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

MAR 30 1989

MEMORANDUM FOR: Chairman Zech
Commissioner Roberts
Commissioner Carr
Commissioner Rogers
Commissioner Curtiss

FROM: Judge Alan S. Rosenthal

SUBJECT: INQUIRY INTO ALLEGED TRAVEL ABUSE BY NRC EMPLOYEES

The attached Memorandum Report documents the results of an Office of Inspector and Auditor (OIA) inquiry into an allegation that U.S. Nuclear Regulatory Commission (NRC), had accepted transportation on a Louisiana Power and Light Company (LP&L) corporate aircraft from New Orleans, LA, to the Waterford Nuclear Power Plant (Waterford) which is owned and operated by LP&L. The allogger related that, in opinion, there was an appearance of impropriety on the part of by accepting the transportation.

Conclusions

OIA's inquiry did not substantiate the original allegation concerning using a licensee's aircraft to travel between New Orleans, LA, and Waterford. However, OIA learned that in April 1986

accompanied
Texas Utilities Generating Company
(TUGCO), in a TUGCO owned airplane from Dallas/Ft. Worth Airport (DFW) to the vicinity of Granbury, TX, the location of TUGCO's Comanche Peak Steam Electric Station (Comanche Peak). Upon landing in Granbury, TX, traveled with to Comanche Peak in ground transportation provided by TUGCO. The return trip to DFW Airport was completed in the same manner. The purpose of the NRC visit to Comanche Peak was to talk to a group of TUGCO employees who were thought to have concerns pertaining to Comanche Peak.

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OIA's inquiry substantiated that NRC reimbursed TUGCO for the cost of the air and ground transportation between DFW Airport and Comanche Peak. Consequently, there was no violation of the proscription in 10 CFR 0.735.42 concerning the use of free transportation by NRC employees. However, OIA believes that, in light of the purpose of the trip to Comanche Peak, i.e., to talk to utility employees about concerns they may have had pertaining to Comanche Peak, the travel arrangements used by the NRC officials may have created the appearance of a loss of complete independence and impartiality on the part of NRC. OIA believes the Executive Director for Operations, in conjunction with the Office of the General Counsel, should issue guidance to the NRC staff concerning when the use of transportation provided by licensees is appropriate.

During its inquiry, OIA noted that NRC reimbursed TUGCO for the cost of the air and surface transportation between DFW Airport and Comanche Peak. It appeared, however, that NRC incorrectly calculated the cost to the government for the round trip. NRC reimbursement to TUGCO was based on the cost for commercial air transportation for the same round trip. Instead, NRC should have reimbursed TUGCO an amount calculated by pro-rating the actual cost of the trip to TUGCO among all passengers in the airplane.

In accordance with the provisions of NRC Manual Chapter 0702-032C, please advise OIA within 30 days from the date of this report what action, if any, was taken on the basis of the report.

Alan S. Rosenthal

Judge Alan S. Rosenthal

Attachment:
As stated

cc: V. Stello, EDO