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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20455-0001

Copy to R. Roberts

December 20, 1995

S. Tanner Garth, Esq.
Fibich & Garth, P.C.
2 Houston Center
909 Fannin, Suite 800
Houston, Texas 77010-8998

Dear Mr. Garth:

This is in response to your letter dated November 28, 1995. In your letter, you requested that I respond to five questions. In addition, you requested copies of Houston Lighting & Power (HL&P) Company's and Mr. Richard Balcom's replies to Notices of Violation (EA 95-077 and IA 95-042, issued October 17, 1995) and any documentation submitted by HL&P in support of mitigation of the proposed civil penalties. In that regard, you request that you be informed as to what steps will be taken by the Office of Enforcement to validate any alleged circumstances which should be considered in such mitigation. In addition to these requests, your letter advised that HL&P had allegedly taken no corrective actions to compensate or reinstate your clients, Messrs. Lamb and Dean.

Question No. 1 requests an explanation as to why the NRC has not taken additional enforcement action against HL&P for an apparent violation of 10 CFR 80.7 for having allegedly discriminated against another former employee; Questions Nos. 2-4 question why the NRC has chosen not to take enforcement action against several other HL&P employees and further sanction Mr. Balcom for their roles in the wrongful terminations of Messrs. Lamb and Dean; and Question No. 5 requests that the Office of Enforcement provide the measures that it will utilize to determine that HL&P's corrective actions, as outlined in its response to the Notice of Violation (NOV), are actually undertaken.

With respect to Questions Nos. 2-4, this case was evaluated in accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600 and, following consideration of all relevant factors, appropriate enforcement action was taken. Regarding Question No. 5, the NRC inspection process is the mechanism that normally provides for reviewing the effectiveness of a licensee's corrective actions in response to violations. This review process will be performed at a future date.

Regarding your request for documents, HL&P's initial response to its NOV is available in the Public Document Room (PDR); however, I have enclosed a copy of this response for your information. In accordance with the instructions in the NOV, HL&P is required to supplement its response following the final decision by the Secretary of Labor (SOL). Mr. Balcom has not responded to his NOV, as he is not required to respond until after the SOL has issued a final decision. After issuance of the SOL final decision and HL&P and Mr. Balcom have submitted additional/initial responses, these documents will be placed in the PDR, as will the NRC reply to these additional/initial responses. We will

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S. Tanner Garth

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provide you with copies of these documents when they are available in the PDR. Please contact us at that time.

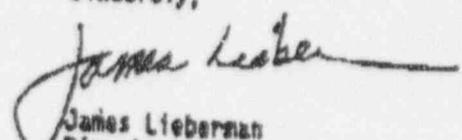
With regard to your claim that HL&P has taken no corrective steps to compensate or reinstate your clients, this matter is within the purview of the Department of Labor rather than the NRC.

Finally, you request to be advised as to what steps will be taken by the Office of Enforcement to validate any alleged occurrences or steps taken which should be considered in mitigation of these penalties. As was previously noted, HL&P has not fully responded to the NOV and its partial response did not make a request for mitigation; therefore, it would be conjecture for me to presume that HL&P will request the civil penalties be mitigated. Further, if HL&P were to ask for NRC to consider mitigation of the civil penalties, I would be speculating on any NRC actions necessary to respond to such request without being first informed of the bases for the licensee's request for mitigation. Consequently, it would be inappropriate for me now to speculate on what steps will be taken "to validate any alleged occurrences or steps taken which should be considered in mitigation of these penalties."

I trust that this letter has been responsive to your concerns.

In accordance with 10 CFR 2.709 of the NRC's "Rules and Regulations," a copy of this letter will be placed in the NRC Public Document Room.

Sincerely,


James Lieberman
Director, Office of Enforcement

cc: Houston Lighting and Power Company