

Tennessee Valley Authority, 1101 Market Street, Chattanooga, Tennessee 37402-2801

J. A. Bailey
Vice President, Engineering & Technical Services

April 26, 2001

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED AND REGULAR MAIL

Mr. Ronald O. Grover


RE: NOTICE OF TERMINATION

Dear Mr. Grover:

You have been in a non-work, pay status since October 6, 2000, as the result of our review of a TVA Office of Inspector General (OIG) investigation report which found that you misused TVA property, conducted personal business on TVA time, and violated TVA policy. On March 5, 2001, Phillip L. Reynolds proposed to terminate your employment not earlier than 30 full calendar days after your receipt of the notice. This Notice of Proposed Termination was based on information from the final investigation report dated January 25, 2001. That final report confirmed the findings outlined in the draft report. You were provided a copy of this report as an attachment to the notice.

You responded to this Notice of Proposed Termination through your attorney by letter dated March 30, 2001. Your letter provided no new information. I have reviewed your response and the OIG investigation file, including information you provided to the OIG in response to their report. Your October 31, 2000, response was not "disregarded" but is dealt with in detail in the final report; and the final report documents a substantial pattern of abuse of your position as a TVA manager. It is my decision to terminate your employment effective April 27, 2001. In reaching this decision, I have specifically considered the factors outlined in the Notice of Proposed Termination as well as your responses dated October 31, 2000, and March 30, 2001.

TVA Exh. 98

GB001540

Template = SECY-028

SECY-02

CLEAR REGULATORY COMMISSION

Case No. 50-390 CIVP Official Ex. No. TVA 98
In the matter of TVA
Staff IDENTIFIED ✓
Applicant ✓ RECEIVED ✓
Intervenor REJECTED
Other WITHDRAWN
DATE 5/7/02 Witness
Clerk BHM

DOCKETED
USNRC



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OFFICE OF THE SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFF

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Your March 30 response indicates that it is TVA policy to allow employees unlimited use of TVA calling cards and telephones for personal long distance use, subject only to the requirement that the employee reimburse TVA if presented a bill. This assertion is false and demonstrates serious error about the fundamental responsibilities of a Federal Government employee. Actual TVA policy, which is discussed in the OIG report, obligates TVA employees to use TVA provided equipment and facilities for TVA use; and your unauthorized use of TVA telephones and calling cards was of such frequency and duration as to show that you failed to demonstrate basic honesty and integrity in connection with their use.

Your response does not address the accusation that the time you spent on personal business was unreasonable and that you were not making an honest effort to perform official duties, except to assert that TVA failed to show your work with TVA was compromised by your outside activities. The amount of time documented to your personal business while at TVA shows the lack of a basic honest effort to do TVA work on TVA time.

In its report, TVA's OIG found that you had spent more than 100 workdays away from any TVA work location on apparent personal business between 1995 and 1999 without taking any leave. Your response to the Notice of Proposed Termination on this issue only states you previously explained these matters to the OIG. I conclude that you did engage in a substantial pattern of leave abuse.

Finally, I conclude that you failed to report and obtain approval for outside employment and failed to fully disclose financial information required in the Federal Financial Disclosure forms. Your March 30, 2001, letter repeats the claim that because your outside activities were a "tax-saving investment in real estate" and did not "show income" that you complied with these requirements. I find this explanation not credible. In addition to the substantial other evidence of your participation in the businesses that managed real estate, you represented to the IRS that you spent over 51 per cent of your time providing services to these businesses as a real estate professional. As to the Financial Disclosure forms, not only did you substantially understate your real estate activities but you did not disclose the outside businesses that dealt with the real estate, your role in the management of these outside businesses, or the financial liabilities and transactions which were connected with the real estate.

In sum, your misconduct was intentional, repeated, extensive, and serious; and you have shown no remorse or other evidence of any capacity for rehabilitation. I have determined that the penalty of termination is consistent with TVA's policy and practice, you are not a long-term TVA employee, and I find no mitigating factors in your case.

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Your status as a senior level manager underscores the seriousness of your actions;— and I believe that any lesser penalty would not adequately deter yourself or others from engaging in similar repeated, serious misconduct. Accordingly, based on the entire record in this matter, I find that your termination would promote the efficiency of the service.

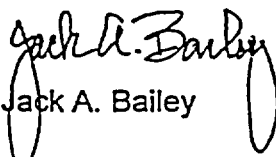
As a veteran preference employee, you have the right to appeal my decision directly to the Merit System Protection Board (MSPB), Atlanta Regional Office, 401 West Peachtree Street, N.W., Suite 1050, Atlanta, Georgia 30308. I have enclosed a copy the regulations of the MSPB concerning such appeals and a copy of the Board's appeal form. An appeal to the Board must be filed no later than 30 calendar days after the effective date of this personnel action. Any appeal filed after this time must include a request to waive the time limit and evidence and argument showing good cause for the untimely filing. See sections 1201.22, 1201.23, 1201.24, 1201.26 and 1201.31 of the enclosed regulations for an explanation of the proper procedure for filing an appeal, including how to file, the computation of time limits, content of petition of appeal and your right to a hearing, number of copies, and the right of representation.

If you believe this action is based, in whole or in part, on discrimination on the basis of race, color, religion, sex, national origin, handicap, age and/or reprisal for participating in an Equal Employment Opportunity complaint as a complainant, witness, or representative, you may file either an appeal with the Board or a complaint with TVA's Equal Opportunity Compliance (EOC) staff. If you elect to file a discrimination complaint, you must first contact an EOC counselor within 45 days of the alleged discriminatory personnel action to begin the EOC complaint procedure.

If you decide to appeal, you must elect one of the above procedures. Your appeal will not be processed under more than one. If you file an appeal with MSPB and a complaint with EOC, the one filed first will be considered an election by you to proceed in that forum, and any subsequent appeal will be dropped.

You will remain in non-work pay status until your termination is effective April 27, 2001.

Sincerely,


Jack A. Bailey
Enclosure

cc (Enclosure):

Mr. Charles P. Dupree
101 Robinson Building
622 Georgia Avenue
Chattanooga, Tennessee 37402

GB001542