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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

SEP 20 1990

Docket Nos. 50-390 and 50-391
License Nos. CPPR-91 and CPPR-92
EA 89-201

Tennessee Valley Authority
ATTN: Mr. Oliver D. Kingsley, Jr.
Senior Vice President
Nuclear Power
6N 38A Lookout Place
1101 Market Street
Chattanooga, Tennessee 37402-2801

Gentlemen:

SUBJECT: ORDER IMPOSING CIVIL MONETARY PENALTY - \$240,000 - WATTS BAR

This refers to your letters dated May 14, 1990 and July 20, 1990, in response to the Notice of Violation and Proposed Imposition of Civil Penalty (Notice) sent to you by our letter dated April 12, 1990. Our letter and Notice describe three violations of 10 CFR 50.7 that occurred in February 1986.

To emphasize that no individual should be discriminated against as a consequence of raising safety concerns, a civil penalty of \$240,000 was proposed.

In your responses, you did not contest or challenge the violations in the Notice, but requested that the proposed civil penalty be mitigated in its entirety.

After consideration of your responses, we have concluded for the reasons given in the Appendix attached to the enclosed Order Imposing Civil Monetary Penalty that the proposed civil penalty should be imposed by Order. Accordingly, we hereby serve the enclosed Order on Tennessee Valley Authority imposing a civil monetary penalty in the amount of \$240,000.

We acknowledge that TVA has taken significant actions to focus attention on ensuring that employees feel free to express safety concerns without fear of retaliation. We are aware that senior TVA management continues to emphasize that concept within the organization, and is taking substantial measures to eliminate discrimination as well as to overcome a lack of employee confidence that such freedom exists. Examples of these actions include prompt involvement of the Inspector General in reviewing allegations of discrimination; the independent review of practices and procedures for dealing with employee concerns; adding an experienced counselor to assist the Senior Vice President in these areas; and having the Manager of the Employee Concerns Program report directly to the Senior Vice President. However, as evidenced by the findings and recommendations of the review and report by the Advisor to the TVA Board,

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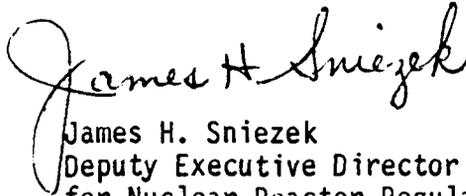
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Mr. Cobean, there are continuing problems in this area that have not yet been fully resolved. As noted in the Appendix to the enclosed Order, mitigation of the civil penalty for corrective actions was applied when the penalty was initially proposed.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice", a copy of this letter and the enclosures will be placed in the NRC's Public Document Room.

Sincerely,



James H. Sniezek
Deputy Executive Director
for Nuclear Reactor Regulation,
Regional Operations, and Research

Enclosures: Proposed letter and Order
w/Appendix

cc w/encs:

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Tennessee Valley Authority

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Tennessee Valley Authority