR 2.790]

SUBJECT: ORDER PROHIBITING INVOLVEMENT IN NRC-LICENSED ACTIVITIES
(EFFECTIVE IMMEDIATELY) - NRC OFFICE OF INVESTIGATIONS REPORT
NO. 2-1999-028 AND NRC INSPECTION REPORT NOS. 50-259/00-03,
50-260/00-03, 50-296/00-03

Dear Mr. Bass:

The enclosed Order Prohibiting Involvement in NRC-Licensed Activities (Effective Immediately), (Order), is being issued because of your deliberate misconduct in violation of 10 CFR 50.5 of the Commission's regulations, as described in the Order. Your deliberate misconduct caused your employer at the time, Tennessee Valley Authority (TVA), an NRC licensee, to be in violation of plant procedures that are required by Technical Specification 5.4.1. The NRC's Office of Investigations investigation report summary and NRC Inspection Report 50-259/00-03, 50-260/00-03, 50-296/00-03 were sent to you by letter dated July 31, 2000. In that letter, you were provided an opportunity to respond to the apparent violation and/or request a predecisional enforcement conference. The NRC attempted to contact you by telephone on numerous occasions; however, to date you have not responded to our July 31, 2000 letter.

The Order prohibits your involvement in NRC-licensed activities for a period of three years from the date of your resignation from TVA, June 21, 1999, and establishes other requirements as stated in the Order. You are required to respond to this order and should follow the instructions contained in section V of the order when doing so.

Pursuant to Section 223 of the Atomic Energy Act of 1954, as amended, any person who willfully violates, attempts to violate, or conspires to violate any provision of this Order shall be subject to criminal prosecution as set forth in that section. Violation of the Order may also subject the person to a civil monetary penalty.

Questions concerning the Order may be addressed to me at (301) 415-2741. Also attached is the Notice of Violation and Exercise of Enforcement Discretion issued to TVA as a result of your deliberate actions.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures, with your address redacted, and your response (if you choose to provide one), will be available electronically for public inspection in the NRC Public Document Room (PDR) or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR and PARS without redaction.

Enclosure 2

Mr. Hiram J. Bass

ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html>
(the Public Electronic Reading Room).

Sincerely,

/RA/

R. W. Borchardt, Director
Office of Enforcement

Enclosures:

1. Order Prohibiting Involvement in NRC-Licensed
Activities, Effective Immediately
2. Notice of Violation and Exercise of Enforcement
Discretion

cc w/ encls:

Mr. J. A. Scalice, Chief Nuclear
Officer and Executive Vice President
Tennessee Valley Authority
6A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of
Hiram J. Bass

)
)
)
)

IA-00-032

ORDER PROHIBITING INVOLVEMENT IN
NRC-LICENSED ACTIVITIES
(EFFECTIVE IMMEDIATELY)

I

Hiram J. Bass was formerly employed as the Measuring and Test Equipment (M&TE) Program Administrator by Tennessee Valley Authority (TVA or Licensee). The Licensee is the holder of License Nos. DPR-33, DPR-52, DPR-68, issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR Part 50 on December 20, 1973, August 2, 1974, and August 18, 1976, respectively. The licenses authorize the operation of the Browns Ferry Nuclear Plant Units 1, 2, and 3 (BFN or facility) in accordance with the conditions specified therein. The facility is located on the Licensee's site in Athens, Alabama.

II

On September 21, 1999, the Nuclear Regulatory Commission's (NRC) Office of Investigations (OI) initiated an investigation to determine whether Hiram J. Bass deliberately failed to issue and/or disposition nonconformance evaluations as required by site procedures while employed as the M&TE Program Administrator at the facility. The NRC also conducted an inspection of this issue during the period April 2 through June 24, 2000. The results of this investigation and inspection were documented in NRC Inspection Report 50-259/00-03, 50-260/00-03, 50-296/00-03, issued on July 27, 2000, and our letter to Mr. Bass dated July 31, 2000.

As background, certain M&TE used at BFN is calibrated on a regular basis by TVA's Central Laboratory Field Testing Services (CLFTS). When CLFTS identifies an instrument that is out of tolerance, that information is forwarded to the BFN Maintenance Department, M&TE Group. The M&TE Program Administrator is responsible for issuing and ensuring disposition of each nonconformance evaluation for M&TE found to be out of tolerance. The purpose of a nonconformance evaluation is, among other reasons, to initiate the facility review process to ensure that plant components have not been negatively affected by the out-of-tolerance M&TE, and to initiate action to address plant components that have been affected. BFN Technical Specification 5.4.1, BFN Site Standard Practice Procedure (SSP)-6.7, Control of Measuring and Test Equipment, Revision 8A, effective May 27, 1997 through June 1, 1998, and TVA Standard Programs and Processes Procedure (SPP)-6.4, Measuring and Test Equipment, Revision 0, effective May 29, 1998, through August 15, 1999, together require nonconformance evaluations to be issued and dispositioned for conditions such as lost M&TE or standards, out-of-tolerance M&TE or plant standards, damaged or otherwise defective M&TE or plant standards, and disassembled M&TE or plant standards.

In June 1999, a BFN self-assessment of the M&TE program revealed that several out-of-tolerance M&TE items did not have nonconformance evaluations initiated by BFN. Further TVA review determined that, from June 1997 to June 1999, approximately 500 nonconformance evaluations were not properly issued and/or dispositioned for components tested or inspected using the out-of-tolerance M&TE. When questioned by TVA and subsequently by the NRC OI,

Mr. Bass failed to explain why the large number of nonconformance evaluations had not been issued and/or dispositioned. On June 21, 1999, following questions by TVA regarding this matter, Mr. Bass resigned from TVA.

The NRC's investigation and inspection of this matter concluded that Mr. Bass deliberately failed to issue and/or disposition nonconformance evaluations on test equipment that was out-of-tolerance, in accordance with BFN Technical Specification required Licensee procedures.

The NRC informed Mr. Bass by certified letter dated July 31, 2000, of the results of the NRC's investigation and inspection of this matter, and provided Mr. Bass the opportunity to respond to this matter or request a predecisional enforcement conference. Receipt of the letter by Mr. Bass was verified by his signature on the certified mail return receipt. The NRC has attempted to contact Mr. Bass by telephone on numerous occasions; however, to date he has not responded to the NRC's July 31, 2000 letter.

III

Based on the above, the NRC has concluded that Mr. Bass engaged in deliberate misconduct from approximately June 1997 to June 1999, by deliberately failing to adhere to Technical Specification 5.4.1 required Licensee procedures related to out of tolerance measuring and test equipment (M&TE).

These actions constituted a violation of 10 CFR 50.5(a)(1), which prohibits an individual from engaging in deliberate misconduct that causes a licensee to be in violation of any rule,

regulation, or order or any term, condition or limitation of any license issued by the Commission. As defined by 10 CFR 50.5(c)(2), deliberate misconduct means an intentional act or omission that the person knows constitutes a violation of a requirement, procedure, or instruction of a licensee; in this case Technical Specification 5.4.1. The NRC must be able to rely on the Licensee and its employees to comply with NRC requirements. Mr. Bass' conduct raises serious doubt about his trustworthiness and reliability; particularly whether he can be relied upon to comply with NRC requirements in the future.

Consequently, I lack the requisite reasonable assurance that licensed activities can be conducted in compliance with the Commission's requirements and that the health and safety of the public will be protected if Mr. Bass were permitted at this time to be involved in NRC-licensed activities. Therefore, the public health, safety and interest require that Mr. Bass be prohibited from any involvement in NRC-licensed activities for a period of three years from the date of his resignation from the Licensee (June 21, 1999). Additionally, Mr. Bass is required to notify the NRC of his first employment after the prohibition period ends and all subsequent employment in NRC-licensed activities for a period of three years following the prohibition period. Furthermore, pursuant to 10 CFR 2.202, I find that the significance of Mr. Bass' conduct described above is such that the public health, safety and interest require that this Order be immediately effective.

Accordingly, pursuant to sections 103, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202, and 10 CFR 50.5, IT IS HEREBY ORDERED, EFFECTIVE IMMEDIATELY, THAT:

1. Hiram J. Bass is prohibited for three years from the date of his resignation, June 21, 1999, from engaging in NRC-licensed activities. NRC-licensed activities are those activities that are conducted pursuant to a specific or general license issued by the NRC, including, but not limited to, those activities of Agreement State licensees conducted pursuant to the authority granted by 10 CFR 150.20.
2. If Mr. Bass is currently involved with another licensee in NRC-licensed activities, he must immediately cease those activities, and inform the NRC of the name, address and telephone number of the employer, and provide a copy of this Order to the employer.
3. For a period of three years after the three year period of prohibition has expired, Mr. Bass shall, within 20 days of his acceptance of each employment offer involving NRC-licensed activities or his becoming involved in NRC-licensed activities, as defined in Paragraph IV.1 above, provide notice to the Director, Office of Enforcement (OE), U. S. Nuclear Regulatory Commission, Washington, DC 20555, of the name, address, and telephone number of the employer or the entity where he is, or will be, involved in the NRC-licensed activities. In the first notification, Mr. Bass shall include a statement of his commitment to compliance with regulatory requirements and the basis why the Commission should have confidence that he will now comply with applicable NRC requirements.

The Director, OE, may, in writing, relax or rescind any of the above conditions upon demonstration by Mr. Bass of good cause.

V

In accordance with 10 CFR 2.202, Hiram J. Bass must, and any other person adversely affected by this Order may, submit an answer to this Order, and may request a hearing on this Order, within 20 days of the date of this Order. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be made in writing to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and include a statement of good cause for the extension. The answer may consent to this Order. Unless the answer consents to this Order, the answer shall, in writing and under oath or affirmation, specifically admit or deny each allegation or charge made in this Order and shall set forth the matters of fact and law on which Mr. Bass or other person adversely affected relies and the reasons as to why the Order should not have been issued. Any answer or request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, ATTN: Rulemakings and Adjudications Staff, Washington, DC 20555. Copies also shall be sent to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, to the Associate General Counsel for Hearings, Enforcement & Administration at the same address, to the Regional Administrator, NRC Region II, 61 Forsyth Street, SW, Suite 23T85, Atlanta, GA, 30303, and to Mr. Bass, if the answer or hearing request is by a person other than Mr. Bass. If a person other than Mr. Bass requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by Mr. Bass or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

Pursuant to 10 CFR 2.202(c)(2)(i), Mr. Bass may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a hearing request has not been received. AN ANSWER OR A REQUEST FOR HEARING SHALL NOT STAY THE IMMEDIATE EFFECTIVENESS OF THIS ORDER.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

R. W. Borchardt, Director
Office of Enforcement

Dated this 27th day of October 2000