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Title:

ITMO Andrew Siemaszko

Docket Number:

IA-05-021; ASLBP No.: 05-839-02-EA

Location:

(telephone conference)

DOCKETED USNRC

February 23, 2006 (4:10pm)

OFFICE OF SECRETARY RULEMAKINGS AND ADJUDICATIONS STAFF

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1	UNITED STATES OF AMERICA
2	NUCLEAR REGULATORY COMMISSION
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4	ATOMIC SAFETY AND LICENSING BOARD PANEL
5	PRE-HEARING CONFERENCE
6	x
7	IN THE MATTER OF: : Docket No. IA-05-021
8	ANDREW SIEMASZKO : ASLBP No. 05-839-02-EA
9	х
10	Thursday, February 16, 2006
11	The above-entitled matter came on for
12	hearing, pursuant to notice, at 12:55 p.m.
13	BEFORE:
14	LAWRENCE McDADE Chair
15	E. ROY HAWKENS Administrative Judge
16	PETER S. LAM Administrative Judge
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PROCEEDINGS

(1:01 p.m.)

ADMIN. JUDGE McDADE: I'm Judge McDade, Chair of the Licensing Board. Here with me also are Judge Roy Harkens and Judge Peter Lam. We are here for ASLBP No. 05-839-02-EA, in the matter of Andrew Siemaszko.

During the course of this proceeding, given the fact that this is being done telephonically, I would ask the parties when they speak to state their name so that what they have to say can be appropriately attributed to them in the transcript. Although our voices we all view as distinctive, the stenographer court reporter may not be able to pick them out on such short notice.

What I would like to do today is basically ask some questions and Judge Hawkens and Judge Lam will have questions as well, I'm sure, on, as I understand, the only matter currently before us which has to do with the request for a stay of these proceedings pending the outcome or the resolution of criminal proceedings that have been initiated in the Northern District of Ohio against Mr. Siemaszko.

From the standpoint of the NRC staff, is there any other matter that we need to take care of

1	during the course of this proceeding?
2	MR. HAMRICK: This is Steven Hamrick.
3	I'll be arguing this issue. That's all we need to
4	cover today.
.5	ADMIN. JUDGE McDADE: From the standpoint
6	of Mr. Siemaszko?
7	MS. GARDE: No, Your Honor.
8	ADMIN. JUDGE McDADE: And that's Ms.
9	Garde?
10	MS. GARDE: Yes, this is Ms. Garde. I'm
11	sorry.
12	ADMIN. JUDGE McDADE: Okay. And Mr.
13	Lochbaum, do you have anything else you believe we
14	need to cover today?
15	MR. LOCHBAUM: This is Dave Lochbaum. No,
16	Your Honor, thank you.
17	ADMIN. JUDGE McDADE: Okay. And will you
18	be speaking for both Ohio Citizen Action and Union of
19	Concerned Scientists today?
20	MR. LCCHBAUM: Yes, I will.
21	ADMIN. JUDGE McDADE: Okay. Let's
22	proceed. I mean my first question and let me
23	address it to the NRC staff in paragraph three of
24	his affidavit, Mr. Balantine to Mr. Siemaszko.
25	PARTICIPANT: I'm sorry. Your voice is
1	NEAL R. GROSS

going in and out right now and I can't hear exactly what it is you are saying.

ADMIN. JUDGE McDADE: Okay. My question was this. In the Balantine affidavit, in paragraph three, it indicates that the government is currently providing open file discovery to Mr. Siemaszko in the criminal proceeding. And a question that I have of the NRC staff -- are there documents that would be available to Mr. Siemaszko under Section 2.336(b) that would not be provided to him under open file discovery currently being provided by the Department of Justice?

MR. HAMRICK: This is is Steven Hamrick for the NRC staff. It is our understanding that the documents that will be provided through the open file discovery will encompass the vast majority of the documents that we would be providing under our discovery as well.

There may be a few documents that aren't included but the vast, vast majority of them will be covered by the open file discovery.

ADMIN. JUDGE McDADE: Okay. Are there any that you can describe for me that would not be discoverable, would not be turned over by the Department of Justice? And if so, explain how the discovery of those documents by Mr. Siemaszko could

potentially adversely effect the prosecution?

MR. HAMRICK: Can I have one moment please, Your Honor?

ADMIN. JUDGE McDADE: Yes.

MR. HAMRICK: Thank you. Thank you for the time. There are a few miscellaneous documents, all of which have been produced already in response to FOIA requests and are publicly available. So in that respect, there would not necessarily be any harm as they are already publicly available and they have already been given to members of the public.

ADMIN. JUDGE McDADE: To me it seems like the biggest distinction between the discovery that would be available to Mr. Siemaszko in our proceeding as opposed to the discovery under the criminal proceeding would be Mr. Siemaszko's ability to depose individuals. That he would not have that ability in the criminal proceeding.

However, given the nature of the criminal proceeding, that right is somewhat limited. For example, if he were to choose to depose individuals, say Rodney Cook or David Geisen, those individuals would, of course, have the right to rely on their Fifth Amendment privilege and not respond to questions.

Are there any individuals the deposition of whom the Government believes it would be harmful to the prosecution to allow the deposition of?

MR. HAMRICK: Yes, investigators from the NRC's Office of Enforcement and NRC staff would -- their deposition would be harmful to the prosecution. And also other FENOC employees who -- or former FENOC employees who may have information relevant would be harmful to the prosecution as well besides Mr. Geisen and Mr. Cook.

ADMIN. JUDGE McDADE: Okay, now, with regard to the NRC investigators that could be potentially deposed, am I incorrect that at this point in time, A, it would have been necessary for them to make a record of whatever information they had received, what they observed, what they were told, basically to summarize their inspection with memos of interview and that those would all be discoverable prior to trial by Mr. Siemaszko.

Could you explain to me how the deposition of those individuals would materially adversely effect the prosecution since their records would already be discoverable?

MR. HAMRICK: Well, to the extent that in a deposition the defense counsel would be allowed to

delve further into -- could use these already discoverable documents and ask further questions to get a more detailed explanation from these NRC employees and investigators.

ADMIN. JUDGE McDADE: They would be able to do that at trial in any event. Wouldn't that work towards making sure that the facts truly came out? In other words, the defense would have any opportunity to question them and then do additional discovery on their own additional investigation to determine the accuracy of what was said?

How is the Government adversely impacted by allowing them to do that based on a deposition as opposed to waiting at trial and then having to request a continuance of the trial in order to do that?

MR. HAMRICK: Well, the Government would be adversely effected. It's the whole <u>Campbell v.</u>

<u>Eastland</u> kind of factors that we have been talking about.

There is a reason that criminal defendants are not given a right to take depositions or serve interrogatories and that's because, you know, of the reasons we have discussed in our previous motions. So the basic policy distinctions and policy reasons for that would still be applicable.

ADMIN. JUDGE McDADE: In most of those, they talk about a balancing. And here the representation made by Mr. Siemaszko and I'm assuming that it is accurate because you haven't contradicted it, is that Mr. Siemaszko has already made two lengthy statements to the Government and been subjected to 37 separate interviews by the Government.

Doesn't this, you know, specifically, you know, help balance things for Mr. Siemaszko unlike the average criminal defendant, whom the Government has never had an opportunity to talk with? The purpose of the limited discovery in criminal matters is to prevent, you know, fabrication of evidence, facilitation of perjury.

Hasn't Mr. Siemaszko pretty well been locked in to any particular story or recollection of events through these detailed statements and 37 interviews? How would the Government be adversely impacted by allowing the deposition of these individuals? Could it facilitate the fabrication of evidence or the facilitation of perjury on the part of Mr. Siemaszko?

MR. HAMRICK: Well, first of all, the 37 interviews, not all of those were from the Government.

Many of those interviews that were cited were from

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FENOC themselves when they were doing internal investigations. As far as, you know, the possibility of perjury, we have addressed that earlier in our further affidavits that have been attached.

Now it is very difficult for us to prospectively, you know, speculate on how specifically one may commit perjury or may manufacture evidence. But the fact that just speaking generally about a defendant in this kind of situation, a defendant would always have -- by taking someone's deposition, they can have a sense of someone else's take on the events and be able to craft their testimony in such a way as to appear consistent or in such a way to not -- to try to not contradict something that has been already said.

And to the extent that Mr. Siemaszko believes the balance in, you know, the criminal case is unfair, that should be, you know, appealed to his criminal judge and asking them not to use the civil proceeding to further harm the balance in the criminal case.

ADMIN. JUDGE McDADE: Okay. What is fundamentally unfair about allowing Mr. Siemaszko access to other witnesses the same way that the Government has had access to Mr. Siemaszko through

these witness statements and, I assume, the interviews that he gave to the company? The Government has copies of those memos of interview. Doesn't this just simply balance things out in a way that is not anticipated generally by the rules of criminal procedure where defendants aren't questioned in detail several scores of times?

MR. HAMRICK: Well, I think we need to keep in mind that with a criminal case, you know, there is a much higher burden of proof. And also he does still retain the right to assert his Fifth Amendment privilege.

And because of that, there is this balancing test -- I'm sorry, not balancing test -- there is this balance that has been struck. And that, just as a matter of policy, that needs to remain. That balance is important.

ADMIN. JUDGE McDADE: Well, I mean the balance is struck in the federal system. It's different than other systems. Many states allow the deposition of witnesses in criminal cases and are still able to run a criminal justice system.

In the federal system, the balance is struck because there is the possibility of witness intimidation in major cases. Also the possibility of

fabrication of evidence. And the subordination of 1 perjury. My question is given the unique facts of 2 this particular case, are those real risks in this 3 4 particular case? And if so, can you explain how? 5 MR. HAMRICK: Given this particular set of circumstances, well I don't know necessarily that we 6 7 demonstrate specifically how someone could 8 theoretically commit perjury or manufacture evidence. 9 But I do think that just because there are 10 previous statements that have been made that that does 11 not necessarily foreclose that as a possibility. 12 ADMIN. JUDGE McDADE: Okay. One of the things raised by Mr. Siemaszko in his reply here 13 talks about the criminal case and the civil administrative matter that we are conducting as being distinguishable. In other words, the administrative matter 18 bases on documents that were prepared, a condition report and the work order that were prepared by Mr. Siemaszko in April of 2000. And whether or not documents those contained materially false information as opposed to the criminal case that basically is focusing on activities in the fall of 2001, almost a year and a

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half later, where responses were drafted to the August

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3rd, 2001 NRC interview.

What's the NRC staff's position on that?

Do you think that Siemaszko's position has merit? And if not, why not?

MR. HAMRICK: Well, I think that's interesting. In both cases, obviously there are distinctions. Obviously it is not the exact same set of issues at hand. But both cases do rely on the underlying issue and this whole endeavor was the condition of the reactor pressure vessel head, the attempts that were made in the year 2000 by Mr. Siemaszko to clean the head, and his knowledge of the condition of the head and his own attempts to clean the head.

This case, this important case revolves around his attempts to clean the head and his knowledge of the state of the head. The responses in 2001 from FENOC to the NRC involve FENOC's attempt to convince the NRC to let them remain in operation because of the condition of the reactor pressure vessel head.

That issue is important. Mr. Siemaszko's knowledge of the condition is important. And Mr. Siemaszko's knowledge of his cleaning is important in both cases.

the Government anticipates that this is going to be a one-week trial, the District Judge should be able to set it down relatively quickly. If they anticipate it is going to be a three-month trial, it may be a considerable period before the judge is able to set aside that much time for it.

So that was the basis for my question about your sense of the anticipated length of the trial and when they anticipated it would actually go, given the nature of the docket in the Northern District of Ohio.

But you are telling me you don't know and you wouldn't know until basically the end of March.

MR. HAMRICK: Well, we do not know exactly how long the trial will be. I don't believe it is anticipated to last three months. But other than that, you are correct. We can't tell you when exactly that the trial will be set.

And, of course, any motion from Mr. Siemaszko to stay the criminal case for, you know, to have a chance to look over his discovery because it is a fairly complicated case, that would, of course, be Mr. Siemaszko's decision.

ADMIN. JUDGE McDADE: Okay. Now with regard to that date, March 24th, is that the date that

must immediately stop.

What has happened on that? Have you submitted anything to Mr. Siemaszko in that regard?

MR. HAMRICK: We have not. I believe that following the hearing in December, there was a -- different parties came to different conclusions as to what exactly was going to be done. It was the staff's understanding that Ms. Garde would be requesting a clarification in writing.

The terms of the order indicate that any request having to do with the order should be made in writing to the Director of the Office of Enforcement. Perhaps that wasn't clarified itself well enough at the last hearing.

We at OGC don't really have the authority to make a specific request of changing or clarifying the order. The order is an OE order. And so any request needs to be made in writing to the Director of the Office of Enforcement.

Although we certainly don't anticipate a problem once that request comes in -- we don't anticipate a problem having that clarification be made.

ADMIN. JUDGE McDADE: Have you consulted with the Office of Enforcement to determine if their

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interpretation of this order as represented at our 1 2 previous hearing, namely that if Mr. Siemaszko were, 3 in fact, to become in the industry, that he would not be in violation of the order? 4 5 MR. HAMRICK: Yes. We have been in consultation with OE, yes, ongoing. And we, from the 6 7 beginning, are aware that the Office of Enforcement 8 does not interpret the order to be immediately effective. 9 10 ADMIN. JUDGE McDADE: Okay. 11 ADMIN. JUDGE LAM: This is Judge Lam. 12 Based on what I just hear from Mr. Hamrick, I would 13 suggest to Ms. Garde that a request be made to 14 facilitate the issuance of that letter. Ms. Garde, 15 what is your view? 16 MS. GARDE: Well, Judge, I certainly did 17 not -- this is Ms. Garde, I certainly did not understand that I had an obligation to request that in 18 19 writing on the basis of the hearing. But having now 20 heard that, I certainly will do that. I think someone should have called and 21 brought that to my attention if they were waiting for 22 23 that. That would have been courteous and I think the 24 staff's position is disingenuous. But I will request 25 it.

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ADMIN. JUDGE McDADE: This is Judge McDade again. It certainly up to you what, if anything, you wish to do at this point in time with regard to that. And at this point, I've got some questions I'd like to address to you, you know, specifically can you address your position on harm? I mean we have discussed in the past at the previous hearings.

And the Government's position which, at least, on its face to me seems to have some merit is that the indictment effectively trumps the enforcement order. And that any harm that came to Mr. Siemaszko, any inability that he has to gain employment within the industry caused by the enforcement order is minuscule compared to the impact of the indictment.

Do you disagree with the Government's position? And if so, why?

MR. CLIFFORD: This is John Clifford speaking, Your Honor. We've pretty much conceded that after having kept Mr. Siemaszko in the warming oven with this ambiguous order that they have never changed and having done that for what -- six or eight months now, and now that they've got an indictment, that that does trump the proposed barring order.

However, the delay requested by the staff prejudices Mr. Siemaszko in more significant ways.

Postponing this civil matter to await the outcome of a criminal matter puts him at a disadvantage. He's much better off if he is able to litigate the issues in the civil matter first especially considering that the staff contends that there is a factual relationship, an overwrite in the two matters.

We think that they have kept him on the line for all this time while they waited to get an indictment. And now they want to put the indictment first or the criminal trial first. And that is a much more difficult position for him to be in.

ADMIN. JUDGE McDADE: Well, you indicated that Mr. Siemaszko, in your words, has been in the warming oven here and I guess it has actually been about ten months since the original order was issued, but at this point in time, on the issue basically of judicial economy, I mean won't the criminal matter resolve this one way or the other?

If the criminal matter results in a conviction of Mr. Siemaszko, effectively he will be unemployable in the industry in perpetuity. On the other hand, if he is acquitted, it would indicate that the Government cannot prove that he knowingly made false statements. Won't this administrative matter go away one way or the other once the criminal matter is

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resolved? And for judicial economy, shouldn't we let that happen rather than to have two proceedings?

Certainly the criminal proceeding will go this what happens forward regardless of in administrative proceeding if we were to go first. But the corollary won't necessarily follow. What's your view on that?

My view is that if the MR. CLIFFORD: staff thought that, then what they should do is simply dismiss the civil action and put all their money on the criminal case. But that's obviously not their view. They want to be able to hold back and have two bites at the apple.

They can lose the criminal prosecution and still come back and try and prove their case in this proceeding by a preponderance of the evidence. You know, that's something that can and does happen. Just think of the O.J. Simpson case where he was acquitted and then the family came back and sued him for wrongful death.

And there are different facts that are being alleged here. So even if there weren't the different burden of proof, they could come back and say well, these are different facts anyway so that the result of he one does not estop proceeding on the

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other.

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So they want the advantage of taking two swings at him. We don't want them to have that advantage. That's a prejudice to him to give them two swings.

ADMIN. JUDGE HAWKENS: Mr. Clifford, Judge Hawkens here. They could take, though, these two swings even if they followed the procedure you would like to see, which is, I think, a dismissal of the administrative sanction and if they went forward with the criminal action, he was not convicted, they could then re-institute this civil sanction and go forward with the administrative proceeding, could they not?

MR. CLIFFORD: No, they couldn't reinstitute this civil sanction proceeding because they
filed for this on the last day possible. So they
would be barred by limitations on this matter.

ADMIN. JUDGE HAWKENS: All right. Tell me
-- all right, I understand what you are saying.

ADMIN. JUDGE McDADE: This is Judge McDade again. If the situation were as you desire, which is we go forward with this administrative proceeding and assume you were to prevail at this administrative proceeding as we were to find that the order was inappropriately issued, that would have no effect on

the criminal case. And the criminal case would then be able -- and almost assuredly would forward, wouldn't it?

MR. CLIFFORD: Well, we don't know that but let's assume that it would. Let's face it. A defendant in a criminal case deciding whether to go forward and defend himself against the might of the Government is really taking a heck of a risk. And a lot of people do enter pleas just in recognition that it is an all or nothing kind of thing in the litigation.

A defendant in a civil suit has certainly less to lose if he does lose. And it's more encouraging to go forward or a better opportunity to go forward and defend yourself.

If Mr. Siemaszko prevails in the civil matter, we think that it might very well -- and the facts that come out will give him a strategic advantage of being able to prove the truth of what he says and the falsity of the Government's position.

For instance, I was struck by Mr. Hamrick saying in response to a question about the overriding facts that both matters involve -- even at different stages involved a condition of the reactor head. And Mr. Siemaszko's knowledge of that condition in April

2000. I think he was saying that that would be relevant or suggesting that that would be relevant to show what his knowledge was in September of 2001.

ADMIN. JUDGE McDADE:

anticipates trying to present evidence in the criminal case that Mr. Siemaszko already knew in April of 2000 that there were problems with the reactor head. So that it's up to his advantage to be able to prove the truth on his knowledge and what communications he made and what communications he did not make in April of 2000, that he would be in a better position then to defend himself against the criminal matter.

ADMIN. JUDGE LAM: Mr. Clifford, this is Judge Lam. So your legal strategy is to prevail in this administrative proceeding and lavish that winning, if you do win, to have a favorable impact on the criminal proceeding?

MR. CLIFFORD: Yes, Judge Lam, I might say our legal strategy is to prevail in both proceedings and our opportunity to do so is enhanced by avoiding this delay in the civil proceeding. And, of course, that's exactly why the Government wants to delay the civil proceeding is so that they will have an advantage in trying to extract either a plea agreement

2 proceeding. They want the advantage of postponing the 3 We rather they not have that 4 civil proceeding. 5 advantage. We think they already have enough 6 advantage on their side. 7 ADMIN. JUDGE McDADE: This is Judge McDade And it seems from what you've said, to a 8 again. 9 degree, you concede that there is some merit to the 10 Government's position that there is an intertwining 11 between the facts underlying the administrative order 12 and the indictment that to a very large degree, 13 whether or not the false statements -- allegedly false statements made in the fall of 2001 are a function of 14 15 what, in fact, Mr. Siemaszko did and what Mr. 16 Siemaszko knew back in the spring of 2000. 17 correct? 18 MS. GARDE: This is Ms. Garde and I would 19 like to address that question, Judge. 20 These are very different 21 circumstances and very different documents. 22 really understand the Government's theory in terms of 23 trying to intertwine the issues. I do think that that is disingenuous. And I could talk about that for 24 25 longer than we have left on this call in terms of what

or conviction against Mr. Siemaszko in a criminal

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And I tried to summarize that in the brief. But I don't think that they are that intertwined. The document -- the work order documents that are the heart of this civil enforcement proceeding are very, very different documents or theory than their argument that there was a conspiracy to deceive the Government about the condition of the reactor head in 2001.

And although I head that they are saying that, I really don't understand how that works together. Now I don't understand the theory of their case but I don't agree that they are the same. They are just such fundamentally different documents and you can't take them out of context. I mean in order to talk about what did Mr. Siemaszko know in 2001 about the condition of the reactor head and what his involvement were in the representations to the NRC staff.

You have to look at a much different body of material. Only members -- they were responding to an NRC bulletin that wasn't even issued until August 2001.

So the parameters of what they're trying to prove, they are going to have to do some pretty

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significant dancing to try to get those things all together.

And I don't think they can get there. So I do -- I mean I agree exactly with John that they are looking for a strategic advantage which, I think, will be denied to them if we are able to prevail in the civil enforcement proceeding. And it is one we hope you don't give them. Mr. Siemaszko should be able to prove the case they brought against him last year.

ADMIN. JUDGE McDADE: All right. Let me ask something here. And this is just thrown out, at the moment, for comment both from Mr. Siemaszko and also from the NRC staff.

One of the issues raised by the NRC staff is the lack of reciprocity that Mr. Siemaszko can take depositions of potential Government witnesses and then Mr. Siemaszko could refuse to be deposed claiming a Fifth Amendment privilege.

And that he would then, you know, effectively even if there is an adverse inference taken in this administrative matter, the most significant matter is the criminal matter and he would gain a significant advantage there, which is the real battle, the more significant fight.

If we were to allow the civil matter to go

forward but to direct that the first deposition be that of Mr. Siemaszko so that the Government would have the opportunity to depose Mr. Siemaszko and if he refused to answer questions that were relevant based on a Fifth Amendment privilege, that we could then revisit whether or not the rest of discovery would go forward.

What would be Mr. Siemaszko's view of that as a way to, again, balance the equities here? Ms. Garde?

MS. GARDE: Oh, I'm sorry, Judge, I was consulting with Mr. Clifford. I think that is a very good tactical suggestion. I don't have Mr. Siemaszko's criminal lawyer at the table with us but I think that you have captured exactly the dilemma that could develop.

I have kind of two responses to that. We are not intending to, if I understand everything with the criminal lawyer, claim any privilege for the events surrounding the issues case in the 2000 matters. That the staff would then ask the question that says in September 2001, what did you do? I would have a real problem with that question because I think it is outside of the scope of this proceeding.

I'm confident that you could manage that

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discovery in a way that was fair including, if necessary, supervising the actual deposition. And part of the reason that I believe that is because Mr. Siemaszko, he has been interviewed -- I said 37 times. About a dozen of those are by the Government.

The rest are by various elements of FENOC but the NRC has all of those statements. It's not like they don't know what his position is on virtually everything. But that's a very good tactical suggestion and one we would definitely be willing to take the risk.

Now I assume that you would not permit that deposition to go forward until we actually got through the paper discovery part.

ADMIN. JUDGE McDADE: Well, to me those are two entirely separate issues. And it started with the question that I had initially as to what documents would not be provided through the open files discovery that might be provided through the discovery in this administrative proceeding.

MS. GARDE: Right. And, Judge, I didn't respond to that because you kind of kept going with the staff. But I did have something on the document discovery I wanted to be heard on.

ADMIN. JUDGE McDADE: Okay. Before you do

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that, let me just go back and ask the staff. The proposal, and again this is just put out for consideration here, it's not a proposal as such, what would your view be as to the effect of going forward with a deposition of Mr. Siemaszko initially, allowing him to either not claim privilege or to claim privilege selectively?

That if we, the Board, viewed that he claimed privilege inappropriately -- in other words as a tactic to avoid appropriate discovery relevant to the discovery order, we could then just, at that point, cancel further discovery and postpone the proceeding until after the criminal matter, would that be sufficient in the Government's view to balance the equities here and allow this to go forward?

MR. HAMRICK: We would not be comfortable with that as a resolution. First of all, the issue of, you know, what is, you know, a discoverable question is, you know, things that would lead to relative information. So we would be able to ask a very broad level of questions.

ADMIN. JUDGE HAWKENS: You wouldn't be denied that, though, under -- this is Judge Hawkens -- under Judge McDade's -- the suggestion that he is exploring. You would be entitled to pose those

questions and see what Siemaszko's response was. 1 thank you. 2 HAMRICK: Well, Ι MR. 3 appreciate that. A further problem with that solution is that there really is no bright line between what is 4 5 relevant to this case, the 2000 issues with this case and the 2001 issues with the criminal case. 6 7 As we've seen from listening to Ms. Garde and Mr. Clifford, sometimes it seems like the cases 8 9 are intertwined, as Mr. Clifford is arguing, and 10 sometimes it seems like they are not intertwine, as Ms. Garde is arguing. And, I mean, it is a tough nut 11 12 to crack. 13 The cases are intertwined. And if we ask a question about his activities during the 12th 14 15 refueling outage in the year 2000, cleaning the head, 16 he may very likely feel that -- his criminal counsel 17 may very likely feel it is necessary to take the Fifth Amendment on that because that is directly relevant to 18 his knowledge of his activities cleaning the head, 19 20 which is relevant to the criminal case. 21 So I think it will just be a very difficult situation deciding what is and what isn't 22 23 the proper use of the Fifth Amendment. ADMIN. JUDGE McDADE: This is Judge McDade 24 25 again. Isn't that why they pay us the big dollars to

make those determinations?

MR. HAMRICK: Perhaps. But I think -- I don't know that even -- not doubting your judging skills, I don't think there would be a place to draw - - there wouldn't be any tool to drawn the line between these issues.

So you certainly, I don't think, want to be able to force Mr. Siemaszko to answer a question he doesn't feel like answering. And that doesn't really leave us with any positive solution in that case.

ADMIN. JUDGE HAWKENS: Judge Hawkens here. The solution in that case, I believe Mr. Hamrick was if you asked him at the outset of the deposition 40 questions and he claims the Fifth, that he is certainly entitled to claim for all of those questions, you could come back to us and say these questions were relevant to the administrative proceeding. He claimed the Fifth and, therefore, there is a sound basis for staying proceedings pending the outcome of the criminal proceeding.

What would be the downside to going that route?

MR. HAMRICK: Well, the downside of that route is that it basically gives him a Girard run at our deposition. It shouldn't really be the case that

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he, you know, necessarily, you know, knows what is 1 2 And it's -- you shouldn't have a practice coming. deposition basically. 3 And if he knows what is coming, then we 4 5 give him in the same situations with the same concerns about possibly, you know, the manufacture of answers 6 7 or just -- anything along those lines. That's just 8 not the way we're comfortable going forward with the 9 deposition. ADMIN. JUDGE McDADE: This is Judge McDade 10 11 again. Having listened to Mr. Siemaszko's counsel a 12 number of times, quite frankly I can't envision that 13 he would be deposed without having several dry runs. 14 MR. HAMRICK: Certainly. 15 ADMIN. JUDGE McDADE: Or you all have an opportunity to depose him. But in any event, let me 16 17 get back -- Ms. Garde, you had indicated you had some 18 issues with regard to documents? 19 MS. GARDE: Yes, Judge. You asked a 20 number of questions. And I just wanted to share with 21 the parties on the phone a little bit of additional 22 information about that which leads to a question. 23 Certainly given what the staff's position is that there would only be a few documents that were not

disclosed, there was a February 13th letter to Mr.

24

25

Siemaszko's criminal counsel outlining what was going to be provided in open discovery, which does a pretty good summary of what they are all going to be giving him and/or making available. It lists a number of interviews of Siemaszko that are also being provided.

What is not listed at all -- and I want to understand whether that is a part of the 17,000 documents, is the OI report or the OI interviews of Mr. Siemaszko. Obviously those are the documents that I think are at the heart of what is the basis of the case they've brought here against Mr. Siemaszko.

ADMIN. JUDGE McDADE: Well, the interviews of Mr. Siemaszko would have to be turned over under Rule 16 of the Rules of Federal Procedure.

MS. GARDE: I would have thought they would have been listed in this February 13th letter. But they're not. And the OI report isn't listed.

I don't know the answer to this. I'm just saying that it looks to me like what the staff said is correct. The vast majority of materials are going to be provided in the criminal case. But I'm just telling you that it doesn't list either the OI Report or the OIL interviews of Mr. Siemaszko.

ADMIN. JUDGE McDADE: This is Judge McDade again. As I understood what the staff said is that

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1 ADMIN. JUDGE HAWKENS: I do, for Mr. 2 Clifford. There seems to me to be real tension 3 between Ms. Garde's position that the facts and issues 4 in the two proceedings are barely, if at all, 5 intertwined. 6 And your position that it is important to 7 go forward with the administrative proceeding because 8 if you prevail there, you'll have a tactical advantage 9 in the criminal proceeding. Can you address that, Mr. Clifford? 10 MR. CLIFFORD: Certainly. First of all, 11 12 you know, Mr. Hamrick said that they felt that the 13 event of April 2000 were somehow relevant to the 14 criminal case. And that's what I heard him say. If 15 I misheard him, I apologize. But that's what my notes of his statement --16 17 ADMIN. JUDGE HAWKENS: Yes, that's what Mr. Hamrick says. But I believe Ms. Garde did not 18 19 agree with that. 20 MR. CLIFFORD: We don't agree with that. 21 Assuming that what counsel for the staff said is correct, then it follows that we are disadvantaged by 22 23 having the criminal case go first. And that there is 24 an advantage to us to be able to establish the facts 25 regarding the April 2000 events before going to a

1	criminal matter.
2	The Government says that it believes the
3	April 2000 events are relevant in its version of the
4	April 2000 events is relevant to the criminal matter.
5	Isn't that what they are saying?
6	ADMIN. JUDGE HAWKENS: So you disagree
7	with what Mr. Hamrick is saying?
8	MR. HAMRICK: I disagree with what he is
9	saying but I'm saying assuming arguendo, to throw a
10	little Latin in that he is correct, then that it
11	would follow that the Government is seeking to gain
12	further advantage by doing the criminal case first.
13	MS. GARDE: I agree with that. If there
14	was a confusion, I apologize.
15	ADMIN. JUDGE McDADE: I understand your
16	position now, thank you.
17	Judge Hawkens, do you have anything
18	further?
ا 19	Judge Lam?
20	ADMIN. JUDGE LAM: I had a question for
21	Mr. Lochbaum. Mr. Lochbaum, the criminal indictment
22	of Mr. Siemaszko came with a set of restrictions on
23	his travel. Now how does that compare with the
24	staff's enforcement order on his employment process?
25	Would you care to comment?

MR. LOCHBAUM: This is Dave Lochbaum. I saw those restrictions in the Department of Justice's actions And as I interpreted it, and my interpretation may be wrong, was that if Mr. Siemaszko found employment in one of the areas outside of those restrictions, he could go back to the Court and seek to extend it or allow a new region to be entered. So I didn't see that as permanent or final.

So that may be a wrong interpretation but that's how I read that -- or took that to mean.

ADMIN. JUDGE McDADE: This is Judge McDade. And based on my experience of more than 30 years practicing federal criminal law, that is correct. That pre-trial services would generally be quite liberal in granting an extension of that unless there were some valid reason why it should not be further restricted.

And in the event pre-trial services did not agree, that they then would have the opportunity to go to the District Court to get that expanded. But Ms. Garde, do you have anything different on that?

MS. GARDE: No, I have no reason to believe that your interpretation is not correct. The areas that we has permitted to travel to deal with work and family obligations and the criminal matter.

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If he would find a person somewhere else outside of that, I have no reason to believe wouldn't entertain

But I still don't have an answer to the OI

ADMIN. JUDGE McDADE: Well, neither do we. But at this point in time, you know, the issue of documents is not something that we are considering. That the inability, you know, if we go forward, you will have the ability to request any documents you a and the Government has said that that isn't a basis for continuing this proceeding, that aspect of discovery. And that is what we will operating on in

Well, at this point in time, do you have anything further that you would like to bring to our attention relevant to the issue of whether or not we should grant a stay of this proceeding or whether or not we should set it down for discovery and move

ADMIN. JUDGE McDADE: No, Your Honor, I think you've done -- the Board has done a very good job sorting through a complicated situation. And that the kind of proposed idea that you suggested is a good

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one. And holds our feet to the fire. And fleshes out 1 the issues that need to be addressed. 2 3 We hope you go that way and look forward 4 to getting this case finally under way. So we'll await 5 your decision. ADMIN. JUDGE McDADE: Okay. From the NRC 6 7 staff, do you have anything further? 8 MR. HAMRICK: No, we don't have anything 9 further other than just to reiterate that we have 10 asked for a stay of the proceeding and we are not 11 comfortable with the proposal as outlined previously. 12 Thank you. 13 ADMIN. JUDGE McDADE: Mr. Lochbaum, do you 14 have anything further? 15 MR. LOCHBAUM: This is Dave Lochbaum, I 16 just have an observation related to the discussion 17 Judge McDade had early on in the conference about the 18 initiation and duration of the criminal proceeding. 19 I notice that on or about January 23rd, 20 2006. Michael Johnson, the NRC's Director of 21 Enforcement, granted I believe a six-month extension 22 to some of the parties also being pursued by the NRC 23 for Davis-Besse related issued. And was just 24 wondering if that six-month extension was related to 25 the criminal proceeding or unrelated to the criminal

proceeding.

If it is related, then it might have some insight into the decision you are about to make.

ADMIN. JUDGE McDADE: Okay. Specifically, you are referring to other individuals against whom enforcement order were entered will have an additional six months within which to determine whether or not to request a hearing, correct?

MR. LOCHBAUM: That is correct, yes.

ADMIN. JUDGE McDADE: Well, I certainly don't know the answer to that. I don't know whether the NRC staff would have an answer to that. And I'm not really sure at this point whether or not that would be relevant to our decision of whether to go forward in this.

Even if the other one is delayed, we may decide to go forward or to grant a greater delay.

Does the NRC staff have anything to offer on that?

MR. HAMRICK: Yes, this is Steve Hamrick again. There were four orders issued in January that were all -- unlike this order to Mr. Siemaszko -- were all immediately effective. There was one of the four orders, the individual was granted a six=-month time extension in order to request a hearing. His order is still -- it is currently effective and he is currently

1 MS. GARDE: Yes, I heard you Sandy, thank 2 vou. 3 ADMIN. JUDGE McDADE: But Ohio Citizen 4 Action is a party. And I had asked specifically for 5 the purposes of this whether Mr. Lochbaum would be speaking for both Ohio Citizen Action and Union of 6 7 Concerned Scientists. And he indicated that he would 8 be. 9 MS. BUCHANAN: Yes, he was, yes. 10 ADMIN. JUDGE McDADE: But there were also 11 a number of law firms. Morgan Lewis has a 12 representative, I believe. Are there other parties 13 still on the line that wish to identify themselves? 14 MS. PENNY: Yes, my name is Jane Penny. 15 I'm an attorney in Harrisburg, Pennsylvania with the 16 law firm of Killian & Gephardt. ADMIN. JUDGE McDADE: Okay. Thank you. 17 18 MS. GARDE: Judge, thank you. 19 ADMIN. JUDGE McDADE: Okay. One thing 20 again I have no idea at this point, you know, I need 21 to sit down with my colleagues and discuss what we 22 want to do. One thing though that I was going to 23 propose and I had raised as a possibility a way of 24 proceeding which would be to allow a deposition. You 25 have not, Ms. Garde, had an opportunity to speak with

Mr. Siemaszko, although he certainly had the opportunity to participate in this conference here today as he does with all of them as well as his criminal attorney.

You may have a desire before you commit yourself one way or the other on that to speak with them. And what I would suggest is, you know, we, the Board, need to discuss this matter. But if you wanted some time to discuss with them the issue and present something in writing, my suggestion would be, you know, would Tuesday, the 21st, be sufficient for you to do that?

MS. GARDE: Judge, I did already have this discussion more in general with both criminal counsel and Mr. Siemaszko before today's call. But I appreciate the opportunity now to with a little bit more clarity to get back with both my client and his criminal counsel and to send you a letter. Did you say by Tuesday, the 24th?

ADMIN. JUDGE McDADE: Would that be sufficient time?

MS. GARDE: I can't imagine that that is not sufficient time. I also do want to make a comment on the record although I think it is clear. Yes, Tuesday is the 21st.

1 ADMIN. JUDGE McDADE: I'm sorry. 2 MS. GARDE: Okay, Tuesday, the 21st. 3 ADMIN. JUDGE McDADE: Yes. 4 MS. GARDE: Okay, yes. That will be fine. 5 And I will send you a letter. And that is I don't want either the Board 6 7 or any of the parties to get the impression that Mr. 8 Siemaszko isn't participating in these hearings 9 because he is not interested. He has a job. 10 working very hard to hold on to that job. And just can't take the risk of substantially more time away 11 from it than he needs to. 12 So please don't read anything into his 13 14 nonparticipation in these calls. 15 ADMIN. JUDGE McDADE: We certainly have 16 not. And just to advise you that in the event he has 17 time issues, you know we can modify the time when we have hearings in order to facilitate his requirements 18 19 as well. 20 But anyway, in the event, you know, when you submit that on the 21st, please e-mail it to Mr. 21 22 Lochbaum and to the NRC staff. And if either of you have any comments on it, if you could get those 23 comments to us by Thursday, the 23rd. Is there any 24 25 reason why that wouldn't be doable?

1	MR. LOCHBAUM: This is Dave Lochbaum. No,
2	not from our standpoint.
3	MR. HAMRICK: And this is Steve Hamrick.
4	That's fine for us as well.
5	ADMIN. JUDGE McDADE: Okay. And is there
6	anything else that we need to take up from the NRC
7	staff's standpoint?
8	MR. HAMRICK: No, Your Honor, thank you
9	very much.
10	ADMIN. JUDGE McDADE: Okay. And Ms.
11	Garde?
12	MS. GARDE: No, Your Honor.
13	ADMIN. JUDGE McDADE: Mr. Lochbaum?
14	MR. LOCHBAUM: No, Your Honor, thank you.
15	ADMIN. JUDGE McDADE: Judge Hawkens?
16	Judge Lam?
17	Well, then we are in recess. And we will
18	wait and see if there are any further submissions and
19	issue an opinion as promptly as we can. Thank you.
20	(Whereupon, the above-entitled pre-hearing
21	teleconference was concluded at 2:01 p.m.)
22	
23	
24	
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CERTIFICATE

This is to certify that the attached proceedings before the United States Nuclear Regulatory Commission in the matter of:

Name of Proceeding: Pre-Hearing Conference

ITMO of Andrew Siemaszko

Docket Number:

IA-05-021

ASLBP No.: 05-839-02-EA

Location:

Rockville, MD

were held as herein appears, and that this is the original transcript thereof for the file of the United States Nuclear Regulatory Commission taken by me and, thereafter reduced to typewriting by me or under the direction of the court reporting company, and that the transcript is a true and accurate record of the foregoing proceedings.

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