

ALLEGER VISIT

HELLER: Lets do some formality here, what we got is Jim Gavula, representing our technical staff, Bruce Jorgensen, representing the discrimination aspect, Jim Heller here, Oscar Sharani and we are taping this and do you not object to us taping these issues.

ALLEGER: No problem.

HELLER: The room is reserved for an hour and a half. Your last letter that we sent you list 8 concerns or 10 concerns. We are looking at concern 1 which pertains to dry cask storage and concern 10 the audit of dry cask storage as they may have generic applicability to the industry. So we are evaluating whether or not or negotiating whether our group from Washington can take that over. So we may be sending you a letter in the near future saying those have been transferred to our office in HQ and the other concerns 2, 3, 4, 5, 6 and I think it was the other one number 9, Jim's here because they may be applicable to his area of expertise, which means we will transfer the contact from Bruce to his group. And then ah, I think that's it.

ALLEGER: One thing that I did not understand that the concerns that were summarized by NRC did not match with the Nuclear Safety Alert Allegations we outlined nine items..

HELLER: What we do is have individuals that go in there which have an individual from his staff who would review that and the first cut was they were established there. Bruce's boss, Cindy Pederson reviewed that, she said other than dry cask storage everything is outside of my expertise, so I want Jim Gavula's group. Jim works with John Jacobson to review that information and take ownership of it because my group doesn't have the expertise to evaluate that information. So that's how these were weighed. If we got them wrong, now is a good time to tell Jim, because Jim is the one who is currently going through the information and evaluating that. The discrimination aspect of your complaint, Scott Langan apologizes because he couldn't be here today, he has another meeting. Scott has done the initial interview with you, our technical staff has reviewed it, our legal staff has reviewed it. We agree that there is a prima facie and we will continue on with the investigation. Scott is ending up his interviews of the witnesses or people that can collaborate your story. And once he gets that, he formulates the investigation to start talking to management.

ALLEGER: Yes.

HELLER: Now, you said that you felt discriminated against by Sargent and Lundy, that has not been added to any file. I figure that's what you want to talk about today.

ALLEGER: Right. Do you want to start with that subject?

HELLER: However, you feel you want to go, I just gotta remind you, we need to keep on track, because these guys have other meetings and this room goes away, so.

ALLEGER: My interface with Sargent Lundy is summarized on the letter that I wrote to Mr. Paul Watalit, he is the CEO and senior partner of Sargent and Lundy, dated 1/14/02, so I will give this one for your record. Which summarized my interface with his QA Manager

HELLER: Now when I read, INAUDIBLE the tough part is you definitely lay out that he may not have been the most professional with you, that he may not have returned your phone call, that he may not have met you, but how do we glean from those actions that Sargent and Lundy were influenced by COMED's actions? That's a tough bridge for us to go over, we need that bridge established.

ALLEGER: The day that I came to the NRC, that was November 1st.

HELLER: Right

ALLEGER: And the same day, I had lunch with the QA manager of Sargent Lundy, Mr. Randy Kurts, You remember, I used your phone and I told him that today is gonna be late, so we had an alternate date to meet, next day, so I left couple of messages for him to meet the next day, so I did not receive any phone call, so I didn't go downtown. So Monday, I left another message which is November 6 or 7 and then immediately, I think Tuesday, he returned the call and said I apologize and everything, why don't we go this Thursday, which is November 8th.

HELLER: Did he acknowledge the other phone calls?

ALLEGER: Yes, he acknowledged that he received it and he apologized and he said why don't we just go ahead and meet same time 11:45 a.m. at Italian Village.

HELLER: Right.

ALLEGER: So I went there 11:45, stood there, outside and inside check for ½ hour I waited, he didn't show up. So I called him and I paged him at Sargent Lundy. Mr. Pat Shepard who was reporting to him he went and said I know that he has a lunch date with you, but I am gonna go talk with him, because he is with a customer. So he went in and got my cell phone and gave to him and called me back and says he is gonna call you within 2 minutes. I waited for another ½ hour, didn't show up. At the same time my boss who laid me off, that lady Ellen Kyle walks through the Italian Village with a grin on her face and stopping and looking at me and just walking through the Italian Village. So I knew there was some connection, but that's my assumption, So what I did I went to Sargent and Lundy. I went there for one hour, one ½ hour, stayed in front of his office, talked to a bunch of people. And I knew that he was just stalling, not coming, So eventually people were going and telling him he is not going. So he came back and he apologized and you know the customer at the last minute. He took me to the other room, we had an hour of lengthy discussions. Him and a bunch of officers of Sargent Lundy, including many partners that I would mention their names, in case you are interested. They knew about my case with David Helwig from the 1997 GE stop work. They knew that I am not going anywhere, they knew, they repeatedly, some of the officers of Sargent Lundy told me that he's not gonna be able to throw you out because you are in a protected activities and everything, but he's not going to let you go anywhere. And he is not stupid to get you out.

HELLER: Right, and they knew that because Sargent and Lundy participated in the QA Audit in GE?

ALLEGER: No, because Sargent and Lundy, I was their lead auditor for 2-3 years INAUDIBLE and because lot of officers of Sargent Lundy that were working for COMED including Jim

Knister, and those guys that they were in the ranking of Sargent Lundy, Now they, Jim Knister is the VP of Engineering, so the letter that I wrote the last day to all the officers of COMED told them that this is not fair that David Helwig and Kingsley standing above the law and violating my right, taking me out of the nuclear, taking me out of the protected activity , Immediately, as soon as I send that email, 5 minutes later, security came to my desk and I was entitled to be in the company for 2 months. They forced me out, so eventually.....

HELLER: That's part of the discrimination INAUDIBLE, but how does that tie to this?

ALLEGER: The word spread out to COMED and all their officers and I also cc'd mailed that to Asian Americans, that I was their president the previous year. So the word got spread out. As soon as I got out of the company, that was October 5th , November 1st , that I was here, I knew that Sargent and Lundy, that I had a date for lunch me and they didn't come, the next week they should have at least called me and say we are not gonna meet you or somehow. They just wanted to pretend that they don't know nothing about it.

HELLER: Okay, so what we got is a lot of circumstantial, that everything happened at the same time, but none of your friends at Sargent and Lundy have whispered in your ear, hey, this is the real thing that happened.

ALLEGER: A lot of people in Sargent and Lundy are ASME pressure vessel piping frame with me. They all knew even before I went to Sargent and Lundy, they all knew I am a whistle blower.

HELLER: Oh, I am not denying that, but what I am saying is since you left COMED and you wen to Sargent and Lundy and Sargent and Lundy hasn't done anything to you. Is one of your friends either at one of the ASME codes or at Sargent and Lundy said, hey, Oscar this is the real thing that happened or I'm trying to figure out if we consider this another example discrimination or let Scott figure out where to go.

ALLEGER: Dr. Ismail INAUDIBLE, who was one of the Sargent and Lundy partners and he is considered my friend, my mentor, he knew all along and I told him on the last day, that I am out. So I am not assuming that he must have spread the word to Sargent Lundy, but the could be, but he may not the only one.

HELLER: Okay, Alright, but none of your friends have said when Sargent and Lundy didn't come to lunch with you Sargent and Lundy didn't return any phone calls, it was because of this.

ALLEGER: No

HELLER: It is a lot of speculation on your part.

ALLEGER: Speculation, but in that one hour of conversation with Mr. Kurts. I reiterated that it is not fair what they have done to me. And it not fair that all I did was good quality work and basically I shared all the information with him.

HELLER: Okay, let me go over , I think I understand everything, but since I have the tape recorder on, I don't have to write everything which is good. In order for me to give my

investigative staff to take a look at this I have to have a minimum amount of information. Let me read it to you. What action was taken against you. You saying that Sargent and Lundy chose not to hire because of the work you had done at COMED and because of COMED dismissing you.

ALLEGER: Right

HELLER: The issues you raised pertained to not only the dry cask storage issues, but the issues that GE's

ALLEGER: Yes

HELLER: Okay, when did these occur, the GE issues occurred about 3 years ago, dry cask storage about a year ago.

ALLEGER: Yes

HELLER: Right.

ALLEGER: One more thing Jim I have to add that once I came with the result of 12 finding of the GE and I shut down GE for 3 months , Once we had conversations with all the VPS and the chief officers of the company and all the stations, the technical expertises were sitting on the table, they were the technical experts of Sargent Lundy. So there was nothing hiding from Sargent Lundy.

HELLER: Oh okay, so Sargent and Lundy knew all the issues you raised because they were part of the clean up for that.

ALLEGER: Yes. And the other thing is that the 54 calculations which I cited, all of them, Sargent Lundy managers they INAUDIBLE within the 24 hours that I brought the results, they pinpointed that these are the main calculations need to be evaluated immediately. Because one of them pointed out that I remember that this calculations doesn't have that much margin. So if Oscar had cited this calculation then he may have potential operability. That was one of the calculations. And then GE did their evaluation and everything and once they came out with their results, the calculation results did change and the resulting stress came to .5 psi to the allowable stress. So I did prove my point.

HELLER: Okay, for the discrimination with Sargent and Lundy, I think I have enough to write up and provide it to my legal staff and investigative staff. Oh, some more information.

ALLEGER: This is also the letter that documents my conversation of one hour with Mr. Kurts.

HELLER: And that's what you emailed me.

ALLEGER: Yes.

HELLER: So let me talk about the investigation. #1 If you feel like you were discriminated against by Sargent and Lundy, you must contact DOL and specifically, I know you have contacted DOL about COMED, you need to also contact them about Sargent and Lundy

ALLEGER: I will.

HELLER: Because what I have found out is if you have one or more acts of discrimination. They may not open a separate case unless you file a separate filing. They may only look at COMED. You definitely need to talk to them.

ALLEGER: Okay.

HELLER: I know you have lawyer, I'm sure he will help you with that, but I've seen this where a person raised another complaint, thought they had filed, but since they did not file it in writing, it never got processed and then 180 days came and went. So make sure you do that.

ALLEGER: I would like to also reiterate some of the previous indication of Sargent Lundy because of my reputation in the audit because of reputation in engineering. The words that I have captured, Mr. Paul Wakulip, that they are more than welcome to take me with open arms, if we don't even have an opening in QA program, we would not let an asset like you slip through our hands. Right now I see left and right that the people are hired by SL and just that they don't have any room for me. I left messages, e-mails, resumes, engineering quality assurance project management, they don't have no opening, they don't even return my phone calls. Mr. Paul Wakulip, I ask him please allow me to come and talk to you, to clarify this, put this behind us. He never even send me. Mr. Larry Jock was one of the other partners, he told me that he was gonna talk to Mr. Randy Kurts and he's gonna call me back. I never heard any phone calls.

HELLER: Okay, I think we got enough on this one now. I will write it up and I will give it to my technical and legal staff to review it. If we accept this as a case we will let you know. And the same thing would happen that has already happened, if we accept it as a case, and investigator from our staff will come and interview you and allow you to lay this whole thing out again and then we will process from there and so hopefully again within 30 days, we should be able to tell you whether we will be processing that. I will consider that a new allegation for the system.

ALLEGER: Okay.

HELLER: Okay, now we are into the technical stuff.

ALLEGER: One more thing before SL, this is the letter they requested, that they told me that they don't have any openings, and then on the bottom I said January 22, 2002, about a month and a half after they told me they don't have any openings in QA they hired Jim Clark, who was one of the ex COMED people, then I saw him at SL offices.

HELLER: That's the friend you saw downstairs that had the SL jacket on?

ALLEGER: So I have 3 documents from SL, ones my letter to them acknowledging their verbal offer of 85,000, 3 weeks vacation and all that stuff that they offered me and then they send me

a letter saying we don't openings a month and a half later they hired another guy. Who in terms of qualifications was no match.

HELLER: INAUDIBLE equally qualified. Now I think I asked you this, had he been interviewing several months before hand.

ALLEGER: I don't know.

HELLER: Oh you don't know that.

ALLEGER: I don't know that, but the time he was interviewing me, he told me about his staff, because I knew all the QA people. There was no mention that there is an interview with a. Jim Clark was working with me in a QA, he is not a type of QA auditor for engineering. I am a technical background and I was one of the only one except the last one that been hired after INAUDIBLE. I was the only one that was involved in a technical issues before in the QA. So there was no comparisons in terms of my qualifications.

HELLER: So lets go to the technical but before we do that lets just make sure this thing is working. So bear with me for a moment.

HELLER: Alright, we know that things working.

Jim Heller: Okay, the technical, I'm not sure how you want to do this

ALLEGER: I feel more comfortable to go through my allegation and point it out to see which one you captured

HELLER: Well I was wondering is it possible we go down since that's really the starting point that Jim's working from can we it is easy to go with that so that we can figure out how unless you want to go another way Jim...

GAVULA: That's fine, I believe we tried to number them, using the same numbers that you had because we recognized that we work with technical experts and that there might be further discussions on the technical contents, so hopefully the numbers INAUDIBLE even though we may not have captured your technical issue exactly, that's what we want to get clear. A Clearer understanding of the technical issue.

ALLEGER: Okay, some of these are potential part 21, especially my item #2, on my allegation. Which I say COMED has

HELLER: INAUDIBLE why don't I make a copy

ALLEGER: I think I gave the whole 22 pages plus 3 pages of this to Mr. Scott Langan.

HELLER: I've got the 22 pages

ALLEGER: and then followed by the 3 pages INAUDIBLE of the allegations. After the attachments, after page 22 we will go to the allegations.

HELLER: INAUDIBLE So you said you gave it to Scott?

ALLEGER: Scott Langan

JORGENSEN: We reviewed Scott's interview transcript and identified that I think the INAUDIBLE technical issues were the same in there and was in your last previous write up. The came to us in two separate times. So we want to make sure we match those up also and don't miss something or miss understand

ALLEGER: I think in that conversation Scott and my lawyer both were refraining me from going into to much detail because they said it on your write up of 22 pages plus 3 pages so there is no reason to go through it again, So I remembered I reiterate several times to Scott Langan that I would like for you to go through the 22 pages of my write up of my allegation plus the 3 pages. The first 22 pages is documents the harassment retaliation, pressure and all that stuff for the 3 years after the GE. And then my November 30th that I unfold everything to Mr. Landsman.

JORGENSEN: The transcripts, the 22 pages, we have that INAUDIBLE with the heading Nuclear Safety Alert, I am not familiar with that , I don't think I've seen that. Is that a synopsis.

ALLEGER: No actually what I did was put nine allegations, the first allegation is my case of discrimination then I go to 2 to 9 for the other technical stuff . From the 2 -9 some of them I would like to capture a potential part 21 investigation. That the other utilities could be potentially impacted .

HELLER: INAUDIBLE Okay INAUDIBLE If its generic then it for INAUDIBLE stuff.

ALLEGER: I also put some names of witnesses that I would to be a part of your investigation, either you or Scott to interview these people because I have mentioned their names throughout the 22 pages.

HELLER: to make this official we don't need to rehash the discrimination aspect of that, because you are talking with Scott and the interviews of those people, now I think you said in several cases that people have retaliated against other individuals.

ALLEGER: Yes

HELLER: If you could give us their names we will interview them through Scott however, I wont open up another allegation file. They have to come and specifically make that allegation to that and if they want to be helped they are the ones that have to go to DOL so we wont take third hand parties of discrimination.

ALLEGER: On number 2, 10 CFR 50 QA program, not only from August 1997 to November 1997 , which the stop work was in place but I will describe what happened after that it took almost two years that I forced by COMED to close those missions, but within that 3 months I have two witnesses, Mr. Bill INAUDIBLE he was the procurement manager for COMED. He wrote 17 procurement plans, 17 procurement plans means that we can not rely on a GE QA program because we have put a stop work order. So procurement plans write all the technical and quality language that all the calculations that come from GE has to be reviewed be COMED

engineering and has to be accepted by Nuclear Oversight manager. Last week I left a message and talked to you, finally I got a hold of Mr. Berturnee. Mr. Berturnee had a electronic copy of two of this procurement This is definitely, I would strongly recommend that this should be a part 21 against COMED. Procurement Plans outline the activities and then also captures the signatures of INAUDIBLE and engineers , INAUDIBLE and engineers supervisor and Nuclear Oversight. This is pertaining to particular technical activities at Dresden and Quad Cities. That's one of them.

HELLER: INAUDIBLE know we are not the ones that do part 21s. I don't even know how to do those.

ALLEGER: Okay what I'm am gonna do, if we can discuss it over here at least I would like to bring it to your attention. That this should be investigated because in that 3 months not only David Helwig at the GE. He was still at the GE. He admitted to INAUDIBLE Salhi that your old company, COMED, has ignored the stop work. That's one witness. From the other side is 17 procurement plan, which means that the 3 months that all the GE analysis did not have any QA program, enforcement or implementation. Now, after we lifted the stop work, and also I will tell you this is the letter.

HELLER: INAUDIBLE is this one of the concerns that's there?

INAUDIBLE

ALLEGER: This is the letter of the stop work, August 29th. They wrote it, they didn't even include me in here, I wrote here, why not ask Sharani who did the job. They INAUDIBLE after I brought all the 12 findings, citing all the 54 calculations. They pushed me on the side and they dealt with the GE sicklet.

HELLER: Okay, now, we understand the stop work order. But the stop work order was specific to calculations, right?

ALLEGER: All the 54 safety analysis regarding the design analysis of the reactor components.

HELLER: I don't disagree with that, my question is what are these other procurement documents that the got, If they are procuring something that is not by the stop work order . The stop work order does not stop them from buying stuff from GE. It only pertains to a certain thing, so, are these the procurement documents that related to the stop work order.

ALLEGER: Yes, because once you stop work order is in place, means that the GE can not perform any design analysis.

HELLER: Alright

ALLEGER: And there own QA program, because we don't trust their QA program that's why stop work is in place.

HELLER: And these are specifically analyses that were covered by the stop work order.

ALLEGER: Exactly

HELLER: COMED issued procurements anyway.

ALLEGER: Procurement plans put in place that within these 3 months that we are still receiving your analysis. We are gonna review it and then our QA program for these 3 months all the GE calculations coming to COMED has to be covered INAUDIBLE and the COMED.

HELLER: But now they want to treat it like a almost a commercial grade procurement INAUDIBLE that they upgraded by the own independent INAUDIBLE

ALLEGER: Right

HELLER: And you are saying that the COMED program didn't come out INAUDIBLE

ALLEGER: COMED ignoring their procurement plan, buying stuff at the commercial grade item and using it as a commercial grade item. That's the bottom line.

HELLER: But wait a minute, what I was getting at is , what I think Bruce pointed out , okay I issue this piece of paper to COMED knowing that there is a stop work order. But I still probably need to pick the INAUDIBLE, so isn't it acceptable to issue it to COMED, receiving it from COMED, but run it through the COMED. I mean issue it to GE, receive it from GE, run it through the COMED QA program and do the QA checks here. Is that acceptable?

ALLEGER: Yea its acceptable, that's what a procurement plan does. You see at this time that the stop work order is in place GE does not have any obligation

HELLER: I agree with that but...

ALLEGER: It's COMED fault by violating the procurement plans.

HELLER: But no, I issue a procurement document to GE to get calculations on this widget, if I get it back and run it through the COMED QA program and that's what you said they did.

ALLEGER: That's what they violated. The procurement plans means that all the procurement..

HELLER: What I am trying to find out if there is a safety issue here.

ALLEGER: It is safety.

HELLER: If I need this widget done, and I get the results back for this widget but I run it through the COMED QA program, for COMED to analyze the results, then that is not a safety issue.

JORGENSEN: We have INAUDIBLE that do calculations accurately.

ALLEGER: Yea but the thing is, if that's why you are running it to COMED to review it, that's the procurement plan does. Procurement plan is not procurement purchase order to GE.

Procurement plans means that this is become QA program that COMED would implement to review your analysis within this INAUDIBLE. That we don't trust your QA program.

JORGENSEN: Is it your statement then that although they prepared a procurement plan to upgrade these and verify and then that they didn't follow it. They bought the stuff, did not independently analysis it, did not verify the calculations and used it as safety INAUDIBLE anyway.

ALLEGER: Exactly, procurement plans means that this is the plan you operate commercial grade item INAUDIBLE the same INAUDIBLE application. And it specifically technically says what it does. And then they have a check list , where is that check list?

HELLER: I don't have it.

ALLEGER: Okay, right here, this check list goes with the procurement plan. Means that conformance to the design requirements, conformance to applicable codes, identification applicable design safety limits, appropriate INAUDIBLE of analysis INAUDIBLE. This is a checklist which goes with the procurement plan and it has to be signed by engineer and engineer supervisor and Nuclear Oversight.

INAUDIBLE

JORGENSEN: They wrote 17 plans but they didn't follow them.

ALLEGER: Exactly. This INAUDIBLE procurement plan means that my QA program covers your analysis.

HELLER: Okay, well how do you know that they didn't follow that?

ALLEGER: Because the person who wrote this Nuclear Oversight manager, is Bill Berturme said that the whole time he was there he never received any of the four analysis. Also they put me on the side, I am the lead auditor for the audit, I'm putting them on stop work INAUDIBLE, reviewing INAUDIBLE.

HELLER: I don't disagree with what you are saying, but bear with me. If I write a procurement plan for structural, I'm a nuclear engineer or I'm a QA engineer. He's my structural guy, I would never see it. I would give it to him to review, so are we saying that just because Mr. Bill wrote the plan, is he the one to review it or would it be going to someone else in the organization.

ALLEGER: He has to at least as the Oversight person procurement plan, he should know if its coming that he would designate other people.

HELLER: Now, he wrote 3 plans during this time, 17 plans, do we know if they received any services from GE.

ALLEGER: Yes they did. I was talking to some of the engineers that were involved with the GE calculations at that time. You can discuss those matters with them.

HELLER: Alright

ALLEGER: The point is procurement plan means that you are upgrading a commercial grade item in the terms of Bruce language to be applicable and applied to safety related analysis, that's what you are upgrading it so that becomes a safety related

HELLER: Okay, bear with me one more time, Okay you have given me a time that happened 4 years ago, for a 3 month period and you are telling me that there was 17 procurements, there is a good chance the COMED issued several thousands of pieces of paper during that time frame. Do you have any specific example of a procurement that was not refused by INAUDIBLE.

ALLEGER: Two of them is here and COMED has to produce all 17 of them, if they haven't destroyed them.

JORGENSEN: Those are the plans aren't they.

ALLEGER: No these specifically says Dresden and Quad Cities stations have identified me for engineering services INAUDIBLE to identify technical spec, minimum require pressure of control rod drive hydraulic scram INAUDIBLE. This is a specific activity. Each procurement plan is for a specific technical work and analysis.

HELLER: Okay, should I make a copy of these.

ALLEGER: Sure, it is two of them and I would like you to request all 17 from COMED.

HELLER: Well I cant commit

ALLEGER: Bill feels that they may have destroyed them.

HELLER: Well I'm not sure, QA records only go so far.

ALLEGER: These are permanent records. If you are doing any safety analysis the criteria NC 845, INAUDIBLE standards require certain documents to be permanent records.

HELLER: Obviously you have drafts, that's all those are, they are not signed. Obviously someone in the computer prepared 17 . Does Bill say they actually issued those or they were sitting ready to go.

ALLEGER: He wrote it.

HELLER: I know he wrote it but writing them, I write plenty of documents that don't go any farther than this office.

ALLEGER: No he issued them

HELLER: He wrote them and issued them. So they are not draft, they are official.

ALLEGER: He was in charge of the Nuclear Oversight procurement plan. When he left I was in charge of that. He was part of the SES work.

HELLER: Not denying that, I was making sure that if we do contact Bill, that he is gonna tell us, yes, he did issue those and not no we prepared them and didn't need them because during the 3 month period we didn't procure anything. Okay.

JORGENSEN: You believe all 17 services were actually procured under the 17 plans or only some of them.

ALLEGER: The reason they wrote procurement plans is because they need to receive the services.

JORGENSEN: You believe that the effort represents in preparing the plan means they probably
INAUDIBLE

ALLEGER: Because if you are receiving the INAUDIBLE and the stop work is in place QC would not allow anything to come in. Procurement plan becomes acceptable to the QC. Okay the say by this standard you could receive it because engineering has signed it, supervisor has signed it, and Oversight has reviewed it. So then it becomes acceptable criteria. Procurement plan is different from procurement documents. In another word procurement Plan becomes a bridge to link the two QA programs. So one's not working and the other that should work, the procurement plans substitutes COMED QA program of accepting 17 activities that COMED definitely need these 3 months otherwise they would not write it. Because procurement plan is not cheap or is not free.

JORGENSEN: My list has issues that they continue to procurement services as concern 3. Did you have it as number 2 on your list? I thought we started at number 2 and ended up on number 3. Am I confused about the numbers?

HELLER: You may have had it as concern 1. But because we already had the discrimination aspect, we may have put a different number on it. But the main thing you are saying its number 3 on our list.

JORGENSEN: Yea

INAUDIBLE.

HELLER: Well no, This is a summary of what we sent him. That's number 3 on the list.

JORGENSEN: Somehow maybe our internal numbering system no longer matches. You know what the issues .

ALLEGER: So the other witness that we need to interview in here is Mr. Sahlihi, that Mr. Helwig told in San Jose that you own COMED because he was not at COMED yet he was at the GE, that your own COMED has violated

HELLER: Now, so that there is no misunderstanding here, You give us all the facts and we will determine who we will interview, we may not interview XXX, we may not interview Helwig, We will let the facts as we determine them control the interview, we are not committing to interview anybody. The only that will do any interviewing at this point is Scott Langan based on who to support your discrimination.

JORGENSEN: OI makes their own decisions about how to pursue the case and who interviews.

HELLER: Right

ALLEGGER: Did you make a copy of the whole procurement plan plus the checklist?

HELLER: INAUDIBLE, I just didn't want there to be confusion there when we walk INAUDIBLE.

ALLEGGER: That checklist goes with each procurement plan pertaining to that particular activity.

HELLER: Okay

ALLEGGER: And we go on my number 3 allegations

JORGENSEN: Could we go back to INAUDIBLE

HELLER: So for Number 2 it appears that the issue is that they had issued the procurement plans, but then they failed to follow those plans.

ALLEGGER: Yes.

HELLER: Okay and we have 2 people that will supposedly support fact.

JORGENSEN: The part that I think Jim was trying to get, is that if we know specifically when we are talking about INAUDIBLE. That isn't necessarily like a calculations or something like it INAUDIBLE.

ALLEGGER: It should be deliverable calculations.

JORGENSEN: Do we have any specifics that we could independently say give me copy of this calculation and at that time it would be a GE cal that came in at that time and say where is the procurement plan.

ALLEGGER: Actually, not only should it be GE cal but also should be supplemented by COMED calculations.

JORGENSEN: They should have independently validate the

ALLEGGER: Right

JORGENSEN: Do have any like the specific cal numbers or something that I could....

ALLEGER: No but Bill could give you better directions as to how to find it .

JORGENSEN: Okay

ALLEGER: But that's gonna be like if me and Bill we feel like they violated it most likely they are not going to have it in their system. Why would they have it and keep themselves open.

HELLER: So we are at their mercy, if you will, because if their records don't show it, I don't have any way of proving it.

ALLEGER: We could ask from the title of the analysis that it was required to support the Dresden and Quad Cities analysis, from that title we could narrow it down and say okay who did this analysis GE? Okay GE was shot down at that 2 months, show me your calculations that you did to support that procurement plan, and if they don't have the procurement plan in place they should have evidence of the engineering and the oversight.

INAUDIBLE

HELLER: Its not gonna be an easy task to try to XXX to their document control system and try to pull out.....

ALLEGER: You may want to get me and I will go with you to the Dresden and I will pull the right information for you.

HELLER: We don't do that. You are not working with us on this at all. You are just giving us information. We are not going to commit to take you to COMED and we are not going to bring you in to review information that we get from COMED. So you need to tell us what to do so that we can do that in isolation of you.

ALLEGER: Right. But after your investigation is over wouldn't I have the opportunity to review to see what they have given you?

GAVULA: Sure

ALLEGER: Before I say I withdraw this....

HELLER: Well no, we are not going to get your permission to close this concern. Jim and his group will determine how this will be evaluated. They will go and do the evaluations and we may stop. You may not agree with the solution but you will have our solution. We don't run the solution by you to get your permission to close it.

ALLEGER: I understand.

GAVULA:?: We will provide you a basis as to why we are closing this out.

HELLER: Right

ALLEGER: The one thing that concerns me is that is why if the procurement manager has written a procurement plan that is definitely needed, that's why he wrote it and issue it, why wouldn't they have it in the system. If they are not hiding it.

HELLER: We don't know, but the other side of the coin is, if we find out that they did not procure anything during this time frame, we would close it, saying yes they may have written them but we can't find that they procured anything from GE during this time frame, then we wouldn't even pursue any further. Writing it does not mean there is a problem. Writing it only means that the manager, that Bill was a smart manager and had everything prepared.

ALLEGER: Since Bill left, I wrote procurement plans and you know when you write procurement plans you have 2 to 3 days, you are receiving them at INAUDIBLE, but before you receive them INAUDIBLE, you can not receive it before you write procurement plan. Procurement plan becomes acceptance criteria which is needed for that service. So you can not write it and receive it.

JORGENSEN: So you would only write the procurement plan after you have received the
END of TAPE 1 (SIDE 1).

ALLEGER:You are missing the permanent records which supports the operation and the design of the reactor. That's exactly that.

INAUDIBLE

JORGENSEN: You also need to understand that if since that time, since 97, if that have put something else in place, this is now an historical type issue versus. We won't find out what you say is true and they don't have the cal to support it, we got the technical concern, now we have to really push this. If this is something back in 97, there was a cliche and they have as such recognized and now they got the cal and it has been reviewed, from a significance perspective it puts it into a different light. And we will deal with it differently INAUDIBLE

ALLEGER: See the thing is November 1997, which we lifted the stop work, it was not based on the GE improved, it is based on GE management gave some promises to COMED that we gonna be proved. You know when I closed the 12 findings, 1999, 2 years later

HELLER: Right we have that listed as a separate concern

ALLEGER: So it only becomes that 3 months, I would suspect all the design records INAUDIBLE if GE would improve in 3 months they were dancing from 18 - 24 months to work on those corrective actions.

HELLER: Do we have enough on this one

JORGENSEN: I think we do

HELLER: We need to get going.

ALLEGER: The other part of this item number 2 I mentioned that I would talk about later, even after November 1997, our procedures and our QA program requires if there are open findings The vendor has to make a progress report, the lead auditor has to evaluate to see if those progresses are acceptable. Then you would give them another 30 to 60 days.

HELLER: I think that's part of one of the items

ALLEGER: Not only did they not provide me, my management put obstacles in front of me, not to even pursue it.

HELLER: Now wait a minute, you were the lead auditor at the time, you mean management does not have the luxury to define a new lead auditor? I mean if you go to another job...

ALLEGER: No, No, I was the lead auditor, GE is my vendor, I was responsible...

HELLER: No, No, what I mean is, he is in charge of a certain work group, if something happens and he is not here or he goes to another work group, now he becomes in charge of that work group. He owns responsibility for it.

ALLEGER: No, but that's not the case. I was there until December 31, 2000.

HELLER: But what I was getting at is COMED doesn't have because you are on another job the luxury to that.

ALLEGER: No, your supplier is your supplier, you are responsible for your supplier, you are responsible for your corrective actions.

HELLER: I know that's what you are saying, but COMED does not have the luxury of saying there is 5 auditors in this group and they are all lead auditors, this guy is over here now , you go on and take a look at it.

ALLEGER: No, that was not the case. I was responsible till the end. And they did not transfer that job to anybody else.

JORGENSEN: The way they did it was contrary to their own QA plan, when they issued that letter to stop work based on promises.

ALLEGER: Right, you remember one of my

INAUDIBLE

ALLEGER: One of my attachments here shows you that I was going to Florida and one of my actions items was not even late for 1 month. They were calling me to Florida to find out what happened to that. Now, why for 18-24 months GE management close their issue every month. If I was late for 5 days or 1 day for my corrective action, I would be reprimanded, but they closed their eyes on all these issues until I fed up on February 1999, 18 months after that and I wrote an email to all the VPs all the chief officers of the company, including Jeff Benjamin who was the QA VP. That is a shame that all these things are open. And why should I be pushing

everybody, engineering was refusing to give 9-hours to go. My own manager says I don't have budget for you to go.

HELLER: Okay.

JORGENSEN: And they were buying stuff from GE throughout this time.

ALLEGER: Yea.

HELLER: Are we still on number 2 of your page.

ALLEGER: I'm finished with number 2.

GAVULA: Number 2 is our number 3, lets go back INAUDIBLE. We have for this concern Exelon violated its QA program by continuing to obtain services from a vendor while stop work was in effect from August through November of 1997. INAUDIBLE the difference with that is that the procurement plans were not followed.

ALLEGER: Procurement Plans or in the INAUDIBLE was acceptance criteria for the technical and quality assurance requirements.

HELLER: In the big picture the concern is right, they continued to procure services. It is the details of that.....

ALLEGER: And the other thing I want to stress is November 97, they think they lifted the stop work, but I didn't see any improvement.

JORGENSEN: But that's a separate issue.

HELLER: So our number 3.....

ALLEGER: I added one thing number 3, I said the procurement plans which is the substitute for the QA program of the GE.... I said COMED and GE both violated the procurement plans which is a substitute for QA program of GE NE. The procurement plans transfers the responsibility of safety related analysis to be covered under COMED QA program. In addition, for over 20 months COMED did not require monthly status reports from GE for the corrective action for the INAUDIBLE findings.

HELLER: You have expanded that, you have given your conclusions. What we got is a statement of the facts as we understand them. We wouldn't put that much in there because you have given us a conclusion.

JORGENSEN: We gotta go verify that.

HELLER: We gotta go verify that through a mechanism

ALLEGER: Okay

GAVULA: Now lets go to your write up number 3.

ALLEGER: Okay, supplier evaluations services group, which was a part of the QA is supposed to be independent from production. SES was moved by Oliver Kingsley and David Helwig who were in charge of the nuclear, to supply management. Previously, SES even had to stop work on the supply management because they were production. SES is supposed to be independent from the production. They moved them and once I object to that, my manager, Russ Baster said we still have a dotted line to the QA. Which anytime I wanted to exercise that dotted line, they were using obscene language against me. And I gave the example that I wanted to put a stop work on Holtech in 1999 and they were Ted Jennings and his group. And you can interview Mr. Walter Hun, that he called all his managers and they were using F word against me and what does this guy think that he can do and go shot down GE. That's why Russ Baster and Tom Joyce were there to make sure that I don't have that kind of freedom anymore. That was David Helwig and Oliver Kingsley's plan. So once I gave the 24 hours notice to Holtech, that the audit that we did at the INAUDIBLE for the audit utilities. The spacers of the Dresden were impacted by the wrong welding and the wrong design that the Holtech did. I came and I wrote a notice of 24 hours to Holtech that if you don't put the stop work on yourself, I will put the stop work on you. And you should have seen how they treated me. And then he called a meeting, and the manager said Oscar you threw the grenade , lets go pick up the pieces. And this is my dotted line that I wanted to exercise.

HELLER: I think from just looking at the files, that's in the one with the discrimination. You guys were gonna look to see if the plan had been changed and do we know if the plan approval had been changed? Approved by us?

JORGENSEN: The NRC did not receive and review a request or approve a request from COMED for this reorganization. So that's our list to go and examine what their rationale was for not sending it to us for INAUDIBLE approval. We know when it happened, so INAUDIBLE to find the record. And what their review said about it. Is this a substantial change in the QA plan. That's the kind of thing NRC might have to review INAUDIBLE. Our records suggest that we did not get.

ALLEGER: See, we have 2 different QA in COMED. One is the internal for internal work and one is the external for suppliers. If I am responsible for GE, Sargent Lundy, Bechtel, Stone and Webster, these were all my vendors. Once we write the purchase order to these people, we rely on their QA program to be acceptable. That's why COMED accepts those processes from those guys. So if you go and review QA under 10 CFR 50 appendix B, then they are doing a protected activity, safety related analysis in their QA program.

GAVULA: Okay, so we don't currently have in our system this specific concern.

HELLER: Yes we do. That's concern number 2 in this file.

JORGENSEN: Its going over to DRS, I'm not sure if it's going to John Jacobson's branch.

HELLER: I haven't transferred it. Did you ask us to.

JORGENSEN: I think so, but I will have to double check.

GAVULA:: That's number 2 in 174.

HELLER: yes, I don't remember doing anything with this one and I don't think I included that so.

JORGENSEN: The thing is there are probably requirements relating to NRC. That's one aspect when you look at it from a compliance perspective.

HELLER: Okay

ALLEGER: If it is organization which would impact on a technical and quality of the services or the material, that is the requirement that the QA manual, being revised and renewed under COMED because this is not a minor change. You are changing the functionality of the group.

GAVULA:: Therefore, we would need to take a look at it. We just need to make sure that we have captured your issues, that we understand them sufficiently that we could go out validate it.

INAUDIBLE

ALLEGER: So the impact of this that I am making is that all COMED internal and INAUDIBLE audit findings since December 1997 should be evaluated for the impact on the nuclear safety..

GAVULA:: Okay first we need to validate INAUDIBLE, and then we will go from there

INAUDIBLE

HELLER: Okay, as I said, what you say, think should be done, our technical staff will get together and we will do what we believe is done. You will always have the opportunity to double check that. Our records are always available to you, maybe available through the FOIA process, but they available to you.

ALLEGER: Okay

HELLER: okay, number 4

ALLEGER: INAUDIBLE was one of the guys that received my email to executives on the last day that I told them that they removed me from the nuclear INAUDIBLE, he called my home on the number 4, I'm talking about then he told me do you know that Oliver Kingsley is responsible for the nuclear oversight at this station and he was one of the members of the nuclear oversight. and I said I didn't know that. So that was the basis for the number 4, that all Exelon nuclear sites, QA departments were working directly under Mr. Helwig - Mr. Kingsley, President. Not reporting directly to the CEO who should be independent of the production. So what I....

HELLER: Now, wait a minute, I'm not sure that's unusual. I mean, they are independent to a certain point. But I don't know that our QA plan requires that they be all the way independent and never connect. I think they do at the senior management level.

JORGENSEN: **INAUDIBLE**, even at the VP level, it depends, the program probably lays it out, The QA plan specifies how high in the organization you go independently.

ALLEGER: You see the reason I question his independence was, immediately a week later after we lift the stop work, Mr. Kingsley goes and hires David Helwig. Who disputed all the 12 findings. Now, what kind of judgment, how would I trust even his judgement to go and slap the QA face and hire a person that was the main instrument against this stop work. And he disputed every single finding.

JORGENSEN: We'll have to look to see if the NRC has any jurisdiction over that. At a certain level executives don't answer to the QA organization, the QA organization answers to them and...

GAVULA: There needs to be a distinction drawn between organizationally what restrictions there are versus something specific happened that isn't appropriate and we're covering this stop work stuff is gonna be covered, but, the concern you are bringing us, you're saying that organizationally this is unacceptable and I don't know ... we need to take a look at it.

JORGENSEN: Yea, we understand the issue. We might look at it, but

INAUDIBLE

ALLEGER: Because of my experience with working for the GE, because he let people he let his management to make sure that I become isolated. They put all the pressure for me to leave on my own and I didn't leave until November 30th which I opened my mouth in front of Mr. Landmans. For the first time after Mr. Salihi, Mr. **INAUDIBLE**, had left, I felt like two years among all these enemies there. They wanted to just choke me to force me to leave.

JORGENSEN: You're going over into the discrimination case...

ALLEGER: Once I sat down on November 30th and I felt like Mr. Landsman there, I felt so comfortable that's what I told Jim, to you, I felt that if I punched them, I had the NRC to back me up, if I'm falling. because I knew if I opened my mouth over there most likely they are gonna penalize me. And that's what they did.

HELLER: I cant hear, is something ringing?

ALLEGER: Its my cell phone.

HELLER: If you want to take a few minutes and answer it, go ahead.

GAVULA: Number 4 our concern, Exelon executives, the way it is captured in our says is not competent and not qualified based on the fact that executives responsible for production as well as QA.

INAUDIBLE

ALLEGER: Yea, you captured it well.

HELLER: I'll be honest with you, if we looked at the QA plan and Kingsley up here and the QA plan stops here, then the answer is gonna be quite simple. Kingsley is not part of the QA plan.

JORGENSEN: And it doesn't matter what our judgement is about his competency INAUDIBLE, he is outside our jurisdiction. That could be the way it comes out. But we will look at it.

HELLER: I just letting you know that, as Bruce said, if the QA plans stops here and he is up here then we don't have a dog in that fight.

GAVULA: That doesn't mean you other issues with regards to the stop work and all that, the discrimination, and all that, This is just an extra issue that we will evaluate. Okay number 5.

ALLEGER: Okay number 5, it becomes my case again on a nuclear INAUDIBLE

HELLER: Well, this is also a part of the discrimination aspect, that Scott Langan is looking at, so that's covered under discrimination.

ALLEGER: You see the thing is I was telling you that kind of concerned about concern number 10 that the intent was not covered was July 2000 the audit exit was done. the INAUDIBLE and INAUDIBLE audit that I left was July. They exited in July 2000. The issues were non significant issues. My managers did not even want me to do the follow up of those issues until it came to November 30th that I told Mr. Landsman, then Mr. Landsman found out there was an audit of that significance existed. So of course when I went and told my management then they have to give a copy to Mr. Landsman. Its not the issue that they hide it. They couldn't hide after Landsman found out. The intent that they just not even discussing the issues with the NRC.

HELLER: Well lets go there. They are not required to discuss the issued with us. The audit was done by them, sanctioned by them, unless we have a requirement built into program and I don't think we have

JORGENSEN: Which might require INAUDIBLE

HELLER: Unless there is INAUDIBLE, they are not required to do that. He can freely say I wont tell the NRC this, because he is not obligated to tell the NRC this. Our jurisdiction ends or starts, if Ross were to ask for it and they gave him the wrong one, they revised it before he asked for it purposely hid it from Ross, denied they had it then we have jurisdiction, but from what my understanding is we've talked to Ross and Ross said I asked for it and they gave it to me. So I'm not sure that there is anything we can do here, because once we became once we became aware of it they produced it.

INAUDIBLE

ALLEGER: And I will add this statement to it, September, October, November, I was telling Ross Baster, that these issue are significant, I have to go and do the follow up and I have to

take the two technical specialists INAUDIBLE in those welding issues. Mr. Landsman figured that I should have put the stop work because those issues were very significant is his opinion. And he asked me, once he called me in January 19, 2001 on my new job. He says why didn't you put the stop work on those, because they were....

HELLER: But those are legitimate questions that Ross would ask. Ross isn't saying that you should have put a stop work order

ALLEGER: He did ask me.

HELLER: But he didn't say you should have, he did what he is supposed to do and ask you those questions. We ask those questions all the time and just because Ross asked them doesn't mean we expected a stop work order. Its only a question that he asked. If you gave him an answer...

JORGENSEN: He wouldn't be knowledgeable for example about what the criteria for stop work are, which is why he would logically ask the question did this meet criteria for stop work, did you think about it. Our job is usually to try and INAUDIBLE what's the worse INAUDIBLE. I'm not sure Ross endorsed your position or....

ALLEGER: Once he read the audit report he found out that those mistakes that they have used the wrong criteria they were using the welders outside of their qualifications to do the welding of the vessel which is important to safety. Those are the issues that existed often. And it was brought up to US tool and die over and over. They didn't even have a good corrective and root cause program. Several times we issued them the same finding, they go fix it and pops up again.

HELLER: But what I am getting at here is one for the concern, if Ross asks for it and they gave it to him there is no cover up, there is no issue to prevent them from giving it. If it is in the licensee's corrective action system as an audit would be, there isn't anything for us to do. If they are fixing the problem. You may have identified it, you may have saved them a lot of money and a lot of headaches down the road but the fact is you are a member of the licensee staff at the time and you were a QA person. If it is in program, I'm not sure that there is much more we can do.

ALLEGER: The thing is that's why I want to bring this statement in my boss, Ross Baster and his organization is support management they were not allowing me to go the follow up of those issues, September, October, November, I repeatedly asked them and they said you know if I want to pay your ticket and the 2 technical specialists, I don't have the budget. That what I am saying the only emphasize of this new SES was the budget, stay under the budget if you rock the boat David Helwig can snap the organization, we got to be friends with the suppliers. That's the mentality there was no effective QA programming. If they issued 9 significant issues out there and I'm insisting that I got do the follow up and it is my vendor, they stopping me because they don't want to pay the travel to get....

JORGENSEN: was there a requirement for a time frame to do this ... does QA program have a time frame.

ALLEGER: The requirement of the procedure says that you have to close the issues within 30 days, if the vendor making progress they have to write progress report. You as the lead auditor evaluate if the progress is acceptable you grant them extension another 30 days.

JORGENSEN: Are you talking about after the stop work.

ALLEGER: No this is not the stop work this is another audit.

JORGENSEN: INAUDIBLE US Tool and die INAUDIBLE

ALLEGER: Yes this US Tool and Die.

JORGENSEN: You were getting updates each 30 days

ALLEGER: I was not getting no updates and that's why I was telling my boss, Im not getting updates, I gotta do the follow up.

HELLER: COMED did, it wasn't that you weren't getting them COMED wasn't getting them either.

ALLEGER: No

HELLER: Okay

JORGENSEN: This was a new pick audit.

ALLEGER: This was new pick and DSQ audit that I led not even by my request. US tool and die I didn't even have to go audit them.

JORGENSEN: Let me ask a question, a new pick audit was COMED requirements in effect. COMED QA requirements in effect when you are doing a new pick audit?

ALLEGER: Once I'm lead auditor becomes the QA of COMED becomes the government

JORGENSEN: I just want to be clear that there wasn't some other set of QA requirements that applies when there is a new pick audit.

ALLEGER: Anytime there is a new pick, the lead auditor works under it QA program and then once the utilities reviews that they should review it under their own QA program and accept or reject.

JORGENSEN: You will recognize my question, if you look at what we document back to you as item 6, about not getting monthly updates, we thought that applied to the stop work order on GE.

ALLEGER: No this is, GE had the monthly updates that they didn't do it for 18 months until I wrote that, This one also, same thing for Holtech, WHICH is US tool and die .

JORGENSEN: In one case it was a stop in effect, as we wrote here INAUDIBLE under GE..

ALLEGER: That was GE.

JORGENSEN: Monthly updates were required, they were not delivered. In the 2nd case, just because of the findings monthly updates were required, they also were not delivered.

ALLEGER: Right

HELLER: The monthly updates applies to which items of your list of nine, so I know that this is items number ...

ALLEGER: I would say that we should include it in item number 5.

HELLER: Item number 5 is addressed by our concern 6.

ALLEGER: No, it should be similar to concern number 6.

JORGENSEN: Our concern 6, Jim is talking about not getting monthly updates from GE after the stop work

HELLER: Our concern 6 should be also be

ALLEGER: Should also be expanded to the US tool and die ..

JORGENSEN: Was it your understanding that the 30 day report obligation applied to Holtech or US tool and die because as I understand it

ALLEGER: Any vendor

JORGENSEN: Holtech was the vendor US tool and die didn't even have a QA program, they were under the umbrella of the Holtech plan

ALLEGER: No, they both had the QA program US tool and die did not have design capabilities.

JORGENSEN: Ah, Okay.

ALLEGER: You see you have 18 criteria, Holtech has all the 18 criteria but US tool and die has portion of the 18 criteria. They didn't; have design capabilities, software and many other stuff, they did have a have a stand alone QA program.

JORGENSEN: And the exact time window would have been from the time of your audit which is June and July.

ALLEGER: Yes, June and July, I did 5 days June and I extended it 3 days in July . July 7 was the exit.

JORGENSEN: From July of 2000 til

ALLEGER: Til November 30th which I Mr. Landsman still the issues were open.

HELLER: We need to get going here, we are gonna lose the room. We JUMPED AROUND A LITTLE bit, on your page 24 item number 3, have We talked about that?

ALLEGER: Yea

GAVULA: Item number 3 is concern number 2 INAUDIBLE.

HELLER: Okay

INAUDIBLE

HELLER: Okay

GAVULA: Item number 4 is our concern number 4

ALLEGER: What was the concern? SES was moved out in your concern?

GAVULA: In ours they said it was captured under a previous allegation as concern number 2.

JORGENSEN: We wrote that one down I think you called us on the phone even before We met or maybe

HELLER: It was when We met the 1st time, I remember that

ALLEGER: That would be added to this

JORGENSEN: Yes

GAVULA: Okay then item number 4 in your write up is our concern number 4 . item number 5 in your write up appears to be just the discrimination part, right?

ALLEGER: Yea, but since this is only the discrimination part, the subject is still is fresh I would like to add concern #6 similar to item #5 for the US tool and die audit

HELLER: Okay We will get to that

GAVULA: But 5 is your concern is that you were retaliated or you were discriminated against INAUDIBLE did you brought the issue about not getting the audit report which is our number 10 which We already talked about that one right?

HELLER: I think We did but I think he is expanding that

ALLEGER: Yes I am expanding it because I am not saying that they didn't give you the audit report what it got it there to get the audit report cost me my job.

HELLER: Now is that expansion one of the items in your sheet here?

ALLEGER: No I would like to add...

HELLER: So that's new

GAVULA: In item #5 is where he Holtech was trying to impede justice to hide the facts from NRC INAUDIBLE That's kinda captured in your #5 discusses that aspect of it

ALLEGER: Yea , item number 5 touches the audit of the US tool and die it should also be expanded and say the same similar thing that concern #6 for the GE should say the same thing for the US tool and die. That the audit report and the progress report was not made to me from July till November 30th and that's what I told Mr. Landsman n the meeting if these guys have made so much , I was on the speaker phone telling US tool and die and Holtech that if guys are saying that you have made all these progress reports why my 9 findings are still open?

GAVULA: Okay INAUDIBLE this was US tool and die INAUDIBLE

ALLEGER: Not only the updates from September, October November of 2000. My boss Russ Baster was not allowing me per my repeated requests to go because of the travel expense.

GAVULA: So I think We captured your write up #5 and now We will go to write up #6. and this is item #8

ALLEGER: Actually I wrote this one gave it to ASME cause they think I think they need to also revised some codes.

JORGENSEN: Unless its something We need to look at

ALLEGER: You do need to look at 10 CFR 71 and 72 which has the same design requirement as the 10 CFR 50 appendix B and QA 1 and CM 45 211 and any design code requires that if you do repair or use as it this is a design change.

HELLER: We don't disagree with that.

JORGENSEN: I Think We understand the technical issues that each design changes were being made by an organization that was INAUDIBLE to make design changes, mainly US tool and die, there QA program didn't cover design and furthermore they weren't being referred back to Holtech and Holtech was not reviewing and approving the design changes EITHER.

ALLEGER: Right and worse than that once I went out and audited Holtech they were defending that repair and rework were the same, so I brought the code and explained to them so they didn't even no. But my questions is all the vessels and all the parts that the did qualify and send to the Utilities the repair and the rework was mixed up so there is no design change documentation.

HELLER: So what I said at the beginning to lead into this conversation because this may have applicability to other utilities and not unique to COMED, Im working with our vendor inspection

branch in HQ so it s not good for us , so there is no need for us to continue, We don't have the expertise at this point

JORGENSEN: I think We understood the issue and it has been referred to INAUDIBLE project office and responsible for the design

ALLEGER: And this is one of those that I would like to be potential part 21 concern because of INAUDIBLE

HELLER: As I said I don't know how to do that and I don't know how We refer that and I don't think We the ones, I think it has to come from, I don't know Part 21 is totally foreign to me in this case so I don't know

ALLEGER: Is that possible that after this interview is done you refer me to your part 21 committee that I go these allegations and once I

HELLER: We don't have a committee in the region.

ALLEGER: Can I talk to NRR?

HELLER: You are more than welcome to do that but I don't even know how you write a part 21 let alone submit one because I've never been involved with them. They GO FROM THE utility directly to, They write up to the public document desk as far as I know.

ALLEGER: INAUDIBLE wrote a Part 21 against Holtech and They asked me to lead that audit Nac International charged for the Part 21 against Holtech that They mislead NRC.

HELLER: I don't deny that, all I am saying is I don't know how to do a part 21, I don't even know who to get you in touch with.

JORGENSEN: Our technical evaluation logically should ask the question. We find that all kinds of INAUDIBLE of questionable quality and is a generic issue then our technical review should raise the Part 21 question naturally. How to stimulate that from outside is what We are struggling with here. I don't know the mechanisms necessarily to stimulate that, again you've come to a conclusion and We are trying to identify the facts that We can start with to try and develop our own conclusion. If We reach the same conclusion you have, then it seems logical that We would be asking a Part 21 question. But We cant promise that even before We start.

ALLEGER: Does anything stop me from discussing these issues with NRR.

HELLER: No, you are free to talk to whoever you want to.

ALLEGER: Mr. Brach, me and him have some conversations at one of the DSQG meeting and I ask him

JORGENSEN: Bill Brach

ALLEGER: Bill Brach

JORGENSEN: he is actually the head of INAUDIBLE project office His office is gonna be running this.....

HELLER: Jim Morgan wanted you to give him a call on it.

ALLEGER: I did give a call We chase each 2 or 3 times , We left messages for each and We haven't

HELLER: You are more than welcome to give him call. As a matter of fact there is nothing preventing you from talking to whoever you want to. We have no requirement that you only talk to us. If you talk to him that's fine. Not a problem. But as I said #8 based on Bruce's boss Cindy I am talking with the people there and as soon as I know that They have accepted it, I will give you the point of contact for that. When I write you a letter I will tell you please contact such and such for any follow up on this and then when We transfer it, their the ones that will be responsible for communicating back to you on the issues.

JORGENSEN: At that time you can make a phone call and ask that person about Part 21.

ALLEGER: INAUDIBLE I discussed the same issue with Bill Brach, and he told me is not an expert in technical issues and he referred me lady in-charge of QA. Which I left a message for that lady which I never heard anything back.

INAUDIBLE

HELLER: So that takes care of your item #6 which is our item #8 which We say We are working to refer that back to our HQ office.

ALLEGER: And I also to you I wrote to ASME and I discussed it with them about changing those 2 codes.

JORGENSEN: We are not going to get involved in that .

ALLEGER: Right

HELLER: The main thing is We have enough technical information to get it to the right group so that They can start their evaluation.

INAUDIBLE

ALLEGER: Number 7 is the one I didn't see in any of your concerns. And this is one of those documents that They removed from my personal file the last day that They kept my boxes.

GAVULA: You said that is attachment 15 .

ALLEGER: Attachment 15, I gave all these attachments to Jim on the 1st day remember.....

HELLER: I probably got it

ALLEGER: I have it here.

HELLER: Can I get an extra copy

ALLEGER: They do admit that I have a Part 21 that They would investigate and They never did and also in light of the Zion station this could be applicable to the older INAUDIBLE like Dresden Quad Cities.

JORGENSEN: This speaks to the wall thickness of valves, potential flexing of valves not credit to INAUDIBLE seismic analysis there may be other dynamic analysis INAUDIBLE is that your technical issue ?

ALLEGER: No, this is different from than other, This is the wall thickness and not having the design analysis for those valves .

HELLER: This is totally a new issue from , We do not have.....

ALLEGER: You haven't even addressed that.

HELLER: We haven't said We are gonna address that.

ALLEGER: Jim let me explain on the #7. As you know I was managing the motor operated valves, the seismic INAUDIBLE analysis for COMED for 3 ½ years and that's when I wrote those papers. Once I was hired by Zion nuclear oversight team to be a technical specialist in their audit and our newcorner was the legal auditor. In that audit INAUDIBLE in the Zion station I questioned some of these valves bonnet, which is pressure bonnet, pressure boundary area wall thickness They were modifications done to these valves and They were saying similar statements like .005 inches removal from the wall thickness is Okay by engineering judgement. Then I said what about the accumulated effect. If you have done several, what is the calculation to accumulate all these things together. And They said what calculations. These are the valves We bought 20 years ago. I found out these valves were commercial grade. They never had calculation or nothing but COMED upgraded some of the piping systems to the safety related and these valves became INAUDIBLE line items. But They never had calculations. They were modifying the pressure bonnet area without having any calculations . So I brought up to the engineering They were kinda nervous about it, We don't have calculation, We are using our judgement and I said your judgement is not good enough. These are the ones that the NRC always emphasizing that your engineering judgement got to be documented .

HELLER: Okay I think I understand the issue, The question is if it is at Zion, I don't think

ALLEGER: No, It is not only Zion, what I am saying They could have similar thing at Dresden and Quad Cities because They have purchased a lot of those valves from the older plants.

GAVULA: Zion is older....

ALLEGER: Actually Zion was supposed to be in better shape than Dresden and Quad Cities in terms of material condition.

HELLER: Okay can We get a little more specific here, because as you can imagine it would be easier if Zion was operating to where We could go and look at some valves. But now you are saying it may apply to everywhere. I will be honest with you, We don't a shotgun that applies everywhere .

ALLEGER: Im not saying it would apply to Byron Braidwood

HELLER: No I just saying, you're saying it may apply to Dresden and Quad Cities, but without giving us examples, its just so general there is no way of identifying ...

INAUDIBLE

ALLEGER: That's what I am saying, That I had all the lines, all the calculations that I reviewed, I had in my personal files .

HELLER: But that was for Zion.

ALLEGER: For Zion

HELLER: Right.

ALLEGER: I'm just saying if I had those calculations from the systems We would have been able to go and see what systems I looked at and from the similarity of the systems to see if there are same USFAR requirements or whatever the requirements were for Dresden and Quad Cities.

HELLER: You see what Im saying you have given such a general big picture....

JORGENSEN: Jim is looking for a reason to go and look based on some factual evidence that someone has evaluated the system at Dresden or evaluated the system at Quad Cities and is suspect. You are saying that the general condition at Zion might apply. It's to broad for us to pick a system and go look at a valve and ask for a calculation. You are kinda asking us to go on a fishing expedition, maybe We will net something.. **END OF TAPE 1 (SIDE2).**

ALLEGER: INAUDIBLE at Byron Station as a lead as a technical expert. I told him to look at the valve flexibility analysis and soon as he went and asked them the question Their manager called me and was yelling at me that this is the type of question that you ask.

GAVULA: Okay can We get into #7, the description you have here, it doesn't really capture

ALLEGER: Can We INAUDIBLE some of the safety related piping analysis, randomly select a INAUDIBLE at quad cities.

GAVULA: First We need to capture the issue, because I don't even have it.

HELLER: We never captured this issue before.

JORGENSEN: Our item #9 is not the same issue.

HELLER: Right

JORGENSEN: Because We misinterpreted it or I was too narrow.

ALLEGER: Yea 7 you got is INAUDIBLE

GAVULA: 7 is you tell me that They modified specifically the bonnet area on valves without any calculations and it is not just They are taking out INAUDIBLE on an individual basis you could probably rationalize that but how many time can you take INAUDIBLE the pressure valve

ALLEGER: It is like not documenting engineering judgement. This is one of the old issues NRC always pounding the utilities. You got to document you engineering judgements. Some of these engineering judgements were done on the pressure bonnet of the valves which were

GAVULA: How come there were modifying them?

JORGENSEN: Too much mass.

ALLEGER: No, like you are checking the valve internals or modifications , They see a little crack , a little minor crack and what They do They say just go ahead and repair this crack.

GAVULA: Well They probably would grind it.

ALLEGER: Grind it

INAUDIBLE

ALLEGER: The crack becomes the ah surface crack or can be structural crack

JORGENSEN: sure

ALLEGER: In order to find out if it is a structural crack you have to grind it to find out so They were doing modifications to these valves. And once I asked the question for the valves, They said these valves were bought 20 years ago as a commercial grade item. So what COMED didn't do, once you buy commercial grade items you upgrade for safety related The first thing you do is prepare the calculations. Therefore, if you do have the calculations based on having the cal then you could remove whatever you want and do the analysis to see you still have the main wall thickness. But not having the cal and removing it based on what you are saying that the valves still needs the requirement.

HELLER: So this is a minimum wall thickness pressure boundary issue, not a seismic flexibility issue.

ALLEGER: One lead I could give you is maybe you randomly select a few systems at Dresden and Quad Cities pipeline systems and find out the line items, the valves, you could locate the valves and find out if the valves were purchased safety related that id not the issue. If the valve was not purchased safety related commercial grade that's the calculations that exist. Then We

can look at the modification done to that valve. That becomes an issue. I think that is not going to be difficult to do.

HELLER: I may not be difficult to find but you are concerned about it and you saying it applies to Zion, well Zion shut down, so We wouldn't go there. I think Bruce had the right analogy, We not going to cast a net out and try and catch a few fish. I don't know if it is that general, our resources are strapped, We want to evaluate these things but its so general, you cant give us a issue or an area, I can't commit that We could any do anything other than to tell you its so general there's nothing We can do.

JORGENSEN: This is where the real problem is, do you expect some of these valves to have failed by now.

ALLEGER: You see the valves that I was responsible for 1600 valves at all the six stations INAUDIBLE, within those 8910 programs I instructed 7 people who were working for me, lets look at the flexibility because all the valves manufactured They were assuming all the valves were original. We found between 70 to 80 valves from the 1st 500 population that We looked at They were not originals, Therefore, because if you calculate the frequency, the frequency if it is below 33 hertz , that's a INAUDIBLE change. If it above 33 hertz that becomes rigid range. So if you are not analyzing this valve it could affect your piping, it could affect your structural supports and it could affect the pipe itself; I mean the valve itself.

HELLER: We jumped into the other one

GAVULA: Item #7 that We don't have currently in our system, valves purchased non safety They were upgraded to safety but no calcs were performed. The critical part is, subsequently valves were modified using engineering judgement but no documentation .

ALLEGER: Right

GAVULA: I don't know if that's the concern.....

ALLEGER: I wish that I could help you maybe not letting COMED to know. If I could come, Okay it is gonna be difficult. If I could request because I could find problems.

GAVULA: Well We could find documentation problems, I could pick up any calc you want and I will have INAUDIBLE but the question is it just a documentation problem or is it a safety concern.

ALLEGER: If the analysis is not performed that becomes indeterminate.

JORGENSEN: But They have been in service for 30 years. And if there has been no failure then

ALLEGER: You see that the problem you are not waiting for the material to fail because I bring that plastic document that I wrote. You have to go almost 50 % above the yield before you get to that plastic hinge, before you even observe it cracking material. At NRC or no regulator

would allow to go above design limit. Design limit is like in the order of .5 .4 or .7 of the INAUDIBLE. So if you go above those values you are inoperability.

JORGENSEN: Then you are saying the design limits have not been specified even for some reason or They haven't been calculated because They were procured.....

ALLEGER: They will have to do a Part, you will have to do a 24 hour period to go and check all the CMT INAUDIBLE, all the material and justify that even if you reached to the yield, your stress is gone above design, that the other criteria you INAUDIBLE reflection and all the other stuff you still are able to operate this equipment.

JORGENSEN: That's one way, you could also destructively test them INAUDIBLE

ALLEGER: Right, once you go above elastic range NRC will not allow you to go plastic range.

GAVULA: Well there are cases when We do

ALLEGER: Yea once you have operability evaluation. Under the normal design conditions SSD and OBE you would not go beyond the elastic portion of the valve.

GAVULA: In some case it would INAUDIBLE , supports would take you localized INAUDIBLE
INAUDIBLE

JORGENSEN: The question is how We would pursue it.

GAVULA: I have 2 parts, now its this 7 that I now need to put into the system and then and now We can go to 8 and that's the.....

ALLEGER: Can I add one more sentence, the reason I begun that discussion because you said that it has been operating for 30 years and not one of them have failed. The failure is not the indication that the material has exceeded the design limit.

JORGENSEN: I understand that, I wasn't trying to make a statement, I was trying to ask a question, if there was any evidence of failure that might give us an opening an avenue of what to go look at , which valves, if there was some failures in one system that might be the system that We could pick and make it straightforward how to follow up on this.

HELLER: But lacking specific examples, something that We would essentially go fishing for, We generally don't do that through our programs.

ALLEGER: You know the point from all these things is even the time I was at Zion, I bring a Part 21 issue first, they never brought me back to anymore stations to be a technical specialist, second they never even investigated, I was repeatedly for 6 7 months telling Ed INAUDIBLE that this issue is open. He was never INAUDIBLE call the lead auditor. I was calling a newcomer and found out he left the company. The case was closed.

HELLER: For Zion, Zion has been shut down for about 5 years

ALLEGER: That was 1995.

HELLER: So this was identified just before They shut down : Was it closed by definition of it being shutdown?

JORGENSEN: It doesn't sound like it.

HELLER: Okay I think We understand issue. Okay so you want to go to number 8 or where were you Jim.

ALLEGER: I think We talked about number 8, the sizemic.....

INAUDIBLE

ALLEGER: But there is no question about

GAVULA: Right now the writeup I had applied to Dresden and Quad. I didn't know, why wouldn't that part be applicable to INAUDIBLE

ALLEGER: Well it could, but I think since Byron, Braidwood and LaSalle was lately with design, They were probably had better design allowable for the valves or the bought valves from more reputable companies, I don't know. It could really be applied to everyone else. But the thing is I am bringing this question is once We were looking at the first 400 to 500 valves if the generic 8910, I instructed my 7 guys working for me., lets look at the natural frequency. I requested to calculate the natural frequency on all those generic letter 8910 files.

GAVULA: Okay when We talk about the valve itself that's gonna be INAUDIBLE.

ALLEGER: Especially the long ones, They are gonna be supported in the piping, so if the valve is considered rigid it acts differently because once you run the piping analysis They do the node analysis They consider the valve rigid so They using different sizemic factors because They know multiply one and half or something like that. That the valve is already rigid not to impact the piping analysis, but if the valve is the residents range then the assumption from the valve manufactor has to be validated because the manufacturer build the valve and says this is rigid, depends on where you put this valve you could put it in a 2 g zone or you could put it in a 14 g zone, depends on the end user how the put this valve. So the end user has to frequency analysis.

GAVULA: Well the valve manufacture should be able to tell you what the natural frequencies of the valve are

ALLEGER: Right.

INAUDIBLE

GAVULA: Are you saying that

ALLEGER: I'm saying that's why I am not questioning Byron or LaSalle because those valves from INAUDIBLE manufacturing were purchased later. I reviewed all of those valves, They did calculate the natural frequency.

GAVULA: Were they rigid?

ALLEGER: No, some of those valves were not rigid. We did validate that and then We took.....

GAVULA: What did they have to do with the piping.

ALLEGER: Well if the valve manufacturer considers that the valve being rigid and your analysis to validate that find out that this was not rigid Not only it could impact the structural integrity of the valve itself it could also be impacting the piping analysis and the surrounding supporting structures.

GAVULA: In those instances where you found the stiffness, the natural frequency of the valve assembly was not rigid did you ever chase that back to....

ALLEGER: Yes we chase that back to the supports and

GAVULA: What was the consequences?

ALLEGER: No, we had to transfer that information to Sargent Lundy because We were not doing the piping analysis but We notified Sargent Lundy as a interface department that We have found this and They would go and re-evaluate the piping analysis. But if you don't have the valve manufacturer assumption validated then the valve the considered rigid may not be rigid because you haven't done the analysis. Since 80 valves out of 400 to 500 valves We found the 1st shot that it is not rigid that brings me the assumption that 8910 program took care of all these issues, modified piping analysis whatever, but the older plants....

GAVULA: If 8910 would draw the same conclusion.

ALLEGER: That's for MOVs 8910 is for MOVs. We have SOVs , We have AOVs, We have other valves that were not covered as part of the 8910 program.

GAVULA: So your concern is not...

ALLEGER: Is not the MOVs , it could be any valve

GAVULA: But why would it be MOVs? Because all of the MOVs should have a been a part of the 8910.

ALLEGER: I think the 8910 program picked up some of the systems that were selected by that study, that the industry did . I don't know if They were inclusive for all the systems in the nuclear plants.

GAVULA: So it may be some MOVs.

ALLEGER: If could be MOVs.

GAVULA: But it would be the ones that are not part of 8910.

ALLEGER: Right

GAVULA: and then any other valves in the system.

ALLEGER: Right. SOVs AOVs, especially the long arms valves.

GAVULA: Sure.

HELLER: I guess I will ask this question, if it is a valve not associated with 8910, is it a none safety related valve that We have no jurisdiction over?

ALLEGER: Most like SOVs and AOVs are under investigation right now. They haven't been finalized. That could be another issue along with the SOVs and AOVs.

HELLER: Do We have specifics enough to even know what to do. Right now you have given me a very generic thing that when you were a manager in 1994 that things weren't going well. But are you telling me you have no current experience from 94 forward.

ALLEGER: Because my team was dismantled.

HELLER: But what I am getting at is We have had MOV inspections at sites. That have looked at MOVs. Your experience is only going to 1994, I trying to figure out what We would do to look at it by current day standards.

GAVULA: I think that this is combable to previous concern #7 in that We don't have a specific example .

ALLEGER: You remember 7914 issue that was exactly the same issue. 7914 They went and walked down in our plants and They found out the INAUDIBLE drawing does not reflect the configuration which is at the site. Then it expanded then They did lot of valve and the found out They even failing under the gravity that the have a INAUDIBLE.

HELLER: Lets go with those. There was a specific issue that prompted expansion of that. This program needs a specific issue to get us in to take a look at it. So based on that We can expand. As We talked earlier We cant say We think there is a problem here and cast a net over it and see what We suck in. If our inspection program doesn't find that, our allegation program doesn't drive our inspectors to go and look at things willy nilly We have to justify to our people the resources We spend

ALLEGER: I will respect their findings whatever the technical INAUDIBLE

GAVULA: But the basis for your concern is during 8910 you did find multiple examples where the valves, the natural frequency of the valves was less than 33, therefore should not have been considered rigid.

JORGENSEN: Looks like 15-20 % of the sample.

ALLEGER: Almost.

GAVULA: So that's kind of the starting point, that gives you the indication that this may be a broader issue. If I was gonna start somewhere, that would be the starting point for me. Find the examples in 8910 here is the situation with the valves, the frequency was low, how do you guys resolve this INAUDIBLE and see what happens.

HELLER: So you have a handle on that one.

INAUDIBLE

ALLEGER: Once you look into that you may be saying okay MOVs are covered lets see if this is applicable to certain SOVs or AOVs, etc.

HELLER: I think We have a starting point, but as I said We don't go on a fishing expedition. Okay that's takes us up to #9.

ALLEGER: #9, a little background was, the whole thing of this GE started with NRC was at Dresden station and They found the wrong pump curve and They came COMED, Sargent Lundy made a big error in Dresden, how do We know that They have not made similar mistakes at the other plants and how do We know that you have other vendors making the same mistakes like other architect engineer firms. Part of the big effort of COMED to convince the NRC, They told QA We have to do some technical audits in addition to the new pick to see if We can find any technical issues that NRC is convinced that We have controlled. They assigned me to lead most of these audits. Sargent and Lundy Bechtel and the other ones and GE. I found a lot of problems with the other ones, but the GE came out with the measure issue. Once I found out that We do have a problem, technical and quality problem with the vendors, I came and look inside COMED and I said you don't have any procedure to really catch if the vendors or architect engineering or triple S suppliers are making error in the analysis. They didn't have a procedure. I wrote a finding level one against COMED and sight against criteria 7 of the QA program. Criteria 7 says control of purchase items, components, and services. Components and items We do receive inspections at the site. The services which is nontangible items, like architect engineering calculations , We never received, We never did the inspections there you go Sargent and Lundy do the analysis run the plan with those. I said COMED all these years you are under the assumption that They have acceptable program. I went shut down GE. I went and found multiple problems with Sargent Lundy. Every body got there share. Therefore, you can not trust the program. You have to put something in place to review sample or something to detect. Should not wait for NRC to come and slap your hand. You have to put that in place. As soon as I wrote that level one finding, John Hausman wrote on the top of my report INAUDIBLE, so I went to QA applied my dotted line exercise again. Is this the respect I get, Im trying to help COMED. I writing this finding to put a procedure in place. So he invited all his managers about 20 people including Sargent Lundy , Mr. Kombi Salhi, he was also in their crowd, I presented my findings, in about 15 minutes INAUDIBLE. They were very harsh, They were saying no you are reading to much to codes, so They asked Kombi Salhi you were NRC put your NRC hat on and tell us if he is right. Kombi got up and said I agree with him, because he went and found problems with the vendors. He shut down

GE, you as the owner are ultimately responsible for QA programming and therefore We should accept the finding. Mr. Torcel INAUDIBLE all these guys who were working for sargent Lundy before They all said We agree. We should take the finding We accepted it. Kombi Salhi and his group worked six months to put procedures in place. It became I think a TIDMS30. TIDMS30 requires COMED to review calculations come from triple S or architect engineering firm. Based on the procedure any calculations which comes to COMED for review and approval They have to have documentation in place. The repair and use as is from Holtech was coming to COMED for review and approval. I don't think that COMED has any of the those documentation evidence. No only I have a problem with the repair and the use as is of the Holtech, because They didn't understand it but They sent it to the owner for review and approval, the owner, Joe Reese Paul INAUDIBLE, Nate Rich, I repeatedly asked them, do you guys document the review of Holtech analysis , if you don't you are gonna be in trouble with the NRC later. I was just talking to them. I didn't to get their attention. I know They have not had any INAUDIBLE any of those documentation for repair and use as is of the Holtech and the other suppliers. So that becomes the basis for number 9 findings.

JORGENSEN: We have the use as is issue on our number 1, but We didn't umbrella that COMED had a requirement to independently validate INAUDIBLE. Are you saying that COMED program was supposed to do 100% verification of calculations or

ALLEGER: COMED didn't have any procedures, based on to close my finding the wrote procedure to sample test.

JORGENSEN: Okay, so They were supposed to sample them some percentages as specified.

ALLEGER: I think that what They did once I talked to Kombi about that, They way They wrote the procedure, They didn't even say They should sample test. They were saying that They should review all of them and I say you guys are over committing yourself.

GAVULA: At some point We need to see what the QA program says about review of outside vendor stuff. If it says 100% INAUDIBLE

JORGENSEN: It turns out, I think what you are taking about with the INAUDIBLE, that an example so is the Sargent Lundy finding INAUDIBLE, so the issue that We probably haven't captured is Identify what the requirements are now at Exelon and what They were, with respect to independently verifying these procured services like calculations and analysis and see if They were implementing those requirements.

ALLEGER: Exactly, because the use as is repair of the Holtech issue is just one example any calculation received from Triple S or architect engineering on any safety related analysis has to meet that procedure because...

JORGENSEN: And what you are saying is that They We not following that procedure, They were not doing...

ALLEGER: They just did the procedure to shut me down and say okay you can close your level one finding. But I never saw any evidence that They implemented that procedure.

HELLER: You never saw or you never audited?

ALLEGER: Well I was not auditing internally but I asking the guys who were at the sites whether They have that, I was calling Dresden and Quad Cities Nuclear Oversight people to look for this things I said that procedure needs to be implemented.

JORGENSEN: On the casks They were doing receipt inspections that were physical, that wasn't analytical the were also auditing the vendor through new pick was your audit aimed at applying and independent review of the calculations.

ALLEGER: My audit was the supplier audit, this is internal, if I go internal COMED audit then I would review that. But since I came from the supplier audit and I was initially involved in a lot of internal audit with COMED and I was very familiar with the procedure. I knew that procedure did not exist, so I wrote against COMED internal procedures which was even outside my category.

JORGENSEN: That probably not the kinda thing a QA organization would do, you might even have to go to a second vendor to check a fraction of the first vendors calcs.

ALLEGER: No if you don't have the capability to do that you have to hire another contractor.

HELLER: Do you know how to rewrite this Bruce to capture this.

GAVULA: So this concern is COMED is not following its QA program for owners review of design analysis and included in that specifically was the Holtech....

ALLEGER: You can look at that as one evidence.

GAVULA: You are saying it applies to Ads, Triple S and other design...

ALLEGER: Right, as a minimum I want to look at least the dry cask issue, because I repeatedly told Joe tell planning and INAUDIBLE and their engineering manager you guys are not documenting your review of use as is repair because the procurement and the PO to Holtech was telling that if you come up with any nonconformance with this position of use as is and repair, the owner has to give you an approval. So what the owner did, any time Holtech send them use as is or repairs, says Okay, okay fine. But there is no evaluation per that procedure, that I put as a result of that level one finding.

JORGENSEN: That's fairly contemporary, those issues are still going on.

ALLEGER: But gentleman above all these things, please I am highly requesting the number one in my area, the discrimination.

HELLER: That's already taken care of , Scott Langan 's got that , you should be communicating with Scott if you have any new issues, if there is a new discrimination such as the one for Sargent and Lundy that will be looked at. As I told you before, We told you in writing, We only look at the act that was taken, We are not going to make you whole, We cant get you your job back, We may give the satisfaction of showing that you were the subject of .

discrimination, you have to pursue that through DOL. So if We were to substantiate that you were discriminated against that as far as it goes. We would substantiate that and We would take whatever enforcement action necessary. However, We would not tell COMED give him his job back, We would not tell COMED give him back wages, that has to come from DOL.

ALLEGER: I wish that they stop once they threw me out, They stop. But right now the damage is even worse after the fact. I am not even receiving the phone calls or even messages from any of the engineering companies in Chicago. I called Westinghouse talking to my ASME friend, I called the State of Washington, I called every US Tool and Die manager They all know. No body what to give me job. How am I gonna feed my family, very soon I am gonna run out of my cash. That's why people are discouraged to go in Whistle blowing because this is the life They it is gonna be.

JORGENSEN: We understand that, but its still the case that the DOL has to address. The monetary harm that is incurred and the harm to your reputation, the NRC doesn't have the jurisdiction to that.

HELLER: As I said Scott is working on that for the regulations that may have been violated and I think you have filed with the DOL. I would strongly encourage you to keep in contact with the DOL because their investigation at least at the Area Directors level is generally very short turnaround time. They a lot of times use information that We have, but They should be coming with a conclusion within 30-40 days. I mean that what They are tasked to do. Difficult cases take a longer time, but if you filed with them you should be talking to them. You got a lawyer, so I guess he would be taking to them. Okay We got everything on you sheet. Okay I think that everything, Jim do you have anything, Bruce do you have anything, Do you have anything.

ALLEGER: That's it.

HELLER: Okay, I asked Brent, he looking to see about Part 21s.

ALLEGER: So RIII never deal with Part 21s?

HELLER: No We deal with them after They have been made. How you as a private citizen would report it, I don't know. We don't have a committee that discuss handle part 21, that all handled out of NRR. Because by its nature Part 21 is generic in nature.

ALLEGER: Can I request that these reports that I have given you be also given to the NRR, so when I talk with them I don't have to start from scratch.

HELLER: What I have already done is Xeroxed your interview with Scott Langan, the information your provided and I sent that back to my NRR people. We said this was generic for dry cask storage We want you to take a look at that. So They have that and They are evaluating that now. As soon as I get confirmation from them that They agree its their issue then I will be letting you know who the contact is. You shouldn't have to reproduce anything.

JORGENSEN: You see part 21 applies to the vendor and it applies to the licensee who procure and maybe what We look at is how to phase it such as Oscar Sharani says that Holtech violated Part 21 in that and provide a factual set of information to demonstrate that there was a

legal obligation to Holtech to make a Part 21 report that They did not make or that there was a legal obligation for COMED to make a Part 21 report that They did not make. I don't We have the facts yet on the table to say We can write it down in those terms that there was a legal obligation on this date with these facts to make a part 21 report that was not made.

HELLER: But are you saying, but maybe that the allegation you have there. Are you saying the Holtech had enough information that They should have made a part 21?

ALLEGER: Yea.

HELLER: Then that's a new concern.

JORGENSEN: That might be an angle to look at it that in effect They are saying that They violated part 21, because They have part 21 reportable issue and They did not report it.

ALLEGER: My question is once I brought up this issue They went and revised their procedure and say repair INAUDIBLE and put in a separate column that I am asking whether did INAUDIBLE of the calculation They did or did the look at the impact on all the parts the made and there is the assumption that repair and re-work was the same.

JORGENSEN: That might be a way to phase it Jim and that would be something that We would refer to the Spend Fuel Project office INAUDIBLE inspection no to long ago. Was aware of a number of examples of wells not being purposely INAUDIBLE and I don't know, frankly They haven't issued an inspection report. I don't know if They INAUDIBLE cumulative look like a component defect and part 21 and I don't know what their thinking is.

ALLEGER: The other thing I want to add was one of my 9 findings to US tool and die was They had used materials from suppliers that They never audited and US Tool and Die not having the design capabilities. How could They even accept material from the suppliers which required the design capability of understanding what the INAUDIBLE. They should be getting the suppliers who are approved by Holtech, getting from their approved bill list. I don't even know how They closed those findings. Because I wanted to go after those things and that could have been leading a part 21 issue but since I didn't do the follow up I couldn't justify. I couldn't make assumption. But my point I give then a finding that you have used suppliers in your approved list and you didn't have design capabilities. How could you accept those

JORGENSEN: Was there a CMPR that came with the sheet, steel for the baskets or for the base plate for the inch and a half....

ALLEGER: You have to have design engineers, engineers that understand the CMT of material behavior to see if those are legitimate CMTR or They can understand the technical and accept it. If you don't have that capability you better send it to Holtech and get it from their approved supplier.

JORGENSEN: That's if it all specified. That's if it is laid out in a spec, its 36 or whatever CMTR says its....

ALLEGER: But they got it from unaudited suppliers. I found materials that came from the suppliers which wasn't on the approved and I look for the audit, They was no audit.

JORGENSEN: Well do you know if you got defective material though or is it the lack of documentation.

ALLEGER: It starts from lack of documentation.

GAVULA: The only thing We know for sure is that They just don't have the documentation.

ALLEGER: Yea. Then once you don't have the documentation then you look at the INAUDIBLE.

GAVULA: True

HELLER: Anything else? I think that's got us going.

ALLEGER: One thing as a result of my issues to Mr. Landsman, NRC has gone to Holtech and have given them so many findings in the year 2001.

JORGENSEN: Is that the October 25 inspection report.

ALLEGER: Yea, November 25, 2000, and one of my friends from the industry electronically faxed me and said look at , your audit was a wake up call

HELLER: Is this the vendor inspection branch

JORGENSEN: Yea, Our inspection report dated October 22 would be on available to you if you don't have a copy.

ALLEGER: I was pleased to see that the NRC is the same organization that They went to Holtech six months before me and They didn't come up with anything With the US Tool and Die and Holtech and They came up with something and it pleases me.

JORGENSEN: Let me inform you we ended that inspection at US Tool and Die in February. That will be on our website within a month or so. If you want to monitor what NRC has done with respect to our inspecting of Holtech and other vendors, you can go to the NRC website and look for the inspection report. Those would be public. This document dates October 22 is available. Likewise, I think that the exited on February 8, We probably haven't written that inspection report yet, but within the next 2-3 weeks you are likely to find the next inspection report regarding our inspection at US Tool and Die.

HELLER: Bruce how would he find it, does Holtech has it own docket.

JORGENSEN: Yes

HELLER: Is it listed there?

JORGENSEN: There is a docket 72 something for Holtech

ALLEGER: Is it 7248?

JORGENSEN: I don't know

ALLEGER: One more thing in your letter it says if I need to hide my identity, absolutely not.

HELLER: Okay, So you don't object to us releasing your name or object to us referring any of these issue to the licensee.

ALLEGER: The have not hide my name from anyone, it is a mute point to even look into it. One more conclusion if you will allow me to COMED and Holtech They benefitted from my expertise once I saved them against NAC allegation, six months prior to punishing me and getting me out of the protected activity Dr. Chris Sink after he saw my report from spent fuel magazine and INAUDIBLE that I helped Holtech getting out of that NAC allegation. NRC approved my audit report and endorse it..They said the Holtech audit was acceptable, NAC went away. Dr. Chris Sink told me.... **END of TAPE 2 (SIDE ONE).**

.....and request that you guys put adequate resources to evaluate my case and do the justice. That's all I have to say, thank you very much.