

From: Robert O'Connell, NMSS
To: Andrea Kock; James Heller
Date: 3/8/02 6:55PM
Subject: SENSITIVE ALLEGATION INFORMATION

Jim/Andrea

I am forwarding to you an email regarding a phone call Wayne Hodges received from an individual who is also featured in a referral package I just received from you today (R111-2002-A-0005). Since it appears that this refers to the case R111 is handling, we are forwarding this email to you so that R111 can determine whether there is any new information and can determine appropriate action. If you determine that there is new information that should involve NMSS, please let me know.

With regard to R111-2002-A-0005 Concerns 1 and 8 that you are referring to us, there is no source document in the file. It appears that the concerns may have come from an OI interview. Could you provide us with a copy of the transcript (or at least the relevant portions) as soon as possible?

The summary of the concerns in the acknowledgment letter is vague as to who the parties are. Concern 1 refers to a "vendor" and a "cask designer." Concern 8 refers to a "fabricator" and a "cask design organization." I am assuming that the "cask designer" in #1 and the "cask design organization" in #8 both refer to Holtec, and that the "vendor" in #1 and the "fabricator" in #8 both refer to U. S. Tool & Die. Is that correct? Do #1 and #8 both involve the same events? Is there more information in the file as to the specifics of the alleged events (e.g., what modifications, disposition of nonconformance conditions, etc), and when they took place?

Please give me a call if this is confusing.

Bob

MSA
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From: M. Wayne Hodges *1/UMSS*
To: Robert O'Connell
Date: 3/5/02 7:57AM
Subject: Fwd: Oscar Shirani's allegation

This gentleman called me yesterday. Although his firing by Commonwealth is apparently already under investigation, I got the impression that Region III was not following up on his "safety" issues. He requested a meeting to discuss his issues. I told him that until we had an opportunity to read his issues, a meeting would not be worthwhile. He had e-mail the attached info to Bill Brach but Bill is out for a week so I asked him to e-mail it to me. Some of this is Reactor related and some is SFPO related.

Wayne Hodges

From: <OShirani@aol.com>
To: <Mwh@nrc.gov>
Date: 3/4/02 2:55PM
Subject: Oscar Shirani's allegation

March 4, 2002



United States Nuclear Regulatory Commission
NRR
Washington, D.C. 20555

Dear Mr. Hodges;

Per our telephone conversation this morning, I am forwarding my allegation document (see attachment) to you. I also sent the attached document to Mr. Bill Brach this morning.

It appears that Region III may not have sufficient resources and staff for potential 10CFR Part 21 and 10CFR 72.48. Mr. James K. Heller, Senior Allegation Coordinator who is in charge of the investigation of my allegation, per my request, welcomed me to share my information with your office of NRR.

I would be available to come to Washington, D.C. to discuss the details of my allegations along with the applicable 16 attachments (not available electronically) with your appropriate staff.

The technical contents of my allegations would have an impact on "safety related material and services" under 10CFR50 Appendix B and 10CFR Part 21 and on "important to safety" regarding dry cask storage containers' design and manufacturing items and services designed by Holtec and manufactured by US Tool and Die (UST&D) under 10CFR71 & 72 (i.e. 72.48 and/or other applicable codes).

I would like to request that my case be available to public under FOIA. My intent is to prevent Exelon/ComEd Corporation (as the largest nuclear operator in the U.S.) or other utilities to ever discriminate against any other quality assurance lead auditor who was just doing his job for the health and safety of the public and did not compromise to save his company against quality and safety issues.

In August 1997, I as the lead auditor issued 12 findings and a Stop Work (Shut Down) Order against one of the largest NSSS suppliers of nuclear reactors, General Electric Nuclear Services (GENE), San Jose, CA. ComEd Nuclear Generation Group (NGG) prematurely lifted the stop work order in November 1997 with some vague promises from GENE and no actual corrective action and without my agreement, as the Lead auditor of the subject audit.

Exelon Management under Mr. Kingsley, with disrespect to the audit team hired Mr. Helwig of GENE in December 1997 who challenged all my findings at the exit meeting. Exelon and GENE wanted to downplay the importance of the subject audit findings, because NRC and NRR as well as other nuclear utilities were concerned about the significance and impact of those findings on the other plants designed by GENE.

Mr. Helwig and the rest of NGGG management stunted my career at Exelon and immediately got rid of all my quality assurance managers (in early 1998) who supported the stop work order and placed a clerk without any formal education to manage the Supplier's Audit Group, Supplier Evaluation Services (SES). Their first action was the removal of the SES Group outside of the Quality Assurance Department. I challenged ComEd's management with that decision and they told me that QA Manual would be revised to incorporate the change in the organizational structure and SES would have a dotted line reportability to Quality Assurance. SES was placed in the production department, which is in violation of 10CFR50 Appendix B that requires the audit organization to be independent from the production pressure.

Since I was the lead Auditor of the subject audit, Mr. Helwig was smart enough not to discharge me immediately, but made enough remarks against me including stopping my several promotions. My life was like living in a hell in Exelon Nuclear from December 1997 till end of 2000.

In June 2000, I was requested again by the DSQG and NUPIC Utilities to lead another major industry DSQG/NUPIC audit of Holtec/US Tool and Die (UST&D). A NUPIC and USNRC audit of UST&D were conducted six months prior to this request and no issues were found, but the nuclear utilities including our Dresden Nuclear Station Unit 1 management who were fed up with Holtec/UST&D design and manufacturing repeated issues requested that I should lead a DSQG/NUPIC audit and find out the root cause of the dry cask storage repeated manufacturing problems.

I was honored by that request and performed an eight day audit of UST&D in June and July 2000, but the results were something that the requested organizations were not happy to hear nor wanted me to share with the NRC. As the lead auditor who was also fed up with the repeated problems at UST&D and Holtec for the last two years, I unfold the audit results openly to the USNRC Region III, Mr. Landsman in a conference meeting in front of my management, HUG Members, other utilities, and Holtec/UST&D.

My action and communication to the USNRC, Mr. Landsman caused my removal from NGG. Exelon/ComEd NGG conspired against me and removed me from the protected activity to an area, which was outside of my 20 years experience and reputation. Exelon prompted my mentor, Ms. Ruth Ann Gillis, Exelon SVP and CFO to give me some promises to brighter and less stressful positions up to VP level and committed to train me in the financial audits by Arthur Andersen.

Those training and commitments never occurred and Exelon dismissed me after a few months later in the new job. Exelon required 8-15 years of experience in the financial area from me who they brought in the new organization just a few months ago and in the same level as the first step toward a brighter future.

I was engaged with the protected activity just like NRC. I was the quality assurance lead auditor and frequently led major Architect Engineering and

NSSS Suppliers as well as the dry cask storage DSQG/NUPIC audits, because of my technical background and the respect that nuclear industry had for my abilities in the design and manufacturing audits.

I have also trained many utilities, designers, and fabricators inside Exelon Corporation as well as nationwide regarding design and manufacturing audits.

I worked for ComEd/Exelon for 11 years and previously worked for Stone & Webster and Westinghouse and many other nuclear utilities for 10 years prior to ComEd. In the year 2001, I was also the Technical Program Representative (TPR) for the ASME-PVP OAC Subcommittee. I have authored, co-authored, chaired, vice chaired, prepared, reviewed, and approved many technical papers in many industry sessions such as Motor Operated Valve Users Group (MUG), American Power Conferences, ASME-PVP OAC conferences, etc. for the past decade. Every one in the nuclear industry had a high regard and respect to my contribution in the engineering and quality assurance audits except my own company who inherited the most benefit from me. They did not want to be exposed to the regulators. As a nuclear lead auditor for the nuclear industry, I could not and would not keep the Exelon's interest ahead of our public safety. I was a major obstacle in their way, because I exposed their dirty laundry and their quality compromises.

Please start from Page 22 of the attached file. There are times that I am referring to Attachments and the copies of those attachments were made for Region III. I would make them available to you upon your request.

Thanks.
Oscar Shirani

CC: <Ewb@nrc.gov>, <dsb3@nrc.gov>, <jkh@nrc.gov>