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NRC PROPOSES TO FINE HL&P \$200,000  
IN WHISTLEBLOWER CASES

The Nuclear Regulatory Commission Staff has informed Houston Lighting & Power Co. that it proposes to fine the company \$200,000 for discrimination against two workers who raised safety concerns at HL&P's South Texas Project nuclear power plant near Bay City, Texas.

The two workers, Thomas H. Smith and Earl V. Keene, were employees of Ebasco Services Inc. and Raytheon Co., respectively, contractors at the South Texas Project (STP) plant. In both cases, the U. S. Department of Labor (DOL) ruled after conducting adjudicatory hearings that discrimination occurred. The NRC customarily relies on DOL determinations in deciding whether NRC employee protection requirements were violated.

L. Joe Callan, NRC Regional Administrator, said in a letter to William T. Cottle, Group Vice President Nuclear at HL&P, "The NRC recognizes that HL&P was not a party to either proceeding before the DOL; however, this does not relieve HL&P of its responsibility for the actions of its contractors."

The first violation is based on findings from a DOL proceeding in which the Secretary of Labor, in a decision issued March 13, found that Thomas H. Smith was discriminated against in 1991. After Mr. Smith raised concerns about scaffolding practices he was depicted in offensive office cartoons as a whistleblower.

The second violation is based on a DOL proceeding in which a Recommended Decision and Order issued Sept. 29, 1995, found that Earl V. Keene was discriminated against after he raised concerns about signing off for electrical maintenance work he did not perform. He was subsequently given a low performance appraisal rating, laid off in March 1994 and subjected to unnecessary fitness-for-duty testing when he reapplied for work in May 1994.

The violation involving Mr. Smith has been categorized as a Severity Level II, and that involving Mr. Keene Severity Level III under the NRC's four-level system. Level I is the most severe violation. Civil penalties have been assessed at \$100,000 for each violation.

In his letter to HL&P, Mr. Callan acknowledged that HL&P has taken comprehensive actions since 1993 to ". . . enhance the environment for raising concerns at [South Texas], to assure that employees

are aware of the various means for raising concerns, and to improve the [South Texas] employee concerns program."

HL&P must respond to the Notice of Violation in writing within 30 days, during which time it may pay the civil penalty or protest it. If the protest is denied, the company may ask for a hearing.