

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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INTERVIEW OF: :
[REDACTED] 1C :
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Investigation

Nos. 1-2003-051F

1-2003-045

Conference Room 219
Embassy Suites Hotel
2815 Akers Mill Road
Atlanta, Georgia

Thursday, March 25, 2004

The above-entitled interview came on for hearing,
pursuant to adjournment, at 8:00 a.m.

PRESENT:

On behalf of the U.S. Nuclear Regulatory Commission:

EILEEN NEFF, Special Agent
JEFFREY A. TEATOR, Senior Special Agent
NRC Region 1, Office of Investigation
and
G. SCOTT BARBER, Senior Project Engineer
Division of Reactor Projects

PSEG SERVICES:

JEFFERIE KEENAN, Assistant General Solicitor

m-12

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P R O C E E D I N G S

MS. NEFF: Today's date is March 25, 2004. The time is 8:30 a.m. This will be a continuation of the meeting from March 24 that ended at approximately 8:25, I believe, on the 24th, 8:25 p.m. The persons present are the same, speaking is Special Agent Eileen Neff. Also present is Senior Special Agent Jeff Teator and Senior Project Engineer, Scott Barber, [REDACTED] and Jeff Keenan and so what we will do is, just prior to going on the record today we talked about a few statements that you wanted to add to the record and I think we are going to start with [REDACTED] first regarding information that we covered yesterday.

MR. KEENAN: Yes, [REDACTED] would like to provide some information relative to the bypass valve event and specifically the community control aspects of that and so, we will let [REDACTED] speak to those.

MS. NEFF: Okay, and before we do that, I will just remind you, [REDACTED] -- I won't place you back under oath but that you are still under oath and this is a continuation.

[REDACTED]: I understand I am under oath, yes. Could I have a few moments to finish?

MS. NEFF: Sure, we can take a quick break. It is 8:31.

[Whereupon, a short recess was taken.]

MS. NEFF: Okay, we are back on the record. It is

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1 now 8:35 a.m.

2 Whereupon,

3

4 was RESUMEd as the witness herein, pursuant to adjournment,
5 and upon examination, testified as follows:

6

EXAMINATION

7

BY MS. NEFF:

8

Q What you have there is some sort of a chart that
9 you are showing us?

10

A Yes, what I have diagrammed based on yesterday's
11 conversation and I would say my perception from our dialogue
12 is there may be some confusion with regarding the command and
13 control and how direction is provided to the control room and
14 how it may have played in the number 2 bypass valve decision
15 making associated with the March 17 shutdown.

16

So, what I have provided is a pictorial diagram
17 that describes the normal chain of command when we are in
18 normal operations with the unit on line and the chain of
19 command when we are in an outage situation and there is an
20 additional group that is brought into the fold between one of
21 the levels.

22

In normal operations, the VP of Operations is the
23 primary accountable for assuring all functions associated
24 with the power plant facility are being maintained.

25

We have an Operations Director who takes on the

1 day-to-day operations specifically around what I would
2 consider the tactical and the more operational oversight of
3 decision making that is being on day-to-day operations.

4 Below him is the Operations Manager who is truly
5 accountable for shift crew performance and the actual
6 manipulations and configuration control of the operating
7 equipment.

8 The Assistant Operations Manager, excuse me, is the
9 one who is primarily in charge and the Shift Managers take
10 directions from him in the chain of command. He is the
11 Senior SRO and Shift Managers are the on-shift SRO with their
12 specific groups.

13 Is this clear? I am just trying to make sure.

14 MR. BARBER: It is clear to me.

15 MR. TEATOR: It is clear.

16 MS. NEFF: Yeah.

17 THE WITNESS: I have also listed who are the people
18 in each one of these positions. I did not list the Shift
19 Managers. You have those from yesterday and, as you know,
20 there are six or five associated with the Hope Creek
21 operations and so I just chose to stop at this point.

22 I have the position of [REDACTED]
23 had the position of [REDACTED] has
24 the position of [REDACTED] has the
25 position of [REDACTED]

1 When we go into an outage situation and our
2 procedures allow us to make that determination sometimes in a
3 preventative, if we think we are going to shut down a plant,
4 we will staff in a certain way to have ourselves prepared to
5 provide automentation [sic] to the shift crews and when we
6 are in an outage, that what that means is when the plant is
7 not on line, or anywhere in between, then we align ourselves
8 with this particular set up, which is essentially the same
9 chain of command down to the Assistant Ops Manager.

10 What changes is we create what we call an Outage
11 Control Center, which is comprised of decision-making
12 managers who have the authorities from the various parties in
13 the organization for maintenance, from operations, from
14 engineering.

15 There is an Outage Manager who has primary
16 responsibility of organizing, coordinating all of the
17 information that comes in such a way that it is
18 comprehensibly understood such that a single point of
19 contact, which is typically a Shift Manager pulled off shift,
20 as an Ops Director inside of this particular group who does
21 provide immediate and direct feedback to the control room
22 crews and vice versa back to him, so that we don't have
23 multiple people talking to the crews. We only want one
24 person and we want it to be one person can have a
25 relationship with and has a clear understanding of what

1 operations is.

2 We have elected to make that typically a Shift
3 Manager from this, who comes off rotation and fills that
4 position. He is empowered through the Assistant Ops Manager
5 to make decisions and to provide direction to the shift
6 crews.

7 BY MR. TEATOR:

8 Q So how does that change the AOM's position in this
9 Outage Command though and control the organization?

10 A It says that the Assistant Ops Manager has to use
11 the Outage Manager to have complete understanding because
12 what we don't want is the shift crew to be making decisions
13 on things when it is an extremely complex and the crews may
14 not have a complete understanding of all that is taking place
15 on a minute-by-minute basis or feedback that is coming back
16 from different places of the plant about current problems,
17 work issues and so on, and so what we try to do is the
18 Assistant Ops Manager has a group of people through the
19 Outage Control Manager to have clarity such that this
20 person's direction is in alignment with what he believes is
21 the right things to do based on the accumulative sum of all
22 of the information that has been collected.

23 So he becomes, in other words, there is another
24 layer between this person and here but it is an SRO Ops
25 Manager or a Shift Manager that takes the position of

1 providing that clarity and understanding and sequencing to
2 provide what I would say is support to the actual operating
3 crew on shift.

4 This is a typical organization the industry uses.
5 It is not unique at Hope Creek. I can give you multiple
6 stations that have adopted this particular approach and it
7 was put in place. Primarily it was to provide additional
8 support to the shift crews when we get into highly complex
9 issues and what the intent was, was to improve human
10 performance, to improve coordination and to reduce what the
11 industry was finding was events, event situations, when we
12 were getting into complex type of things.

13 So, its intent it to help, not to create a burden
14 or to create confusion.

15 BY MR. BARBER:

16 Q Can I ask a follow up to that?

17 A Yes, sir.

18 Q All right, let's start with the normal
19 configuration, normal alignment in a non-outage
20 configuration.

21 If there is a difference of opinion about what is
22 being planned from the AOM, which is the first-line
23 supervisor and the Shift Manager, who makes -- who has
24 decision-making authority to determine which way the plant
25 moves?

1 A The AOM does because he is the Senior SRO in the
2 command, the control that directs license to operate the
3 functions.

4 Q So he can override the Shift Manager?

5 A He can.

6 Q And is that allowed by the way the license have
7 been set up or the way the procedures have been set up to
8 implement license responsibilities?

9 A All I can tell you is from my understanding that
10 the Senior SRO or the Assistant Ops Manager is designed to be
11 an advisor and to provide technical direction to the on-shift
12 crews. He typically is in consultation with the Shift
13 Managers on a regular basis about performances of the plant
14 configurations and those kinds of things.

15 Q Really I am trying to ask a real simple question.
16 I am just saying that the AOM and the Shift Manager are
17 having a discussion about something, and it is almost
18 irrelevant what it is, but it is something that will cause
19 the plant to move in one direction or another.

20 There is a difference of opinion, who has the final
21 say, who is the final decision maker responsibility where the
22 plant goes; is it the AOM or the Shift Manager?

23 A I think that if you are talking about a difference
24 of opinion, we are not talking about the difference in plant
25 position of things, we are talking about a difference of

1 opinion on should we go right or should we go left when it is
2 into a collaborative determination and we have people that
3 have differences, the Ops, the Assistant Ops Manager does
4 have the ability to give the final say so on that outcome of
5 the opinion.

6 MR. BARBER: Okay.

7 MR. KEENAN: Just to clarify for the record. We
8 don't have any of the procedures here. We don't have the
9 tech specs. [REDACTED] is providing his understanding based on his
10 experience.

11 If this becomes an important issue, we'd be glad to
12 provide those procedures and have another detail but we
13 understand this discussion as being in the context of a
14 safety conscious work environment.

15 MR. BARBER: Right. Okay.

16 MR. KEENAN: And we are trying to support that
17 understanding.

18 BY MR. BARBER:

19 Q I understand. Let's go over to the other model.
20 Who has the final decision-making authority in that model, if
21 you look at three end each day when the Outage Control
22 Center, assuming we are talking about the Shift Manager who
23 is in charge of that and the Shift Manager is on shift?

24 A It is still --

25 Q And I am talking about moving the plant. I am not

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1 talking about a decision about doing work, whether you are
2 doing work or you do some testing or not, who has the final
3 decision-making authority about which way the plant moves?

4 A The Shift manager on shift.

5 Q Now why is that different in that case than the AOM
6 in the previous case?

7 A Well, it is the same. What you asked is if there
8 is a difference of opinion, who has the ultimate say so.
9 Well, in both cases it is here.

10 Your second line of questioning over here was who
11 makes the decision on maneuvering a plant a particular way.
12 Ultimately, the final say so becomes the Shift Manager on
13 shift.

14 Q Okay, I understand that that is your statement on
15 this but I thought you said in the first case, it was the
16 AOM?

17 A Your questioning was a difference of opinion. You
18 clarified that question and made it more specific and changed
19 it for the second scenario and I answered it differently
20 because you asked a different question.

21 Q Okay, well, let me go back and clarify my first
22 question.

23 If there is a difference of opinion between the AOM
24 and the Shift Manager about which direction the plant moves,
25 whether it starts up or shuts down or holds or shuts down, it

1 doesn't matter but, basically, we are talking moving,
2 maneuvering the plant in a direction up or down, not a
3 decision about work, not a decision about whether to do a
4 test or not; who makes that decision, who has the authority
5 and responsibility to do that?

6 A Clearly it is the Shift Manager on the crew on that
7 particular shift.

8 MR. BARBER: Okay. Thank you.

9 THE WITNESS: There has never been ambiguity around
10 that. Never.

11 MR. BARBER: Okay. Thank you.

12 MR. KEENAN: We can make that an exhibit if you
13 want.

14 MR. TEATOR: I think we should. We are going to
15 label this, and when we are doing today, we are going to make
16 all of this stuff as attachments too but we will label this,
17 since it is the first one that is going to be put on, as
18 Exhibit number 1. I will just write that on there. Is that
19 all right?

20 (Exhibit Number 1 was marked
21 for identification.)


22 MR. KEENAN: Yes, and if we could get a copy of our
23 exhibit before it becomes an exhibit, that would be
24 appreciated.

25 MR. TEATOR: Remind me and we will do that.

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1 MR. KEENAN: Okay.

2 MR. TEATOR: All right.  I have a couple of
3 questions.

4 THE WITNESS: Sure.

5 BY MR. TEATOR:

6 Q Now, let's talk about the bypass valve issue, okay?

7 A Yes. That is what I wanted to do.

8 Q All right, and let's talk about the outage --

9 A Yes.

10 Q -- And incremental control organization because
11 that is what was functioning there.

12 A That is what was functioning and so on the day of
13 the bypass, we were not in this typical alignment, we were in
14 this particular alignment, that is correct.

15 Q Now, it seems to me like, and correct me if I am
16 wrong, but I want to understand this, was the shift doing
17 something that the AOM didn't know about?

18 A I think in this cased, if I can, if you will allow
19 me to explain --

20 Q Yes.

21 A What I think was occurring, I think I can answer
22 your question.

23 When I gave testimony yesterday on the bypass valve
24 on the morning of the 18th. That was Monday morning after
25 the plant was shut down.

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1 Q Right.

2 A And, again, I want to repeat. The plant was shut
3 down at 6:00 a.m., or thereabouts, all rods in and the
4 reactor was not critical.

5 Where we were at was now continuing on into a cool
6 down phase, essentially getting into the proper mode to do
7 the work on this particular bypass valve. That is what the
8 setting was about 6:00 a.m. in the morning.

9 Q Okay.

10 A My practice is to typically talk to different
11 people, particularly the Outage Control Center when we are in
12 an outage to get some sort of a status update of how did
13 things go and is there any support that's required?

14 This particular morning, the shift, or the shift
15 control -- or the Outage Control Manager gave me feedback
16 from his engineering manager that was in there that we had a
17 different set of occurrences take place when the plant was
18 shut down, in that the valve that we thought yesterday was
19 not working suddenly worked this morning and that was
20 confusing to everybody as to why that was.

21 He also related to me that engineering now was
22 second guessing their thinking that they had from the
23 previous days.

24 On Friday, when the first anomaly was made known to
25 us, that the valve wasn't cycling properly or stuck into the

1 48 percent open position, there was a strong belief initially
2 that it was an electrical problem.

3 Our subject matter expertise was not very good on
4 the electrical diagnostics to this particular system. That
5 is why we were looking for GE.

6 We obtained GE on Saturday. Between our inhouse
7 expertise on EHC, our inhouse expertise of what we had
8 electrical and GE, they spent most of the day trying to
9 determine what is the source of the issue and is it an issue
10 because we, quite frankly, weren't sure.

11 Through the course of that day, it was determined
12 that it had moved from an electrical problem to they believed
13 the suspect was a mechanical problem but the context of what
14 the mechanical problem was still was unknown.

15 But it seemed pretty clear it was something that
16 probably was not going to be able to repair with the current
17 operating condition that we had and there was strong suspect
18 that more than likely we would probably have to go internally
19 to some components which require us to break condenser vacuum
20 which requires not to have the reactor in service.

21 So that was the decision making and the thinking
22 that was occurring on Saturday evening when I was involved in
23 some conference calls.

24 That is when [REDACTED] had said the plant is in a
25 steady state condition, although not optimal, I don't think

1 the right thing to do is to shut down the plan without making
2 sure that we are prepared for this unusual condition. That
3 made perfect sense and [REDACTED] had proceeded with a direction to
4 go do that.

5 Now what I need to be clear is on this particular
6 weekend, this particular fellow was not here.

7 Q [REDACTED]

8 A He was not here, so this man was filling two
9 duties. He was filling the duty of watching his crews and
10 filling the duty of oversight in the, what is the total
11 operations of the facility and how things are going and
12 providing another role that he had not typically done.

13 Our procedures, or I should say our expectations is
14 that when someone of this kind of caliber is missing that you
15 delegate upward, not downward.

16 An error was made by this particular gentleman that
17 weekend and he delegated downward to this man giving double
18 duty to this guy on a weekend when his primary role should be
19 to do watching the crew operations.

20 Q And you were referring to [REDACTED]

21 A To [REDACTED] delegating downward to [REDACTED].

22 Q I see.

23 A [REDACTED] was unaware that that delegation had
24 occurred, although he knew [REDACTED] wasn't there.

25 We had ourselves into what I would say a

1 misunderstanding of who was carrying what positions from [REDACTED]
2 to [REDACTED] to [REDACTED]

3 However, when I interviewed [REDACTED] as a part of our
4 investigation after the event, he clearly knew he had both
5 functions but said I may have been wearing the hat, I don't
6 know if I was fulfilling the expectations of [REDACTED]

7 [REDACTED].

8 The only reason I mention that is because it is
9 germane when I get to this part, when we are over here and
10 now we are in a shutdown condition.

11 When the plant was shut down on Monday morning, and
12 I call in, I made a call to this guy and said, how is it
13 going?

14 Q Talking to the guy that is Control Manager?

15 A Yes.

16 MR. TEATOR: All right.

17 BY MS. NEFF:

18 Q Do you recall who that was?

19 A No, but we have logs and so I, you know, I would
20 imagine it could be determined by looking at it who was on
21 that particular day but I don't remember who it was.

22 MR. TEATOR: Excuse me. Jeff, while we are on the
23 record, could we -- I would ask that we get who these people
24 are in that Outage and Control organization, when the plant
25 shutdown over this bypass valve issue.

1 MR. KEENAN: Yes, the company will supply the logs
2 associated with that time frame. I would not that I would
3 not suspect that all the conversations that people had would
4 be reflected in those logs.

5 BY MR. TEATOR:

6 Q Okay.

7 A But if you're trying to determine who might have
8 been there.

9 Q Right.

10 A I am pretty sure that is probably captured.

11 Q Okay.

12 A We certainly had schedules for people and so as a
13 minimum, we have that.

14 Q All right. Good.

15 A So, this gentleman is giving me feedback about the
16 information he had received from engineering and operations
17 about this anomaly that had occurred and I asked what are you
18 going to do?

19 He said we are talking right now between this
20 fellow and this fellow.

21 Q Engineering and --

22 A Engineering and operations.

23 Q All right.

24 A About what we should do. He said, I believe that
25 we will probably take on engineering's recommendation to do

1 some additional cycling of the valve while we are in this
2 condition to try to fully understand any extent of condition
3 or any other anomalies that we may not be aware of that
4 should be factored into determining what is the course of
5 action that will occur in this particular valve?

6 To say another way is, there was some belief that
7 there may be something connected with the temperature and the
8 pressure and the conditions that exists at this point of why
9 things changed and there was an uncertainty whether it
10 contributed positively or negatively to now the valve working
11 and they wanted clarity and they wanted to cycle the valve.

12 I said, well, are you guys going to work all of
13 that stuff out? The answer was, we are going to work all of
14 that stuff out.

15 Q That is inside the Outage Control --

16 A That is correct.

17 Q -- Organization at that point?

18 A Which is a typical type of function when we have a
19 problem.

20 Q Right.

21 A Is to bring the heads of state now at this level
22 and talk about it and try to make some sort of determination
23 of what is the best action to take.

24 When that action is decided, typically what happens
25 is this person will talk to this person, make sure there is

1 alignment.

2 Q Who?

3 A Would be the Ops Assistant Manager.

4 Q And who would be talking to, the Ops AOM?

5 A The Ops Shift Manager inside of this particular
6 group.

7 Q Okay, I can't read your --

8 A I am sorry.

9 Q And for the record, when you indicate, there is
10 no way for the transcript to pick up and so that is why we
11 are --

12 A Thank you.

13 Q All right, so the Outage Shift Manager should be
14 communicating that with the AOM?

15 A That's right.

16 Q All right.

17 A Now, before this group will do anything.

18 Q Shift Managers.

19 A The Shift Managers, this person and this person --
20 meaning the [REDACTED], and the Ops
21 Shift Manager in this particular group -- will have a
22 conversation and make sure that they are on the same page and
23 they agree, whatever that is, and this person here, the Ops
24 Shift Manager, will directly communicate to the Shift Manager
25 on shift and the Shift Manager will then implement what they

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1 think the best determination is from the outcome of this
2 particular group.

3 Q It doesn't sound like that happened though?

4 A I believe it did.

5 Q You believe it did?

6 A Yes. Because, if I can continue, because in the
7 morning I was under the understanding from the conversation
8 that this testing, whatever that was, was going to be
9 pursued.

10 After hearing that, I gave no orders to anybody at
11 this point, absolutely none, just simply what is the current
12 status?

13 After that, I talked to this fellow, the [REDACTED]
14 [REDACTED] and I had communicated to him:
15 [REDACTED] have you heard what the Shift Outage Control Center has
16 been identifying?

17 He said, I've only heard that the valve wouldn't
18 close. I said, yes, I have heard the same thing and I've
19 heard some other information about engineering wishing or
20 thinking some additional testing would be required.

21 I said, if that is true, they were suggesting we
22 may want to take advantage that we're in and fully understand
23 the valve behavior in these conditions before we lose the
24 opportunity and may or may not find the smoking gun
25 associated with the failure.

1 I said that seems to make reasonable sense to me.
 2 [REDACTED] says I agree. I said, okay, [REDACTED] what are you going to
 3 do? [REDACTED] said I will report to the Shift Outage Managers and
 4 others and assure that we think we are on that path. I said,
 5 very good.

6 Q That had to happen, is that when the cool down had
 7 to -- I am going to use the word -- stop?

8 A Yes.

9 MR. TEATOR: All right.

10 BY MS. NEFF:

11 Q That would be the hold, the hold on?

12 A This would be what Scott was referring to earlier
 13 as either the reduced rate or the hold, however we
 14 technically determine it.

15 BY MR. TEATOR:

16 Q Okay, right, all right.

17 A Now, what I think has occurred -- and I am giving
 18 you what I think, based on why [REDACTED] called me at about
 19 9:30-ish or somewhere in there is because he did not know
 20 that the crew was taking some action different than his.

21 At 6:00 in the morning, [REDACTED] thought that we were
 22 going to commence the cool down, that nothing had changed,
 23 there was no new information, things were simply going to
 24 continue to the cool down to the original plan.

25 This fellow, I don't believe talked to this fellow,

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1 meaning is the Ops Director I don't believe talked to the
2 Assistant Ops Manager about the conversation he and I had and
3 the alignment we were getting from information sources inside
4 the Outage Control Center.

5 Consequently, I am speculating that the Ops
6 Director directly talked to inside of here. These people
7 were already in that direction of doing the testing, thought
8 that they were in alignment with people and gave the
9 direction to the shift crew to maintain things and allow
10 engineering to do the testing.

11 Q That is what my question was. Did [REDACTED] not know
12 up to that point --

13 A You will have to ask him that.

14 Q Right, but --

15 A But I am, from recalling now why the need for the
16 meeting that he and I had with the other parties at 10
17 o'clock or whatever time it was, was that what I was thinking
18 we were doing, what [REDACTED] was thinking we were doing were not
19 the same and we are trying to find out why are they not the
20 same.

21 Not that I am right or [REDACTED] was right or I was wrong
22 or [REDACTED] was wrong but simply we had a difference of
23 information understanding and we were not on the same page of
24 what was occurring.

25 I believe [REDACTED] somehow between 7:30 and 9:30

1 realized what was occurring and called me and said do you
2 know what is occurring? I said, well, here is what I know
3 and he said, I hope we are going to fix the valve. I said,
4 of course, we are going to fix the valve.

5 I am understanding that engineering wants to do
6 some additional testing and, at that point, I said, look,
7 let's not have a conversation here over the phone, let's
8 bring all of the parties into my office and converse over
9 what is known and what isn't know and we will take whatever
10 the right actions are from that point. He agreed.

11 Q But when he called you, you described him as being
12 heated?

13 A Yeah, because I think he was surprised that the
14 crew was taking some action that he was not fully aware of
15 but I want to re-emphasize --

16 BY MR. BARBER:

17 Q The way it was described to us is the crew was
18 complying with the text spec. They were continuing with the
19 shut down because they thought it was their duty and
20 responsibility under their license.

21 They had contravening direction that told them to
22 hold the plant where it was, which was contrary to the belief
23 of what they needed to do to comply with the tech specs and
24 that information was shared with [REDACTED] and our
25 understanding is that is why he was concerned about the lack

1 of progress.

2 A That may be, I mean that may be. I don't -- wasn't
3 part of any of those conversations between the crew or [REDACTED]
4 and I want to make it perfectly clear, I gave no direction or
5 order to Shift Control Operations at all.

6 I had a conversation with only the Ops Director
7 about what we had heard and does this make sense and I left
8 it in the assumed position that if we were doing the right
9 things with the right circumstances and with the right
10 information and what we were about doing made sense and this
11 fellow, the Ops Director, was the one who initiated any
12 actions of anything on what the Control Room was doing or not
13 doing.

14 Q You know the interesting thing about all this is
15 this organization was put in place to improve coordination
16 during forced outages and, in fact, in these circumstances,
17 the way you are describing things, it did nothing but hamper
18 communication and coordination.

19 A Scott, I appreciate and I appreciate your point but
20 I don't know if the discussion here is to debate whether it
21 was improved or not improved.

22 We did a root cause of the whole thing to try to
23 understand our shortcomings. In fact, I think that is a
24 missing piece in your information, is that we did a very
25 comprehensive root cause investigation when I contracted

1 INPO, a member from our off-site Safety Review Board under
 2 [REDACTED] who was our site qualified root cause person
 3 in operations and collected a team of people to do a complete
 4 A to Z look at everything.

5 Both the technical aspects, the decision making
 6 aspects, command and control aspects and cultural aspects
 7 that we thought may be coming from this whole series of
 8 events around this power excursion that occurred on the 17th.
 9 It is fully documented and it covers all of the items you are
 10 questioning me about.

11 And what was correct with it or what was incorrect
 12 with it and what we thought the lessons were and what we
 13 thought the corrective action should be from the shortcomings
 14 that occurred in this situation.

15 Q That's really a different issue though. I mean
 16 what we're talking about, we are talking about what happened
 17 relative to the bypass valve.

18 A So my --

19 Q And, no, you just said your activity events that
 20 occurred and the really discrete issues --

21 A Scott, I am going to clarify again.

22 Q Okay.

23 A I disagree. The investigation covered the bypass
 24 valve and all of the tentacles that came around the event of
 25 the bypass valve. The power excursion, the valve problem

1 before the training that took place or didn't take place and
2 the subsequent actions about the response the station had or
3 didn't have associated with the plant from cool down to the
4 reaction to the reactivity event from the previous day and
5 did we take proper action and so I mean it is a comprehensive
6 review of all aspects including the specifics around the
7 bypass valve itself.

8 MR. KEENAN: If you don't have that report, we'd be
9 glad to supply it to you. I mean ~~that~~ is trying to help you
10 understand the facts of this and present his viewpoint and so
11 if that report is helpful, we'd be glad to provide that.

12 THE WITNESS: I think it is important for you and
13 you should have it. It also covers the complete timeline and
14 the events analysis barrier breakdown of all the different
15 issues, including the 9:30 and 10 o'clock meeting between
16 myself and the other parties. We addressed that.

17 MS. NEFF: Then it should be helpful. We will take
18 a look at that later.

19 THE WITNESS: So I am trying to make it clear
20 whether, you know, you agree with our organization or not,
21 you know, you are certainly entitled to your views.

22 I am simply trying to explain how we operate and
23 how I participated in our chain of command and I was left
24 with the impression from ~~Scott~~ yesterday that I ordered the
25 control room to do something and that is simply untrue.

1 BY MR. TEATOR:

2 Q I was going to ask that, did you?

3 A No.

4 Q That is where my question was going about, not
5 being in alignment with [REDACTED] knowing what is going on?

6 A No.

7 Q All right and, you know, we -- this was an event
8 that left a bad taste in a lot of peoples mouths.

9 A Yes.

10 Q And we are just exploring it. We are here to
11 debate --

12 A I understand.

13 Q -- The organization but it does play into it.

14 A I know that.

15 MR. BARBER: And we need to understand it too. We
16 need to understand.

17 BY MR. TEATOR:

18 Q Any impressions that it left on the people,
19 especially in that meeting with, you know, [REDACTED]
20 [REDACTED] yourself and [REDACTED] it left big impressions on
21 those people in that meeting. Not good ones.

22 And we are trying to get -- explore that fully.
23 That is the purpose of going through this.

24 MR. KEENAN: And I think it would be helpful to
25 provide that other report because --

1 MR. TEATOR: Right, okay.

2 MR. KEENAN: -- It's authored by somebody that is
3 outside of that process and so --

4 THE WITNESS: Everything there is --

5 MR. KEENAN: -- It is the level of intent.

6 THE WITNESS: -- Was fully disclosed. There was no
7 bashfulness in our rights or in the things we should have
8 done better. Absolutely not.

9 BY MR. BARBER:

10 Q We actually were somewhat aware of that but the way
11 it was characterized to us wasn't strictly under activity
12 mismanagement events.

13 A No.

14 Q And it strictly involved that and what you in fact
15 led with is you said your activity management events. I
16 don't know if you even realized that.

17 A No, because --

18 Q When you clarified it, you added the fact that it
19 covered the bypass valves.

20 A -- Because my point of perspective is, since I was
21 part of it, was the reactivity was only the lightning rod
22 that brought all of these different elements around it,
23 including the pieces you are referring to.

24 I just didn't separate it from that event.

25 MR. BARBER: Okay. We will definitely look at it.

1 MR. KEENAN: Just for the record, we don't have
2 that report with us and so that report will speak for itself
3 with respect to what it contains.

4 MR. TEATOR: Uh-huh.

5 THE WITNESS: And I also would encourage you to
6 talk to [REDACTED] who was our [REDACTED]
7 [REDACTED] because he did an independent review. I had asked
8 him to and to bring forward anything that may be of concern
9 in the way we handled the situation.

10 Any matters, in other words, everything was fair
11 game and I believe it is important that you do talk to him
12 because he looked at many of the things that you were trying
13 to probe about yesterday.

14 BY MR. TEATOR:

15 Q All right, in that part of the report where it
16 talks about work environment, were there work environment
17 issues described in there like we have been talking about?

18 A I don't think to the degree perhaps of a safety
19 conscious work environment, not the way you were describing
20 it yesterday but some of the cultural elements that maybe, if
21 you took a step back, might tell you something about it, yes.

22 MR. TEATOR: All right.

23 BY MS. NEFF:

24 Q What did he bring you back specifically about that,
25 what were the concerns and developments?

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1 A It simply was a review of the whole time line and
2 the defense barrier issues that came up and what he was doing
3 was briefing me on his views of different parts than what he
4 thought we should spend time with.

5 And so it wasn't like one thing was better or
6 another, he was simply amplifying what was in the report and
7 making me clear from his perspective things that we should
8 make sure we are paying attention.

9 One of the things he said that we should pay
10 attention to was some of the dynamics and the interactions
11 and the communication alignment that occurred on multiple
12 occasions from, say, Friday night until Wednesday of the
13 following week when we actually generated the root cause
14 because there were an awful lot of things in between there
15 that were not handled very well.

16 MR. KEENAN: Is he still at the site, do you know?

17 THE WITNESS: Who?

18 MR. KEENAN: ~~XXXXXXXXXXXXXXXXXXXX~~

19 THE WITNESS: I can give you his number if you
20 would like it.

21 MR. BARBER: Yes, please.

22 MR. TEATOR: He is an off-site individual.

23 THE WITNESS: Right.

24 MR. TEATOR: But he is on site on occasion.

25 MR. KEENAN: He is still on contract with the

1 congress to do that function.

2 THE WITNESS: NRB function. That is correct.

3 MR. KEENAN: NRB function, yes.

4 MR. BARBER: He was actually the -- he was the
5 plant manager subsequently we had to when I was there since
6 he was in [REDACTED] [?]

7 THE WITNESS: And I believe that he would provide
8 you a complete unbiased and simply straightforward of all
9 issues that came forward from that particular set of
10 circumstances and, like I said, we were not bashful about
11 anything that we had discovered.

12 [REDACTED]
13 MR. TEATOR: Thank you.

14 THE WITNESS: You are welcome.

15 In addition to not only generating a site root
16 cause, I also called Hub Miller directly on Wednesday or
17 Thursday of that week and alerted him of what we thought we
18 were discovering and my disappointment of the whole set of
19 things that occurred.

20 And I also talked to the Vice President of INPO,
21 Mr. Bill Webster, and told him the same thing; and I also
22 called Mr. Mike Heffley of INPO, who is the Assistance
23 Director, because I thought we were going to need some
24 additional industry help in looking at what occurred.

25 Why did I do that?

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1 One, I wanted to make sure that I made personal
2 contact with the heads in different places, that they had a
3 clear understanding of my sense of concern with what had
4 taken place and that we were going to try our best to get
5 every possible learning that came from this set of
6 circumstances.

7 Additionally, we generated with INPO what is called
8 a significant event notification, which was our way of
9 communicating to the industry what we thought our learnings
10 were from this and, once again, we were not bashful in
11 telling people some of the things that were sub-side issues
12 as well as the technical issues.

13 BY MS. NEFF:

14 Q One thing that might not be so clear, at least to
15 me at this point, is at 9:30 you hear from [REDACTED] and you
16 and he aren't on the same page, as you've described it.

17 He thinks he is supposed to be doing one way and
18 you've learned from your discussions with the Outage Control
19 Center and from [REDACTED] there was being a hold-on
20 pattern.

21 And then you called a meeting at 9:30. What he
22 says to you, we need to fix the valve and you agree with, of
23 course, we are going to fix the valve.

24 How does it get to be under consideration that you
25 would be starting up? How did that even get into the

1 discussion when you have that meeting at 9:30?

2 A Because the meeting that I had, I asked the
3 question of if we were unclear on what was the basis for
4 determining inoperability, well, we're clear on it and we had
5 now test data. With that test data satisfied the criteria
6 that was determined for inoperability because, if so, then I
7 had met the conditions that would suggest that resolved the
8 issue.

9 That doesn't mean I would have done it. It is just
10 that I wanted to create the conversation about what do we
11 know or what don't we know.

12 In addition, engineering had mentioned that because
13 of an anomaly that occurred, they were changing their view
14 potentially that perhaps it is not a mechanical issue, it was
15 an electrical issue and this was one of the befuddling things
16 from Friday night is was it electrical or mechanical. We
17 couldn't absolutely pinpoint it although more gut feeling
18 believed it was mechanical.


19 When the valve suddenly worked, there was a second
20 guessing of, well, maybe it is electrical. Well, you know, I
21 believe my job and others is to explore that. If it is
22 electrical, well then what will we do to repair it, and if it
23 is electrical and we don't have to be intrusive, well then
24 maneuvering the plant in other directions would be useless
25 and would be a waste of energy and a distraction. Not that

1 we would or wouldn't, I am just trying to create the
2 conversation of is that valid or invalid with what I think
3 are my smartest people in the room. The heads of state from
4 work management, the heads of state from maintenance, the
5 heads of state from engineering and the heads of state from
6 operations.

7 So, I thought my role in oversight was to explore
8 all of the options that we had in front of us and hopefully
9 out of it by a consensus get clarity and make the right
10 decisions. That is ultimately what occurred and I think what
11 we are in debate about is was my management style appropriate
12 or inappropriate to get the valve coming, not whether we got
13 the right income, because we did get to the right outcome and
14 I take exception that it was a three-hour meeting. I think
15 it was probably 45 minutes to an hour.

16 Now, I am wondering where did this three hours come
17 from? I think the three hours came from the 7:30 to 10:30 or
18 11:00 is about three hours before we moved the plant into
19 another direction, not that it was a three-hour meeting.

20 Q That's possible. How far did you push for that
21 consideration?

22 A I was pushing more, not for the startup, what I was
23 pushing more for was  clarity around the determination
24 of inoperability because it's easy to say its inoperable
25 because it doesn't work. Well, what doesn't work and what

1 didn't it pass and what surveillance or what criteria are we
2 using so that we know how to understand that in order to make
3 the fixes and then do the postmaintenance testing to
4 validate, we've substantiated the evidence to support we've
5 resolved the bases for why we called it inoperable.

6 And that was not clear to anybody, including [REDACTED]
7 Now, that is what the discussion was. Now, [REDACTED] may have
8 thought I was challenging him or he might have thought I was
9 challenging the ship. What I was challenging was the room.
10 [REDACTED] has the responsibility with his crew to make the call. I
11 had no problem with that.

12 When he makes the call, I expect him to be
13 accountable to help us understand what does it take to
14 resolve the condition so that we can satisfy the crew and the
15 bases for the position we are in in order to restore the unit
16 to service. I think that's what my fiduciary responsibility
17 is.

18 BY MR. BARBER:

19 Q One thing that is not clear though to us, or to me
20 anyway, is why after multiple reports from the individuals
21 that were the closest to the problem that there was in fact a
22 mechanical finding, a mechanical sound, a clanking sound
23 where people who were actually in the field with the valve,
24 the ones that are in the best position to understand what
25 they've heard, what the symptoms are, what the nature of the

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1 problem is, that all of a sudden there is this thought that
2 it could be something totally different.

3 Even though the valve ended up going shut, what was
4 later determined was it was a hold down bolt for number 5
5 turbine bypass valve.

6 A I am familiar with what it was.

7 Q It came out and actually it wedged itself between
8 the disk and the seat of the number 2 valve.

9 A Yes.

10 Q We have pictures of that.

11 A So do I.

12 Q I am sure you do and what was troubling for us was
13 that you had first account -- firsthand reports from
14 personnel in the field that provided that.

15 Now, if there was an electrical problem, it would
16 have been in addition to that and our regulations are pretty
17 specific on what the requirements are when you have a
18 significant condition adverse to quality.

19 You have to identify the root cause --

20 A I appreciate that, Scott.

21 Q And take extensive corrective action for that
22 occurrence.

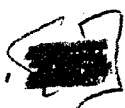
23 A I understand that too and I fully support that to
24 the core of who I am. I also will tell you, is that through
25 your inspections, the NRC's inspections and our own, one of

1 our shortcomings at our power plant has been ineffective
2 troubleshooting and root cause determinations that we have a
3 tendency of finding the first simplistic thing, going after
4 it, and then finding out it was the wrong thing and that we
5 iterate the problem solving and we find ourselves in event
6 situations.

7 And perhaps we swung the pendulum too far but,
8 given that feedback, and given those understandings, we
9 challenge ourselves more to say do we have all of the
10 possibilities understood.

11 I got that the first indication may be this. Why
12 is that the case? Why isn't that the case? Are there other
13 contributors or other fault mechanisms that may contribute to
14 the whole picture and we are trying to discipline ourselves
15 to not just take the simple fix and move on.

16 I believe that philosophically that's all we were
17 attempting to do. Not to disregard any first-hand
18 information but just to augment or supplement it with
19 anything else that might contribute to the conditions that we
20 have.

21 MR. KEENAN: And,  you mentioned the reser
22 pump seal purge as an issue yesterday on the record and so
23 you have, uh, you have explained your thought process with
24 respect to that. Is that congruent with what was transpiring
25 here?

1 THE WITNESS: Yes, it was no different. In the
2 seal purge situation, you know, it became relatively obvious
3 after we had to shutdown because we had a seal failure. The
4 seal failure was increased leakage over, or a slow
5 degradation over time that was telling us probably more than
6 likely there was foreign material beginning to destroy the
7 hard faces of the seal.

8 Well, that's not normal. There is something that
9 is contributing to that. It doesn't just happen, so this
10 issue of when you took the seal apart, there was one camp of
11 people that said just put the new seal in. You know, so
12 what? Just put it on the one end. It is not safety related.

13 Well, it is true, it is not safety related. It is
14 true seal purge, not safety related. What we are talking
15 about, moving the plant in very large maneuvers, started some
16 shutdowns because of potentially inadequate reliability
17 issues which are great challenges to the operations of the
18 facility. I believe that is just as risk significant as
19 anything else.

20 Now, we had a difference in philosophy between my
21 management team and myself in that concept and in the
22 previous week when we fixed the resert seal, we stayed down
23 two additional days to resolve the seal purge system and I
24 will tell you I was alone in that decision making as well.

25 If you need to have clarification on that, please

1 call [REDACTED] because [REDACTED] and myself were the only
2 two on that page with our senior management team.

3 BY MR. TEATOR:

4 Q How did that go, talking about --

5 A That went just as --

6 Q -- You dealing with your senior management team.

7 A I would say it was just as controversial as the
8 situation we had here with the bypass valve.

9 Q I am talking about the people above you.

10 A How did it go?

11 Q Yeah, I mean you had to communicate that to your
12 bosses.

13 A Yeah, I didn't communicate that the week that it
14 was occurring. What I did, and you asked me about the
15 relationship with [REDACTED] and schedule and I thought
16 about that. During the actual shutdown of the first shutdown
17 we had to fix those equipment issues that you have mentioned,
18 we had a defined schedule for that and we were a couple of
19 days off from that.

20 But I didn't talk to [REDACTED] between when I first
21 handed him the schedule and what we actually did.

22 We had the bypass valve occur and we had to go deal
23 with that and that took another six or seven days and so our
24 total duration being down was some 14 days.

25 About every three or so weeks, two to three weeks,

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1 sometimes four weeks, myself and my peers and [REDACTED]
2 would have a video conference with [REDACTED] and discuss
3 the issues of the plant and so this was our way of giving him
4 insight of how things are going and he would provide us
5 feedback from his perspective on things and other company
6 matters that we should be aware of.

7 I did a lessons learned from the forced outage and
8 the planned outage and put a time line together, and I am
9 sure you can find it from [REDACTED] in a video conference
10 package that was sent up north to him that became the bases
11 after Hope Creek was put back in service that he and I and
12 others had conversation about what did we do?

13 Well, and where was our shortcomings? In that
14 discussion, [REDACTED] let me know that he was not happy about some
15 of our performance and he told me the consequences of some of
16 our performance issues in financial terms.

17 Q Where are we talking about?

18 A Oh, he said something like the total duration of
19 the plant being down was \$20 some million, \$20 or \$25 million
20 and that was due to gas prices being up. Hope Creek is 100
21 PS weighted share value to the company and we had to buy
22 power and some reasons, so all of these different things
23 collectively made it more significant than maybe it would
24 have been other days or months of the year. It was more of
25 kind of an unusual set of circumstances from the outside

1 market place.

2 That being said, all [REDACTED] was doing with the money
3 side of it was simply telling me how influential we are and
4 how important it is for us to be precise and thorough in what
5 we do and I had told him in my Lessons Learned Review that
6 there were things that were preventable and that we added
7 time because of some inadequacies in the way we were managing
8 the business and that led to the conversation of, well, the
9 total scope was this. That's about \$2 million a day or \$3
10 million a day, so what he was doing was saying, you know, if
11 you want to try to put the value of good management into
12 perspective, it can be \$3 million a day.

13 Okay, I accepted that accountability because that
14 was my job. I told him that what I would offer him is that
15 we will dig deep into the issues. We will put it into the
16 Corrective Action Program and will try to be as critical as
17 we know how to be to cause us to learn and to improve from
18 where we had been.

19 Q Yesterday or last night, you mentioned that you
20 made a courtesy call to [REDACTED] specifically about the bypass
21 valve issue.

22 A Yes.

23 Q A short call?

24 A Yes.

25 Q Did you make that same call to [REDACTED] about the

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1 seal issue that we've just discussed?

2 A No. The general relationship that we have with [REDACTED]
3 is we give him a planned approach for this outage that we
4 were going after with the resert pump and the throttle diesel
5 and the SRV was we had said, here is the work, here is what
6 we think it is going to take, here is the critical path. We
7 think it is going to be about six or so days.

8 We talked about it. He says okay, I understand.
9 It was really not that big of a conversation, it is just like
10 you have everything you are going to need and let me know if
11 there is anything I can do.

12 MR. KEENAN: Correct me if I am wrong but I thought
13 [REDACTED] was off that weekend and that is why [REDACTED]
14 received the call on the bypass valve thing, is that correct
15 or --

16 THE WITNESS: Yes and no.

17 MR. KEENAN: Okay.

18 THE WITNESS: I called [REDACTED] for two reasons. One is
19 because I had a conversation with him previously in the week
20 and he asked me how it was going and I said it looks pretty
21 good that we should finish up by the weekend and have it back
22 on line.

23 When it became clear Friday night, while we did put
24 the plant on line Friday and we couldn't go above 120
25 megawatts or something like that the bypass valve and so my

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1 view was, well, I will do some troubleshooting and figure it
2 out and see what the issue is before I really make any kind
3 of calls to anybody at this point because I really have
4 nothing to report yet.

5 When it became clear on Saturday after the
6 conference call that this was more serious than what was
7 originally anticipated, we knew we were going to have to take
8 the plant off line, I felt now there is a significant
9 deviation from what we had told him previously that it was
10 worthwhile to give him a call.

11 Why did I give him a call? Because Jeff was right.
12 In the normal chain of command, I would have called [REDACTED] and
13 told him and that would have been the end of it but because
14 [REDACTED] was gone that weekend, [REDACTED] delegated me the
15 responsibility to make sure that I was communicating to him
16 on differences around Hope Creek and I said, okay, I will.

17 BY MS. NEFF:

18 Q That call was on Saturday then?

19 A Yes, sir. Yes, ma'am.

20 Q How did he respond to that?

21 A Okay. You know, it was, uh, you know, he -- he
22 just said, boy, you know, we always seem to have trouble
23 bringing a plant back and darn valves and, you know, if you
24 want me to shake up GE, I will, if you need them.

25 I mean it was just kind of a typical conversation

1 of showing support and also a sensitivity of let's make sure
2 we do the right things and usually, like I said, the
3 conversation wasn't very long. It really wasn't depth
4 provocative.

5 It was just along the lines of informing and
6 allowing him to ask any questions based on his own personal
7 curiosity and he asked me was the other pieces of equipment
8 we had worked on during the week that they worked. I said,
9 yeah, it looks like they are working, you know. The resert
10 pump is working, the SRV isn't leaking and the diesel works
11 and so, I mean, that was it.

12 BY MR. TEATOR:

13 Q I have a question. A couple of minutes ago you
14 made a comment perhaps we swung the pendulum too far in
15 talking about probing questions on issues. What were you
16 talking about when you said that?

17 A I thought I was answering more of the pendulum of
18 why, why we didn't take the first bit of firsthand
19 information and just jump on it and I said, well, because we
20 had gotten an awful lot of feedback the hard way, that we
21 were -- that is not a good systematic approach to
22 troubleshooting or problem solving, that we now are more
23 conscious -- conscious or are we being thorough and are we
24 being comprehensive before we just run out and jump on
25 something and I said we have sensitized ourself to that maybe

1 to the point we are oversensitive to it. That is all I
2 meant.

3 Q Were you talking about operability of
4 determination? Is that what you were talking about that?

5 A I just meant that it involved the valve itself when
6 he was asking about, you know, you had firsthand information
7 and the guy says I heard it plank, why wasn't that good
8 enough?

9 Q Right.

10 A And I just was responding saying, well, I have
11 probably been learning the hard way that may be the obvious
12 but it may not be everything and in that, what happens is
13 that when you take that approach, philosophically that you
14 are going to ask five more lines before you just act.

15 I thought part of my oversight function was to ask
16 more whys and that is what is what I had been trying to do
17 was to ask more whys to create stimulated thinking and are we
18 comprehensive?

19 Q Right.

20 A Now, some people take that positively and some
21 people do not and, as I said before, I am, you know, I am
22 pretty dumb and I am, you know, I have got [REDACTED] in the
23 business. I have been beat up a lot and so I understand the
24 lessons learned and so I am passionate about not repeating
25 mistakes and so I try to the best of my ability to pass along

1 those difficult lessons and hopefully those people don't have
2 to learn it the same way.

3 Now, sometimes, you know, my passion might get
4 misunderstood but it is not intended to cause a strong arming
5 or anything else. I truly believe to who I am that being
6 thorough and taking all sides of things is important to
7 understand the complete facts of things because some of our
8 issues at Hope Creek and Salem have been we have been
9 operating and taking decisions on opinion-based issues rather
10 than absolute fact and that's been another issue for us in
11 our Corrective Action Program, is to be focused on what are
12 the true facts and make decisions based on the facts.

13 And so that is the philosophical approach that I've
14 been trying to instill. It is not easy when you have a
15 culture where people have been allowed to behave on opinion-
16 based information and it has been wrong many times and so
17 when you are trying to move from this place to this place, it
18 does require some pretty firm type of interactions.

19 And my job was to help us change what had been past
20 practices to do something differently, to do something
21 better. Like I said, the issue, if anything, that I would
22 take away from this meeting or some of the others was perhaps
23 I should have been more clear on what I was trying to -- the
24 purpose I was trying to get at rather than just behave the
25 way I am doing to try to make change without understanding

1 and I think people can, at times can probably
2 misunderstandings and I know that people will tell you that,
3 that they don't understand always where I am coming from.

4 But I come from only one place, doing the right
5 thing, being conservative. I haven't been in the business 21
6 years and made it to this point without believing and
7 practicing those principles to the core of who I am.

8 I accept the fact that I can improve in my behavior
9 at times. I certainly accept that.

10 BY MR. BARBER:

11 Q Could I ask a question as this point? You know, I
12 was listening to what you have described over the past 10 or
13 15 minutes and one thing that struck me was, you know, when
14 you were talking about, talking with [REDACTED] about, you
15 know, lessons learned and things of that nature and, you
16 know, what the value of good decision making is.

17 And inherent with that is, you know, the mentioning
18 of the \$3 million a day, whether it is \$3 million or \$1
19 million, whatever the right number is but that philosophy --
20 and I understand that you are in business but that is a
21 production event. There is a production emphasis there.

22 A Yeah.

23 Q So what you weigh in the balance and, again, this
24 goes to deregulation and the way the environment is today is
25 you have production and, on the other side, the balance is

1 safety.

2 A Yes, sir.

3 Q And what you have is you have a tipping point. You
4 have, you know, in each of these cases you have production on
5 one side of the argument and you have safety on the other.

6 What we are trying to assess is how those issues
7 play out in the events that, you know, that we are reviewing.

8 A I understand.

9 Q And what's a little troubling is that in the
10 instances we are looking at, other than the one you mentioned
11 about this hill purge, it seems like senior management when
12 they are involved with an issue is strictly pushing the
13 production side of the argument and we don't see a consistent
14 emphasis on the safety side or maybe there is some of that
15 but we just don't see it and we don't see it on looking at
16 root causes and we don't see it when we are looking at
17 corrective actions. We see it on the production side and I
18 guess what I would like to do is I would like to get your
19 reaction to that.

20 A Well, I mean the business we are in is a production
21 business. Our philosophies have been to try to do it is to
22 come from safety that will generate reliability that will
23 generate cost effectiveness.

24 I mean we have tried to reinforce and ground those
25 principles over and over and over.

1 You can be safe and do absolutely nothing and I
2 think it is a degree of risk, and I think that is what you're
3 describing is there is risks in everything that we do. Is it
4 a manageable risk and is it an appropriate risk given the
5 circumstances that we are in and I believe that that is why
6 we try to have collaboration with different people is to try
7 to get those perspectives so that we are thinking from those
8 places.

9 The other is that there is an awful lot of
10 inefficiencies that occur and I have to get rid of the
11 inefficiencies. I am trying to get at those inefficiencies
12 because, yes, I am bound to keep our business safe and, at
13 the same time, is to make it a viable asset, you know, to the
14 company because the company has invested in it and they have
15 invested in it that we would always do things safely but they
16 are also asking us to be efficient in our decision making,
17 efficient in our processes and efficient in getting things
18 done and one of our, I'd say, our shortcomings has been that,
19 well, we haven't been focused on that.

20 Right or wrong, I think the marketplace did cause
21 that in some fashion which I told you earlier in a previous
22 conversations is that you asked about deregulation and has it
23 changed things? Well, to some degree it has. It puts more
24 focus on the importance of that efficiency and how that can
25 influence the outcome of not the plan but the outcome of the

1 company.

2 That doesn't mean that I am trying to confuse that,
3 you know, we are always into the, uh, costs versus safety in
4 our decisions. I don't believe for a moment that we ever
5 make a decision based on costs.

6 We make the decision on what do we think the right
7 thing to do is and, well, you know, everybody has a different
8 view of what the right thing is and so I try and others try
9 not to be the sole person that says this is what is right or
10 what is wrong.

11 We try to get enough of the talent in the
12 organization to participate and so hopefully what we are
13 doing is getting a balanced view of risks and in doing so, we
14 understand the contingencies and the compensatory measures or
15 other things we may have to place to manage that risk and
16 that is typically how we try to run the business every day.
17 I don't think that is out of alignment from anybody else.

18 Now, because maybe that is more in our
19 conversation, people may tab that as saying you are more
20 production focused than safety. That may be true.

21 BY MR. TEATOR:

22 Q That is what we've heard.

23 A However, please don't mistake that because we are
24 bringing some of that in our language that that is somehow
25 taking away the fundamentals or the premise of what we are

1 trying to come from philosophically, do everything right the
2 first time. That has never changed. It has never changed.

3 But, you know, people are, I think wrestling with,
4 it is always, I think a do-ability that seems to occur every
5 day on almost anything is, is it safe or, you know, is it
6 production?

7 I think those are unproductive conversations.
8 It comes down to how much risk is there? Is there an
9 appropriate risk that the company can accept; the company
10 being all of its employees, and do we understand it well
11 enough in order to go forward with something or not to go
12 forward with something. If you choose to go forward, are we
13 prepared in some sort of a defense methodology to protect
14 ourselves? I believe that is coming from safety and I
15 believe that is how we try to do business at the site.

16 But, you now, I am certainly not going to discount
17 what you've said that some people might see that differently.

18 Q And it seems that, you know, it seems -- and you
19 started yesterday with the fact that those plants haven't
20 really been good performers for a long time.

21 A No, they have not.

22 Q Do you think that because of that, that these kind
23 of discussions maybe leave people with the impression that
24 there is production undermine because there is so many things
25 to deal with down there. There are so many decisions that

1 have to be made.

2 A And I think what we are talking about is usually
3 and, again, I am coming from my experience of at being at
4 several other plants that weren't doing so well and have gone
5 from not doing so well to doing fairly well.

6 It is usually around performance standards and
7 expectations around performance standards and does the
8 management hold those standards and reinforce those
9 standards.

10 And if you have been allowed not to have any
11 standards or substandards or subpar standards for years and
12 years and years and someone comes in and says, well, those
13 are no longer acceptable, it is not well received initially
14 because people are saying, well, it was okay yesterday. Why
15 is not okay today? And there begins I think the changed
16 management of culture.

17 And it was clear that INPO and yourselves probably
18 were telling us in a variety of different Inspection Reports
19 and INPO Reports that performance standards at the facility
20 coming from those who uphold those performance standards are
21 not being reinforced and they are being allowed to either be
22 overlooked or simply ignored and, well, I'd like to believe
23 the reason that I was brought into Public Service was to try
24 to provide an approach to try to raise standards.

25 But I can tell you from first-hand experience at

1 [REDACTED] at [REDACTED] at [REDACTED] that when you have long cultures
2 of low performance standards and trying to suddenly raise
3 them in a quick amount of time, there is an awful lot of push
4 back.

5 There is an awful lot of change in morale and, if
6 you will, I'd like to draw you another picture because this
7 is a principle that I think is characteristic when you go
8 through a changed culture direction. If that would be okay?

9 MS. NEFF: Go ahead.

10 THE WITNESS: Can I take a few minutes to draw it?

11 MS. NEFF: We will take a break.

12 MR. TEATOR: Yeah, we will take a break. Off the
13 record.

14 MS. NEFF: It is 9:41.

15 [Whereupon, a short recess was taken.]

16 MS. NEFF: All right. We are back on the record.

17 It is 9:50 and what you are showing us is a diagram. It
18 looks like the X and Y's have to do with the diagram here.

19 THE WITNESS: Yes.

20 (Exhibit Number 2 was marked
21 for identification.)

22 MS. NEFF: Why don't you explain that?

23 THE WITNESS: What I have provided you is a study,
24 an outcome of a study by two Ph.D's called the Yurkees and
25 Dottson and they created a book of some sort that is called

1 *The Law of Human Behavior.*

2 This was a study that they did with the railroad
3 industry under deregulation and then they gave seminars to
4 the utility business who, a few years ago, also was going
5 under similar types of circumstances and what they were
6 talking about is understanding culture and recognizing what
7 one must do once you recognize what culture you have.

8 In the railroad industry under regulated type of
9 business, it was viewed that people became entitled. In
10 fact, the example that was given by these folks was that up
11 until 1994, every train ticket that was purchased a portion
12 of that price was to pay for a position called the core
13 handler. That is how exaggerated things had gotten in the
14 regulated business, the railroad business and why they found
15 themselves incapable of being competitive when they were put
16 into a deregulated position is because they had an
17 entitlement culture of generating essentially a no
18 accountability environment.

19 Now, this particular law is simply is an XY axis of
20 that performance is proportional to the level of anxiety that
21 exists and it is a bell-shaped curve and every person --
22 every person at every site, no matter how you look at it, has
23 a zero anxiety and 100 percent and what the law says is that
24 at a 50 percent anxiety -- that would be called a health
25 discomfort about where things are at -- is where your maximum

1 performance occurs.

2 And depending on where you are, that gives you some
3 insight on what may be your cultural situation.

4 This curve simply points out is that on the low end
5 this is not an -- it is an approximate, say, it is only left
6 to mean that somewhere between zero and 50 percent, there is
7 a low end and that is called an entitlement culture and
8 somewhere on the 80 to 100 percent, it is called extremely
9 high anxiety. Some may even term it as fear.

10 The belief is, is that if you are an entitled
11 culture there are certain attributes one can observe. No
12 decision making, low performance, no reason to change, low
13 accountability and that that is not something that is a
14 failure of any person, it is simply a set of circumstances
15 that has created that type of set of circumstances.

16 So, the message that was being provided when I was
17 involved with this and it will tell you where I come from
18 when we are talking about making change and raising
19 standards.

20 Salem - Hope Creek has been a longstanding low
21 performer and I believe, and I think others do, that
22 characteristically these same attributes exists or, said
23 another way, there is an entitlement culture that exists at
24 that facility and, therefore, people don't believe that they
25 need to do something different than they are doing.

1 They believe the standards that they are at are
2 good enough. In the meantime, the standards are changing and
3 they are not changing with that. They don't recognize the
4 need or appreciate the need because the belief is for 40 or
5 50 years, who cares?

6 I work every day, I get paid every day, the plant
7 is always going to be here. Well, those circumstances have
8 changed.

9 Now --

10 BY MS. NEFF:

11 Q Where to you see that at the time, do you see that
12 across the board, do you see the Union, the Union and
13 management or where were you seeing that entitlement culture?

14 A I see it everywhere.

15 Q That is throughout?

16 A Absolutely. Absolutely. So, all I am going to
17 tell you here is that when you elect to change standards,
18 when you elect to change or raise standards in a culture that
19 is somewhat entitled, you can't simply push people out of it
20 slowly. You have to cause more of a higher level healthy
21 discomfort in order for them to change the level of thinking
22 they have been at and to cause more interaction in order to
23 get to a different plan of understanding.

24 These particular people said that successful
25 companies that have found this from their studies have found

1 that you have to really push hard to get people out of their
2 comfort zone, and I am sure you have heard those words
3 before.

4 Now, what that means is that you take more of a
5 larger extreme, and there is a point, and this point is
6 tenuous. The point is, is you are just at the level where
7 you may be converting to I am going to improve or I am going
8 to increase the anxiety level by the way people perceive
9 things.

10 There is two questions generally that you can look
11 for when you push higher levels of standards. One is what's
12 going to happen to me? That is not the good question. That
13 is the reactive question.

14 Or the question you are looking for people to say
15 when you are changing culture is what can I do? And that is
16 where I want people's minds at is to get into what we have
17 been doing is unacceptable. We have to get to a different
18 level and so I push the envelope in a variety of different
19 ways to raise standards so I can get people to say what do I
20 need to do, because if I have them in this space, then I can
21 begin the redevelopment, the re-education, the ability to
22 penetrate their previous thinking and begin a process of
23 moving to a different level of performance.

24 However, when you are in this particular period of
25 time, there are attributes that become apparent. Morale

1 isn't always the highest. There is a rethinking that occurs.
2 There is confusion that occurs. There is reflection. There
3 is a push back. There is uncertainty. All of those things
4 are natural expected outcomes when you begin a significant
5 change process, particularly when you are talking about a
6 culture of entitlement.

7 If you can get people to this point where they go
8 from what's going to happen to me from a selfish perspective
9 to what can we do to be successful, you can begin the re-
10 establishing of expectations where people get rewarded now on
11 a different set of behavioral competencies and you begin to
12 change the performance level of the organization.

13 And, what I would tell you, is this is exactly what
14 we are experiencing at Salem and Hope Creek is a raising of
15 standards. Significant raising of standards is necessary.

16 However, there is push back because it is different
17 than what they have been doing for four years and so what I
18 would tell you is some of the things that you are describing
19 to me are not unexpected when we are talking about improving
20 our standards.

21 For example, we are going to improve our standards
22 in making sure that before we make decisions that we are not
23 hitting the first thing that is obvious and that we are
24 becoming more thought provocative and encompassing all of the
25 elements about what we are doing.

1 There is a push back that is associated with this
2 that is different than the way people have been doing it
3 before. It is different in the way they have been rewarded
4 in the past and I will tell you is I think some of the things
5 that you are feeding back to me would suggest that we are in
6 this stage of moving from one performance level to another
7 and, in that process, you have a variety of emotions, a
8 variety of perceptions, a variety of understanding things.

9 There is a period of managing this that is a little
10 bit tenuous but if one can stick to the ground and keep
11 moving, critical mass will be developed and you will change
12 performance. That is the theory and quite frankly I have
13 been exposed to it first hand at several different places and
14 have seen that actually occur but it takes a great deal of
15 strength. It takes a great deal of I'd say willpower and
16 sticking to a particular position. It takes strong
17 leadership in a variety of different areas.

18 Some of the conversations that we had yesterday
19 about performance issues with the bargaining unit and having
20 to make higher levels of performance change and why the need
21 of supporting our first-line supervisors was all coming from
22 this type of understanding.

23 When you draw a line differently today than it was
24 yesterday, people are not going to be pleasantly happy with
25 the fact that they have to provide more than they had been in

1 the past.

2 BY MR. TEATOR:

3 Q The thing we have heard though is that in pushing
4 this higher level of standards, people, numbers of people
5 have taken from that that there is now more of an emphasis
6 that is being placed on production over safety. That is when
7 numbers of people --

8 A I understand.

9 Q I am just telling you and we've heard that.

10 A I understand that.

11 Q So that's, it is not just a push back, people are
12 thinking that production is being exercised over safety and
13 so that is an issue that we've seen.

14 A You know, I am not going to -- I don't know what
15 people, how they take things or perceive things. I don't
16 know. I mean I don't necessarily believe that some of the
17 things you are saying are unexpected.

18 Clearly if it is pervasive, well that's an issue.

19 Q Right.

20 A I don't -- I am not in a disagreement space with
21 that. I don't know what the level of pervasiveness is. I
22 honestly don't know.

23 I will tell you is that we continue to be even
24 today still a low performer and the larger message that comes
25 from those that do independent assessments continue to say

1 their largest issue is a lack of accountability and a lack of
2 follow through of performance standards and so our
3 management's behavior has been to improve that side of
4 things. Including with ourselves, meaning the people that
5 report to me or the people I report to.

6 Q I guess management has got to be just really
7 careful in some of the things that they push on, like this
8 bypass valve issue; and I am not being -- I am just saying it
9 is the impression that was created with these people.

10 A So I mean I understand that and I mean -- and all I
11 am trying to do is to provide you a context of thinking that
12 I am coming from, of the lessons learned that I have acquired
13 in different places and the level of questioning.

14 And I try to question as a way of trying to
15 stimulate better thinking and, like I said before, perhaps of
16 anything I am taking away from here may be is that I have to
17 explain my questioning before I begin the questioning as a
18 way to try to set people into a position of understanding
19 that this is not intended to be personal or this is not
20 intended to send a wrong message. It is simply intended to
21 try to understand the complete facts of things and to
22 hopefully make a better decision. Because we have had
23 interactive dialogue, the collective group will be more
24 successful.

25 BY MS. NEFF:

1 Q You talked about being in here you are trying to
2 move the group from this entitlement stage and on this
3 diagram, it looks like you have got a level of anxiety that
4 indicates where the optimum performance would be.

5 When you get to the other end of it though, I think
6 you testified and you said you could actually move into the
7 space where there could be some fear and this causes morale
8 problems and confusion.

9 How did -- when you were pushing for this to get
10 your -- just looking at it from the perspective of Ops
11 Management, when you are looking to get them out of that
12 entitlement space, how did you temper that message so that
13 you didn't get into here, into this extremely high anxiety,
14 poor decision making mode and end up with confusion?

15 A There is nothing simpler to say than it is a lot,
16 an awful lot of shoe leather which means one on one time with
17 people such as [REDACTED] I've spent a lot of time with [REDACTED]
18 not in an adversarial type role but to tell him or to work
19 with him that what we are going to reward today in behavior
20 is how you think differently and how you bring in lessons
21 learned and how you extract the talent from the organization
22 more effectively in making decisions?

23 That has not been something that we necessarily had
24 as a routine practice and partly some of the reasons we had
25 some events is that we were shortsighted by not having the

1 full extent of the organization's talent.

2 So, what I am telling you is that you use different
3 situations. Yes, it may be I am creating a discomfort with
4 the idea that I will do follow up with these people to try to
5 get them to understand, or my management team will do follow
6 up in order to try to help them and coach them along of what
7 behavior do you want?

8 Well, the behavior I want is improved thinking.
9 The behavior I want is you to engage others into thinking
10 through things, to don't feel that you are loan wolf and that
11 you have to carry the weight of the world on yourselves.
12 Disperse some of this stuff. Bring 'em in. That is why we
13 have an organization that the size that we do.

14 So it is just a lot of one on one personal time.
15 Personal time I take with people. It is the expectations I
16 had with my senior management team which is why we engaged
17 GAP International and initially Kymn Harvin was to try to get
18 people to understand what their true job was.

19 The true job was not about making the decisions
20 necessarily about the specifics of the plant but to change
21 the behavioral system that is generating the low performances
22 that we've had in the past and that it takes a lot of one on
23 one time. It requires you to develop some sense of healthy
24 discomfort about things because only through a healthy
25 discomfort will change occur.

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1 Now, you know, I am not trying to sell you on
2 anything. I am simply telling you where I was coming from.
3 Where I believe ~~was~~ was coming from. Where I believe some
4 of these initiatives.

5 Now, we have packaged them in different ways to not
6 make it too far on one side. The best week ever, the best
7 outage area were all about creating healthy discomfort to
8 change our performance standards and we used some of these
9 facilitators to try to work through these difficult times
10 where we are now being said to do something very different
11 and we have this -- I don't know if we can do that. We
12 wanted to help people work through that. That was the true
13 purpose behind those things. Somehow it evolved into
14 something very different.

15 BY MR. TEATOR:

16 Q What do you mean by that?

17 A I think Kymn Harvin lost focus of what that was.
18 The focus was to help change performance standards. The
19 focus was to improve the management leadership into doing
20 better coaching with their people, not to become a line
21 manager herself.

22 Q You are talking about her specific job at work?

23 A Yes.

24 Q All right.

25 A And that is where, when you asked me before,

1 yesterday, when you said ~~that~~ that it was destructive. That
2 is the part that is disruptive.

3 Q ~~DESTRUCTIVE~~ Constructive to I think is the term you had used.

4 A It may be.

5 MR. TEATOR: Anymore on that?

6 MS. NEFF: No. At this point, no.

7 MR. TEATOR: Scott?

8 MR. BARBER: No.

9 MR. TEATOR: ~~that~~

10 THE WITNESS: No, sir. I have given you what I
11 wanted to make I clarified from yesterday's discussions and
12 hoped this was more successful than maybe some of the
13 interactions we had.

14 MR. TEATOR: Fine. Jeff, you wanted to put
15 something on the record?

16 MR. KEENAN: Yes.

17 MR. TEATOR: And then you wanted to add something
18 and after doing that, we are going to take a break.

19 MR. KEENAN: Fine.

20 MR. TEATOR: All right.

21 MR. KEENAN: Obviously, switching gears, towards
22 the end of yesterday's discussion, you played a tape for us,
23 a secret recording of the discussion between Kymn Harvin and
24 ~~that~~ I saw it to be highly unusual and since this situation,
25 ~~that~~ has been cooperative and candid both yesterday

1 and on October 6 and I have reviewed the statement and had
2 discussions with him. I don't see that there is a conflict
3 based on the context and the explanation provided by [REDACTED]
4 [REDACTED] with specifics to the 50.7 issue.

5 I do think it is important to preserve legal
6 protection on the admissibility of the material. I think
7 that there is a potential there of a genuine question of law
8 and, as such, given the voluntary nature of this interview, I
9 would respectfully request reserving [REDACTED] ability
10 to discuss this recording without prejudice to the underlying
11 jurisdiction or admissibility of such, so to be clear, this
12 testimony is expressly provided only if the recordings are at
13 some point deemed to be admissible or otherwise allowed under
14 governing federal and/or state law.

15 MR. TEATOR: Can I stop you for a minute, Jeff?

16 MR. KEENAN: Absolutely.

17 MR. TEATOR: Can you say that again?

18 MR. KEENAN: Yes, that last sentence.

19 Yes, to be clear, right, the testimony is expressly
20 provided if the recordings are deemed to be admissible or
21 otherwise allowed under governing federal and/or state law
22 and that goes to the heart of the poison fruit discussion we
23 had yesterday that if, in fact, the tapes are deemed to be
24 inadmissible or have been taken in an inappropriate manner,
25 the testimony based on that I would seek to preserve the

1 ability to strike that as well.

2 MR. TEATOR: Go ahead.

3 MR. KEENAN: Okay. We obviously expect the NRC's
4 role and we appeal to you to remain open to the understanding
5 and context that [REDACTED] now has since his memory has
6 been refreshed and particularly as it relates to the 50.7
7 concern.

8 Based on my review of Kymn Harvin's complaint,
9 actually her complaints, the answer particularly on the same,
10 same person, it appears that there may be other recorded
11 discussions either with [REDACTED] or others. [REDACTED] has no
12 knowledge of any other recordings with Ms. Harvin and, as
13 such, we are going to have to evaluate that on a case by case
14 basis if there is other discussions.

15 MR. TEATOR: Other tapes discussion?

16 MR. KEENAN: Other tape discussions and so, with
17 that, as we spoke yesterday, [REDACTED] was going to have a couple
18 of statements and, unless you have any questions of me?

19 MR. TEATOR: Yeah, I am just going to say, look, we
20 are going with forward with what we had to do and what we
21 understand we can do here today.

22 Your questions on the law, they are going to be
23 answered by someone else at another time and you understand
24 that. We are not agreeing or disagreeing with what you're
25 saying but I appreciate the fact that you wanted to put that

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1 on the record.

2 MR. KEENAN: Yes.

3 MR. TEATOR: All right.

4 MR. KEENAN: [REDACTED] has cooperated fully and
5 completely and wants to support this process. I don't think
6 we have feted the admissibility or inadmissibility of these
7 tapes and if it is deemed later that they are not admissible,
8 I simply need to preserve that as legal protection.

9 MR. TEATOR: Okay. Thank you.

10 MR. KEENAN: Okay.

11 BY MR. TEATOR:

12 Q [REDACTED] you wanted to say something?

13 A Yes, a few things. First, I feel it necessary to
14 apologize to all three of you. I found yesterday's meeting
15 difficult and different than the meeting we had in October
16 and I am not sure if I understood all of the possible
17 expectations from the meeting and so I believe I may have
18 responded a little shortly with some of you and it certainly
19 wasn't intended to be personal or anything else. It is just
20 I found myself taken aback a little with the kind of
21 questioning and some of the judgments that were being made.
22 I just was not prepared I think for that possibility in
23 yesterday's meeting. It was different than it was when we
24 talked in October and so I would just offer that I apologize
25 for that and I won't -- I have a better understanding of the

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1 scope of the meeting and will do a better job interacting
2 with you.

3 I am very surprised by the tape that has come
4 forward and it is really distressing that I have to learn
5 here that it was secretly done and I certainly want to
6 provide context and understanding of what is recorded. That
7 is what I would like to provide you.

8 I didn't have a detailed recollection until
9 listening and reading the transcripts from Kymn Harvin's
10 recording and, as Jeff said, I appreciate my memory being
11 refreshed on the material.

12 The meeting that I had with Kymn during that tape
13 was to be supportive for a person that had just been told she
14 was no longer an employee.

15 I thought the most appropriate thing with her was
16 to empathize and to appreciate the situation that she was in
17 and, quite frankly, not kick somebody who is already down.

18 The setting is different than most of the settings
19 I am generally in. Most of the settings I'm in is talking
20 about plant equipment issues and this was a very, very
21 different type of setting and traditionally or typically I am
22 involved with.

23 As I said, the setting with Kymn, meaning as I was
24 involved with Kymn on that last day, was a bit unusual. It
25 wasn't the best of situations. [REDACTED] was gone that

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1 particular day and the HR Manager was unable to be found and
2 so I found myself caught in the middle and confronted with
3 the responsibility of dealing with it but I want to state
4 clearly that I have been truthful and candid with you in what
5 I have provided you yesterday and this morning and what I
6 have provided you back in October and I don't have any
7 changes to any things that I've said.

8 I will certainly provide clarifications to any
9 things that come up from the tape that was brought to my
10 attention. I have provided to you thus far what I knew, what
11 my thoughts were and on the very subjects that were covered.

12 I was not Kymn's boss. I didn't terminate her and
13 I wasn't making the employment decisions with Kymn Harvin.
14 That was clearly [REDACTED]

15 To the best of my knowledge, Kymn has not raised
16 any subjects of nuclear safety to me. I have reviewed the
17 Kymn Harvin Complaint and it is apparent to me that there may
18 be other tapes and I certainly would like the opportunity to
19 review and explain them as we go forward. As I said, I found
20 the tapes yesterday a surprise.

21 I have [REDACTED] in managing nuclear power
22 plant operations in a variety of different positions and I
23 feel I have a solid track record and I do understand what
24 nuclear safety is and that it's paramount in the way we made
25 decisions.

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1 I think and behave coming from that philosophy and
2 I believe that is what success in the business looks like. I
3 understand the consequences of not living to the expectations
4 of the regulations, I fully appreciate what the regulations
5 are, why they are put in place and the expectations I and
6 others have in upholding them.

7 I had no motivation to do anything contrary to that
8 and certainly not in anyway to be detrimental to Kymn Harvin.
9 That concludes my remarks.

10 MR. TEATOR: I just had a couple of comments on
11 them. You mentioned the words judgments, that you were
12 saying we were making yesterday, I am just going to -- they
13 weren't judgments.

14 Our questioning of you yesterday was much more
15 focused than in October based on the vast of field work we
16 have done since then, meaning, you know, it is our job to
17 dive into this kind of stuff, get information. We have
18 gotten a lot of information. We are nearing the end of what
19 we are doing and so we know a lot more than we did in October
20 so the questioning is going to be more focused yesterday and
21 today.

22 MS. NEFF: And we will push with this
23 contradiction, not a judgment, we are looking for what
24 happened. You can expect that.

25 THE WITNESS: I understand that and I had thought

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1 about that from yesterday's discussions. I would only tell
2 you is that in my understanding initially it landed to me as
3 though judgments were being made on your half to ask at this
4 point and I was debating with you on your opinions and
5 judgments of that information and I just was not probably
6 well prepared in my thinking to be ready for that.

7 Now, I am far more prepared for today as far as
8 what the discussions might lead to and I understand and
9 appreciate the questioning that you are doing and the level
10 of focus that you now have given the information that you
11 have and, yes, I understand that there will be some targeted
12 type of questioning and I am fine with that.

13 MR. TEATOR: Especially for, I mean for the
14 Commission to find out what, if there is a problem with the
15 work environment and a person in your position, it is very
16 important to find out your perspective. We need to push on
17 that kind of stuff.

18 THE WITNESS: I understand.

19 MR. TEATOR: For the Commission to get a complete
20 answer and so the licensee can get an answer and so that is
21 where that is coming from.

22 THE WITNESS: I understand.

23 MR. TEATOR: Do you want to take a break, a quick
24 break?

25 MS. NEFF: Nothing else?

1 MR. TEATOR: Right.

2 MS. NEFF: Well, let's go off the record. It is
3 10:20. We will take a quick break.

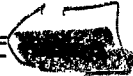
4 [Whereupon, a recess was taken.]

5 MS. NEFF: It is 10:54 and we are back on the
6 record. At this point, what we would like to do is run
7 through the transcript of that tape recorded meeting between
8 you and Dr. Harvin that was dated March 27, 2003.

9 Do we all have a copy of it?

10 MR. TEATOR: Yes.

11 MS. NEFF: All right. We will have some questions
12 as we go through this and I believe our first question comes
13 up on --

14 MR. TEATOR: On page 2, I have a question of 

15 THE WITNESS: I can't write on this, right? In any
16 way?

17 MR. TEATOR: No. Do you need paper?

18 THE WITNESS: I am just looking to tag things
19 periodically if I need to go back maybe.

20 MR. TEATOR: Do you want some stickies?

21 THE WITNESS: That is fine.

22 MR. TEATOR: Take some of those.

23 THE WITNESS: Thank you.

24 MR. TEATOR: And if you have answered a similar
25 question before, we apologize. We feel it is necessary to go

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All 7c

1 through this.

2 THE WITNESS: I understand.

3 MR. TEATOR: And ask the direct questions, okay?

4 THE WITNESS: Yes.

5 BY MR. TEATOR:

6 Q All right, so if you would go to page 2 there at
7 line 12, beginning with line 12, if we could look at that a
8 little bit and we could talk about Dr. Harvin telling you
9 what she has just been told by [REDACTED] and that Dr. Harvin
10 indicates that she was told by someone that you were involved
11 in the decision making to have her position eliminated, can
12 you comment on that? [REDACTED] said you were.

13 A She is saying that [REDACTED] said --

14 Q Well, I will read it then. Line 12 [REDACTED]
15 [Reading] I can't answer that. I don't know. I
16 have no idea other than he is saying you're finished and
17 I am not in this decision making at all.

18 Line 15 reads from Kymn Harvin.

19 [Reading] Well, [REDACTED] said you were.

20 Were you involved in that decision making at all?

21 A No.

22 Q Did you have any discussions with [REDACTED]
23 surrounding that, that decision?

24 A I had discussions with [REDACTED] after [REDACTED] had
25 said, uh, Kymn Harvin's position was eliminated and that Kymn

1 Harvin would be on the 45-day wait list or candidate pool
 2 list for other potential positions in the company and [REDACTED]
 3 [REDACTED] had told me what the process was and just was informing
 4 me how the transition potentially could go.

5 Q Okay.

6 A I was not involved with any discussions with [REDACTED]
 7 [REDACTED] or [REDACTED] on the decision making to terminate the
 8 position or at what time that position should be.

9 Q Meaning moving it up?

10 A Yes.

11 Q You were not involved in that decision?

12 A No.

13 Q To move up ^{her} out date?

14 A No.

15 Q All right. Go to page 3, please, line 5 reads --
 16 beginning at line 5, it reads -- it is [REDACTED] talking:

17 [Reading] I talked to her about that and I said we
 18 will be having the line management do that if you're
 19 going to do that. I don't know if we will or we won't
 20 but I don't know of anything that would constitute a
 21 change in that so the motivation has been to move things
 22 up and that's what it is.

23 That's talking about moving up ^{her} the date she is
 24 going to leave?

25 A Yes.

All 7c

1 Q The motivation, why? Did you know why there was a
2 motivation to move it up?

3 A What we were talking about is the motivation, at
4 what point would she no longer have access to the property,
5 not moving up her 45-day total time period with the company.
6 I think -- this is my opinion is that initially when the
7 decision was made that that position was going to be
8 eliminated, there was an expectation that some amount of time
9 would be allowed for closure of site activities, whatever
10 those may be she was involved with, and then she would have
11 the opportunity of seeing if there were any other positions
12 in the company that could be nuclear or that could be
13 external to nuclear.

14 I would say that lessons learned and experience
15 when you're handling cases of position elimination, there was
16 a motivation that suggested maybe we should not allow the
17 person to have such an extended period of time, that may be
18 tough for the person and tough for those that are left behind
19 at the facility and so it was my understanding from [redacted] and
20 [redacted] that it was a better thing to do than to allow
21 some long period of time was shorten it up.

22 Q And you are saying that was [redacted] and [redacted]
23 [redacted] discussion with you?

24 A I had no discussion with either one of them about
25 that. I am only telling you that I believe those two had a

1 discussion and you asked me why the motivation. I was trying
2 to clarify it as I think the motivation.

3 Q All right.

4 A Based on some interactions I had once with [REDACTED]
5 [REDACTED] once with [REDACTED] two different occasions on just
6 things in general with people when you terminate employment
7 is that it is not a good thing to allow that person to stay
8 on for an extended period.

9 Q Okay, at the top of page 4, please. Dr. Harvin is
10 talking and I will read beginning at line 1.

11 [Reading] Dr. Harvin: Well, we had that. This
12 week we have got to follow up on all the 30-day
13 assignments and we are having our big meeting on
14 Wednesday. I have been integrally involved in that.

15 [REDACTED] Kymn, I am not telling you anything
16 other than they want it over.

17 They want it over. Who is the they you were
18 referring to?

19 A [REDACTED] and [REDACTED] What she is referring
20 to is activities that she was involved with. We talked
21 previously yesterday about some initiatives from an INPO
22 response that I and others were accountable for and she had
23 some involvement with [REDACTED] on some of those points
24 and she was expressing in this areas that who is going to do
25 some of these activities if I am gone?

1 Q Okay. Go down to the bottom of page 4, please.
2 Beginning on line 24. That is halfway into words you are
3 using.

4 A Yes.

5 Q I will begin with:

6 [Reading] You work for [REDACTED] and he said you are
7 out and HR is following it. How much simpler could I
8 make it? I can't control it. I love you but I can't do
9 anything about it. I can't.

10 And then the top of page 5, line 3.

11 [Reading] I have been ordered.

12 Ordered, what were you referring to there? Who was
13 ordering you and what are you being ordered to do?

14 A Where I am responding is that first Kymn was trying
15 to, I would say, attempt to see if I could intervene in some
16 fashion to retain her longer term employment.

17 [REDACTED] had told myself and the other [REDACTED] these
18 decisions are final and we are expected to implement them in
19 whatever support functions and that is an order.

20 In other words, it wasn't like an order, go do
21 this, it was I am telling you this is final and there is no
22 more discussion on it.

23 Q To continue on there, line 3:

24 [Reading] What do you want me to do? I have to
25 salute and I am saluting.

1 A Right.

2 Q What are you referring to there, I have to salute
3 and I am saluting?

4 A The expectation was, is the positions were
5 eliminated and they are not open for discussion and when
6 someone says it is ended for discussion, my terminology is,
7 yes, sir, I understand that and I will salute to that.

8 Q That is what you are referring to there?

9 A Yes, sir.

10 Q Okay. Forget this transcript for just a minute.
11 Did she have any reason to believe that she was going to come
12 work for you after [REDACTED] was gone?

13 A No. I think where there may be some terminology in
14 here was there was a discussion Kymn and I had somewhere in
15 late 2002, maybe 2003 where potentially, maybe we should move
16 Kymn, since she was spending more time in the power plant
17 areas, you know, with line management of maintenance and
18 operations and those were my domains of responsibility, we
19 had a discussion of perhaps it would be better that she
20 reports to me versus [REDACTED] and I said, well, that is an
21 interesting conversation, I will talk to [REDACTED] about that.

22 I did talk to [REDACTED] about that. [REDACTED] said, no, I
23 want her to continue as a direct report to me, and my belief,
24 this is [REDACTED] who is saying my belief, is that that's the
25 best way we should manage this type of job function at our

1 facility.

2 Q When the information got out that [REDACTED] was
3 retiring, did you give her any indication that after [REDACTED] is
4 gone, there is a possibility she could come work for you, to
5 continue there at the site? Working for you now, since [REDACTED]
6 is gone she could be working for you?

7 A I don't know if I had a direct conversation in that
8 manner. We may have, you know, worked around that as a
9 possibility since it was uncertain what exactly was going to
10 remain going forward or what wasn't going to remain going
11 forward with the transition from [REDACTED] to [REDACTED]

12 I knew that [REDACTED] had a different view on certain
13 things than [REDACTED] did and so I say it may have been a natural
14 type of all discussion over time of, well, maybe there might
15 be a change in job reporting if this was considered to be
16 deemed as important to continue.

17 But I don't believe I had any conversation that was
18 giving the impression that that was something that would
19 occur at all. I think it was one of those responses, if
20 there was dialogue, that may be an idea, left in an open
21 ended kind of condition.

22 Q Did you make, I will just use, concrete commitment
23 to her that she would come work for you --

24 A No.

25 Q -- After [REDACTED] was gone?

1 A No.

2 Q Anything more on page 5?

3 A And the reason I can say no so clearly is because I
4 was given clear understanding that that was a staff function
5 area and that was not negotiable what was going to be done
6 with that.

7 BY MR. BARBER:

8 Q Is it possible you could have made a commitment she
9 could have interpreted as permanent before you had the
10 discussion with [REDACTED]

11 A It is possible and I say that from discussions that
12 we had in late 2002 to 2003 when she was participating in
13 some of these improvement initiatives based on the INPO
14 report. We did have a discussion that said, well, maybe it
15 would be better, you know, since you are working mostly with
16 me is just to report to me.

17 So I suppose one could go away from that
18 conversation thinking that is going to happen since I have a
19 position of authority.

20 However, I have a boss just like she had a boss and
21 that was never his intent and certainly never something he
22 wanted to pursue.

23 Q One thing I am not clear on is why would you say
24 something like to her if you thought she was included in the
25 needs improvement category? It just doesn't fit.

1 A I understand your confusion but we have, you know,
2 we do performance reviews on people throughout the year.
3 Needs improvement does not mean they are throwaways. Needs
4 improvement means, is that some quality time is necessary by
5 the supervisor to that particular person to roll improvement
6 some direction to resolve maybe shortcomings in different
7 areas.

8 It is a management job to take that responsibility
9 on. I mean that is one of mine and other jobs is that when
10 we know that there are people that have needs improvement is
11 that is a flag to us to suggest we should take it on as part
12 of our responsibility to care and feed and help in some
13 manner an improvement initiative or direction for that
14 particular person.

15 Some people, you know, improve and some people
16 don't. That is why it is not instantaneous that because
17 someone is rated now as needs improvement that would suggest
18 get rid of them. It simply says, okay, there is some quality
19 expectations that are going to be necessary to try to improve
20 this person's performance and you try to do a manager to
21 supervisor employee, generate a plan of what that might look
22 like and then you spend some amount of time to try to see if
23 it changes things.

24 Maybe it is a month, maybe it is six months, you
25 know, it depends on what the performance issue is. So, no,

1 it is not an immediate expectation to suggest, Scott, that
2 because someone has a needs improvement that that would mean
3 don't have that person be actively employed in places where
4 there will be maybe needs that can be fulfilled by her
5 services.

6 On the other side of it, sometimes we pick jobs to
7 put people on because we view that as that may be exactly how
8 they can get the developmental growth as part of their plan
9 for improvement.

10 Q Well, I could sort of understand that based on the
11 sequence and the timing, may be better if it was exact when
12 you had the discussion with her but relative to this
13 discussion, you know, what I recollect from yesterday is you
14 were describing in December [REDACTED] asked for input on how well
15 she was doing.

16 You gave him some written input but it wasn't too
17 flattering. It was very critical and you felt it was
18 deserved and then you had that meeting with your peers at
19 [REDACTED] house on a Saturday in January sometime, not any
20 special time but in January and you graded her as needs
21 improvement and [REDACTED] said no, she is probably unsat.
22 That is what I got out of that discussion from yesterday.

23 A Yes.

24 Q And then there is this desire on [REDACTED] part to
25 eliminate staff positions, so there is this logic that

1 follows from my own mind that she is, you know, that her
2 position is potentially going to go away and yet I look at
3 what you're saying here and it kind of conveys a different
4 approach and I don't understand that. I don't understand why
5 it went that way.

6 MR. KEENAN: That is not a question, is it? Is
7 that a question?

8 MR. BARBER: Well, I am trying to understand why
9 you are telling her what you are telling her if you thought
10 that she had performance problems. Why didn't you just tell
11 her she performance problems?

12 MR. KEENAN: Is the question why didn't [REDACTED]
13 [REDACTED] she had performance problems?

14 MR. BARBER: I'd say so, yes.

15 MR. KEENAN: Okay, can you answer that?

16 THE WITNESS: I was not her supervisor.
17 Performance problem discussions is something that is
18 generally confidential and it is between the immediate
19 supervisor and that person. That would be outside of my
20 purview to take on that. That is tenuous to do that and so
21 we expect the immediate supervisor to have that candid
22 discussion and to work with that person.

23 People that are outside of that particular food
24 chain respect that and try to support in a way that might be
25 helpful. That's it.

1 MR. TEATOR: Okay, we will probably have some more
2 questions on that through this but why don't you go ahead?

3 BY MS. NEFF:

4 Q We are going to be on page 5. We are there, it
5 starts around line 15 and it is Kymn Harvin saying she went
6 to meet with [REDACTED] to find out who made the decision, who
7 made it clear to him and nobody else and then she makes
8 comments that she asks if [REDACTED] could choose to retain
9 me and he said yes.

10 [Reading] I talked to him about what I am doing
11 over here, about all of the issues, how scared people
12 are. They think we are making bad nuclear safety
13 decisions. He said that is a bunch of bullshit and then
14 he picks up the phone after I leave and calls [REDACTED]
15 and says I want her out of here. What does that tell
16 you?

17 What is she talking about here?

18 A I don't know.

19 Q You don't know what she means when she says people
20 are scared and they think we are making bad nuclear safety
21 decisions?

22 A No, I don't know what conversation she had with
23 [REDACTED] She was emotionally responding that she was unhappy
24 with the discussion that she and [REDACTED] had.

25 I have no idea what it is that she was talking

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1 about or what it was. Quite frankly, I didn't believe it was
2 my business.

3 Q Okay, that leads me to a couple of questions
4 though. If you don't know and you hear her make a statement
5 like that, bad nuclear safety decisions, why wouldn't you
6 pursue something like that? You are [REDACTED]

7 A The only answer I can give you is that I had a
8 sense that what she did talk about with [REDACTED] although I
9 can't say I know absolutely but I believe what she was
10 telling [REDACTED] because of I would say previous interactions I
11 had with her, is that some of the cultural issues that were
12 still continuing to occur in Kymn's mind, those were nuclear
13 safety.

14 [REDACTED] and I and others had conversations about
15 cultural issues as not being nuclear safety issues but being
16 performance issues that the management team was working on
17 the various initiatives to improve them and she gave me all
18 indications that that was what she had told [REDACTED].

19 Now, did I confirm that? No, I didn't but I
20 suspected that because of, I would say, the closeness that I
21 did have with Kymn, you know, she told me on a regular basis
22 what kinds of conversations and some of the content that was
23 occurring between some of the people she was interacting with
24 including [REDACTED] and not on this particular day, but on a
25 different time, and I believe we talked about that in our

1 October one, she had come back to me after a discussion that
2 she had with [REDACTED] and said that she had expressed cultural
3 issues and [REDACTED] had said, well, you know, that is not
4 nuclear safety and she thought it was.

5 Q What cultural issue though? Did she have an
6 incident, an event?

7 A No. She had no specific event. All she could talk
8 about was, well, [REDACTED] isn't fully engaged in doing
9 his leadership job. That is a nuclear safety issue. I said,
10 Kymn, that is not a nuclear safety issue. Why would -- well,
11 because there are performance issues not being addressed.
12 Right, there are performance issues not being addressed.

13 That is a standards issue, that is an
14 accountability issue with [REDACTED] and with his supervisors and I
15 said that is an ongoing continuous type of improvement
16 initiative, you never are perfect on a given day but if you
17 are saying that is the sole source of nuclear safety, you
18 have to give me an example of where is it that you see it and
19 some specific event or equipment issue or something that
20 wasn't properly dealt with.

21 Well, then there was nothing. There was no
22 discussion. It was just a feeling that she had because of
23 some of the emotions of people she was interacting with that
24 she was responding to.

25 Q A little further down here on page 6, you are

1 responding to her, she is asking you what to do about it and
2 you tell her -- this is line 10.

3 [Reading] You say goodbye like you were told to.
4 This is not, I told you before, didn't I tell you
5 before, Kymn, this is the wrong place? I told you that.
6 I said don't fool with it. This isn't the right thing.
7 What do you mean by that? This is the wrong place.
8 I said don't fool with it.

9 A [She believed that there was someway I could
10 manipulate the system to keep her job and I said that is the
11 wrong place to begin doing business. That is inappropriate
12 for you to think that I can exercise some sort of counter
13 measure to my superior boss. Don't fool with it. That isn't
14 the right thing.

15 Q This looks like it more specifically goes to her
16 concern. She is still on this concern that she raises to
17 [REDACTED] it looks like, and I am going from 5 into 6,
18 about all here is about how scared people are. They think we
19 are behaving bad safety decisions and he calls that bullshit.
20 She says what did I tell you? You say I don't know. She
21 says you are officer of the company and you tell her to stop
22 holding you accountable for something you are not accountable
23 for.

24 A The context of that --

25 Q And then she says, well, what do I do? And then

1 you say, you say goodbye. It doesn't look like she is asking
2 you to save her job here. What it looks like it reads is, is
3 you are addressing how she raised her concern. What it looks
4 like is she can't raise her concern. Why can't she raise her
5 concern at this point?

6 A I would tell you that that is not the perception
7 when I was interacting with her. The issue she was driving
8 me towards was I don't want to lose my job. What do I need
9 to do to keep my job? Can you do something different to keep
10 my job? You are an officer of the company and I told her,
11 Kymn, that is the wrong approach to take on trying to keep a
12 job when it has been decided the position has been
13 eliminated.

14 What you should do, and later on in here, was there
15 are posted positions, you should try to bid on those and see
16 if you can find opportunities in other areas of the company.
17 That is the proper think to do.

18 MS. NEFF: Okay.

19 BY MR. TEATOR:

20 Q She is very emotional in that part of the
21 conversation.

22 A Very much so.

23 Q When she says:

24 [Reading] You are an officer of the company.

25 It is like --

1 MS. NEFF: She is shouting.

2 THE WITNESS: Yes, I know that.

3 BY MR. TEATOR:

4 Q Like a plea?

5 A I know that and I think because she thought because
6 I have officer on my name that somehow it allows me to wave a
7 magic wand and change everything. To change the decisions of
8 other officers of the company that had made a decision that
9 is final and there is a protocol.

10 I did follow on that protocol before this ever came
11 to pass and the answer was -- it is earlier in the transcript
12 -- the answer is the answer. It is final and that is the way
13 they want it done and I respected that and so I was
14 implementing the expectations of my bosses that this was a
15 done deal.

16 Q Talking about that on page 6, line 15, Dr. Harvin
17 says:

18 [Reading] Are they after me?

19 You respond:

20 [Reading] They are after you. They are after
21 others.

22 Who is the they you are talking about there?

23 A The changes of downsizing the organization to
24 improve our focus on being in alignment with the rest of the
25 industry and I use the word "they" as simply describing the

1 initiatives from business planning and others who had been
2 assembling the strategy on where we are going to optimize and
3 consolidate the company resources and that there were going
4 to be others besides her, that it is just a matter of time
5 before we get down to a continued downsizing or reducing of
6 numbers.

7 Q Continuing on there, line 17:

8 [Reading] And it is only a matter of time, I will
9 be in the same position.

10 Why did you think that at that point?

11 A That was an empathetic statement of saying, you
12 know, if you think anybody has permanency here, that is an
13 untrue statement and what I meant by that is you can be
14 downsized because of position elimination or you could find
15 yourself in a position of not performing to the expectations
16 that somebody above you had established and I might find
17 myself in a position no different than anybody else of no
18 longer being required.

19 And all I was trying to tell her is that I am as
20 equal in this whole thing as anybody else. Even though our
21 titles are different, anything is possible.

22 There was a lot of discussion whether we needed as
23 many [REDACTED] on the site. [REDACTED] has said on
24 numerous occasions that he wasn't sure he liked the idea of
25 having [REDACTED] on the site.

1 It was also looked at, and I don't know if you knew
2 this but in the Navigan Study, the Navigan Study said for our
3 kind of a site there should only be [REDACTED].

4 There was clear understanding that there would
5 probably be some downsizing in the number of [REDACTED] I didn't
6 know if it would be me or not, I don't know, but it sure
7 could be.

8 MR. TEATOR: Anything more on page 6?

9 MS. NEFF: No.

10 BY MS. NEFF:

11 Q On page 7, [REDACTED] line 3 begins, it is Dr.
12 Harvin and I will read it.

13 [Reading] This is so inconsistent with what we say
14 you stand for, not eliminating my job. That is not the
15 point but how it is done, how it is communicated making
16 you the bad guy, changing the timetables.

17 On line 7, you respond:

18 [Reading] Welcome to the realities of this
19 company. It has been this way all along for 20 years,
20 all along. Do you think I am in charge of this place?

21 It looks like "uh-uh."

22 What did you mean by that statement, do you think I
23 am in charge of this place?

24 A I meant in charge of Enterprise.

25 Q What is Enterprise? Tell me what that is?

1 A Enterprise is the parent company of the various
2 subsidiary companies, nuclear, fossil, global and --

3 Q Energy resources?

4 A Energy resources, and even though I may have
5 specific accountability for nuclear, that does not mean I am
6 in charge of the Enterprise. I work for Enterprise.
7 Enterprise makes the determinations of how business will be
8 done across the different business units and the issue of
9 downsizing or the issue of improving costs and those kinds of
10 things were Enterprise type of expectations across the board
11 and I told her that, you know, this is the way it has been
12 for years.

13 Enterprise is in charge and they are the ones that
14 have the ultimate, I'd say they can make those decisions and
15 my job is to implement those decisions.

16 Yes, I give input to those decisions. Sometimes it
17 is received. Sometimes it is heard and said thank you for
18 that but we are still going to be -- the answer is no. Okay.

19 Q Who was in charge of Enterprise at that time
20 period?

21 A [REDACTED] is.

22 Q [REDACTED]

23 A Yeah.

24 Q I heard what you just said but when I read: Do you
25 think I am in charge of this place, it sounds to me like you

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1 are talking about the plant, the site?

2 A I realize that and that may be, uh, the place to me
3 was my words of saying the entire company and because she had
4 said earlier, well, you are an officer of the company, that
5 somehow that gave me greater input into the total decision
6 making of Enterprise. The answer is it didn't. The officer
7 of the company simply put me in a position at nuclear when we
8 became a separate company was accountability as part of the
9 assets.

10 When we were in emergency situations, I had to have
11 officer approval in order to do whatever was necessary to
12 protect that plant if we were into an emergency type of
13 situation. That is why we were given those titles. Not that
14 it meant I had some superior type of decision making
15 influence in the Enterprise.

16 I am, you know, in the pecking order, I am a worker
17 in that category when you look at it from the highest to the
18 bottom.

19 MS. NEFF: That finishes that page.

20 Page 8, right?

21 MR. TEATOR: Yes.

22 BY MS. NEFF:

23 Q Looking at the Kymn Harvin on page 8, it is you
24 speaking and you are talking about having discussion with [REDACTED]
25 [REDACTED] that was an interview.

1 [Reading] It was an interview. I said to you
2 three weeks ago, Kymn, don't think, plan this. It is
3 changing. It is not going to be what it was. There is
4 complete distrust with Enterprise and Nuclear, complete.

5 What do you mean by that? Complete distrust
6 between the two organizations?

7 A I believe there is and the distrust comes from
8 [REDACTED] had a position of being the single point of
9 contact between Nuclear and Enterprise. He became our
10 corporate interface for everything.

11 The Enterprise had put [REDACTED] as [REDACTED] and [REDACTED]
12 [REDACTED] of the Nuclear Company. He was a direct
13 report directly to [REDACTED] not for the rest of the
14 Enterprise, just to [REDACTED]

15 That gave [REDACTED] a pretty large autonomous
16 capability in doing business which means, we did our own HR
17 work, we did our own hiring and firing, we did our
18 promotions, we did everything locally on site.

19 When the decision was made that [REDACTED] was going to
20 retire, very subtly at the same time was a change in the
21 reporting relationship that was going forward.

22 No longer would the Chief Nuclear Officer report
23 directly to the CEO. Now, he was going to report to the
24 President of Public Service Power. That was [REDACTED]

25 When [REDACTED] became into the picture, we now

1 had another set of HR and rules of governments that we hadn't
2 been participating in the past and now had to participate in
3 and it was very foreign to us.

4 We also learned because [REDACTED] was no longer between
5 us and Enterprise, we become - [REDACTED] myself and [REDACTED] -- had
6 a lot more face to face time with some of those others in the
7 Enterprise.

8 It became very clear by their conversations with us
9 that they were very dissatisfied with some of the things that
10 we were doing, thought that we had, uh, in some cases
11 mismanaged some resources and they were skeptical about what
12 kinds of things we were doing.

13 I translated all of that by saying I think there is
14 an element of distrust from them to us and, you know, whether
15 that is true or untrue but that is how I perceived it.

16 I would suggest that you talk to the other [REDACTED] and
17 see if they would have a similar view. I would be very
18 surprised if they wouldn't have similar types of remarks.
19 They make use a different word than distrust. I don't know
20 but they clearly will tell you that there was a very
21 different way of doing business and it became almost like a
22 cold shower and we found out by interfacing now with the
23 people that [REDACTED] had previously interfacing with, we didn't
24 have the relationships established with them. We didn't have
25 some of the confidence of some of them and I think that put

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1 us into some difficult periods of time of doing activities
2 and I translated it, as I said, assigned boy. You know, I
3 thought they trusted us more than they did.

4 BY MR. TEATOR:

5 Q The time period you are talking about now when this
6 change is occurring, is it in March?

7 A February, March, April time frame. In other words,
8 there was no difference in the way things were taking place
9 until the day the announcement that [REDACTED] was retiring.

10 That day, things changed. Even though [REDACTED] was
11 still [REDACTED] and [REDACTED] the company changed the way it was
12 doing business even though he was still sitting in the chair.

13 We didn't recognize it and I don't believe [REDACTED]
14 did either.

15 Q What date was that again that [REDACTED] announced?

16 A I don't know that.

17 MR. TEATOR: ~~TEATOR~~ do you?

18 MR. KEENAN: I don't have it offhand. We can get
19 that, supply that to you.

20 MS. NEFF: Does early March sound right?

21 THE WITNESS: Could have been. I think [REDACTED]
22 [REDACTED] was put in place on April 1. Yeah, that is when
23 his --

24 MR. KEENAN: Yeah, I believe.

25 BY MS. NEFF:

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1 Q Do you recall when the time period was between the
2 announcement and when he actually left?

3 A It was a good 30 or 40 days.

4 Q So late February?

5 A Yeah, [REDACTED] came down to a staff meeting
6 and told us privately with [REDACTED]'s presence that [REDACTED] is
7 going to retire and asked us to keep it quiet until an
8 announcement was going to be made and the company had put in
9 place the necessary announcements for that.

10 So I think it was probably late February, a few
11 days, maybe a week past five days and then a formal
12 announcement came out to the entire population of the site
13 and across the whole company.

14 MR. TEATOR: Okay.

15 BY MR. BARBER:

16 Q Could I ask a follow up to this?

17 I just, I want to try to understand better some of
18 the things you are talking about. Could you provide some
19 specifics just to line up the structure? You talked about
20 like HR policies?

21 A Yes.

22 Q You know, I don't know if there are other business
23 policies. Could you give me some examples of what you are
24 referring to?

25 A One was we had a capital project that we were

1 working on was the replacement of steam generators and we had
2 done an initial cost estimate in 1999 and 2000 and had made
3 provisions to generate the specs and go buy the generators.
4 We have them fabricated and we were on that path and had made
5 those commitments and then, uh, when we were getting closer
6 to the plans for doing the engineering, the installation and
7 the construction estimates for the whole thing, we found that
8 there were some mistakes made in the original estimating that
9 was done.

10 The site did those estimates. We, our site, did
11 those. It was done by the corporation under some of those
12 programs and processes that they manage.

13 We found that the job was going to be quite a bit
14 more than what was originally anticipated and there was a lot
15 of heartache over how could that possibly happen and that it
16 seemed like whatever explanation we gave, it just sounded
17 that we didn't do our job very well and that, uh, they needed
18 to provide maybe more oversight on some of these things that
19 we were doing and that message came through from the
20 Corporate Review Board.

21 So I, you know, that just sounded to me like, my
22 words, it was a competence problem what you're doing and we
23 are going to have to provide more insight because it looks
24 like you guys don't know how we work.

25 BY MR. TEATOR:

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1 Q Is it [REDACTED] providing that?

2 A No, it was, who it really came from was one of the
3 other executives, [REDACTED]. That is one example.

4 MR. TEATOR: Anymore, Scott?

5 MR. BARBER: No, that's good.

6 BY MR. TEATOR:

7 Q Could we stay on page 8 for just a minute, at line
8 9, if you could look at that, please? And this is you
9 talking now, [REDACTED]. The sentence reads:

10 [Reading] I said to you three weeks ago, [REDACTED]
11 don't think ... playing this. It is changing. It is
12 not going to be what it was.

13 What made you have that conversation with her three
14 weeks prior to March 27th, which is the date of the report?

15 A Because this lines up with the announcement date
16 that [REDACTED] was retiring. When [REDACTED] -- when it was announced
17 [REDACTED] was going to retire, there were things we were doing
18 that we suddenly found there was a significant change in the
19 way we were doing business.

20 The project was one and how we had to get funding
21 approval and a whole difference in the way we had to go
22 through that process that we were very unfamiliar with.

23 Another item was we had several people that we were
24 attempting to hire and we had done the interviews with those
25 people and we even were generating some offer letters.

1 When the announcement happened, those things were
2 put into a pause condition. We didn't know they were put
3 into a pause condition. We thought they were moving forward.
4 Some time was passing and we are going, what's going on and
5 then it became evident to us by some interactions that the
6 approvals are going to change and who has to approve it?
7 What is okay and what is not okay?

8 Forms that, you know, now we weren't accustomed
9 that we had to use in the way we had to do business because
10 we were running through the corporate enterprise instead of
11 just locally on site and what I was seeing by that is that
12 those were just examples because it was, truthfully it was
13 frustrating me and others that we made changes. We didn't
14 recognize some of those changes and we didn't know how we
15 were to operate from a process perspective inside of what
16 were some rule changes and so we didn't know what it took to
17 be successful and so we kept bumping into the wall and
18 learning the hard way.

19 And what I told Kymn in this sentence I was
20 referring to is there is a lot of changes that are probably
21 going to take place and I think we are just getting the
22 initial sense of it and the answer I was seeing about it is
23 not going to be what it was is we no longer are going to be
24 an autonomous site all by ourselves.

25 We are now part of a larger picture of things and

1 that brings in a whole nother level of involvement and
2 management decision making.

3 Q When you had that discussion with Kymn, I am going
4 to say earlier in March, was she saying or doing something
5 then that you were warning her about to not get into? Don't
6 do that, don't say that. Was it going toward that kind of
7 thing? Was there something that she was doing or saying in
8 your eyes that you were trying to warn her from doing?

9 A I don't believe so. I mean what I was trying to do
10 was to tell her that in a variety of different ways, you
11 know, because she wasn't understanding, is that the position
12 has been eliminated and I am going to try a whole different
13 bunch of ways to tell you the same thing, the position has
14 been eliminated.

15 That is a change. Not only is that a change but
16 there is a whole bunch of other changes that are occurring
17 and those are going to happen period and to think that you
18 are going to be able to influence that because the momentum
19 and the decisions have been made to move forward in those
20 things is not a prosperous endeavor.

21 MR. KEENAN: Is there a foundation to the
22 discussion three weeks ago? Did we talk about?

23 BY MR. TEATOR:

24 Q Do you recall having discussion with Kymn three
25 weeks ago prior to the March 27 discussion?

1 A Like I said in the early time when [REDACTED] was
2 announced that he was retiring, we were all doing a lot more
3 discussions with things because we seemed to be learning
4 things the hard way about what was being done differently. I
5 am sure I had a conversation with Kymn about some of the
6 interactions I was having and some of the difficulties I was
7 encountering as a result of the change process.

8 Q But any specific recollections?

9 A No. Do you mean like a time or a date? No.

10 BY MS. NEFF:

11 Q Following Jeff's question and I am jumping ahead to
12 page 10, the conversation that stays along this line. Page
13 10, starting at around line 3, starts to describe what was
14 happening.

15 [Reading] The books is being written so I tried to
16 tell you the best I could it is coming and you should
17 not stay. You should not stay. You don't want to find
18 yourself caught up into it and being crucified.

19 Crucified is a pretty strong word for her --

20 A Yeah, it is.

21 Q -- Wanting to stay there. What was she doing that
22 she would find her self being crucified for?

23 A Again, she was lobbying to keep her job and I saw
24 her going down a martyr type of approach when I could see
25 what the outcome would be. It is just more frustration and

1 disappointment and I said don't get yourself caught up in
2 that. That is just not productive and all you're going to do
3 is make people upset and I think they are going to think less
4 of you, so don't do that. Just, that is not a productive
5 thing to do.

6 What I was trying to do was to get her to accept
7 the fact -- and it is very difficult when someone hears today
8 is it. Because, as you know, when you have an emotional
9 event like that, or a traumatic event like that, first there
10 is the shock. It is just plain shock and then there is anger
11 and then there is grief and then there is hopefully moving
12 on.

13 Quite frankly, I was trying to deal with all three
14 of those in one meeting session and so whether I handled i t
15 appropriately or not, I certainly was trying to give her the
16 best advice I knew how and, again, I may have used words that
17 could be interpreted in a lot of different ways but my intent
18 behind those words was, /Kymn, you are trying to, you are
19 trying to wish your way into keeping a position that has been
20 decided to move on and you are going to do all sorts of
21 things to try to keep yourself in.

22 I think that is just going to find extreme
23 disappointment and you may find yourself, you know, thinking
24 you are a martyr and I said don't, don't go in that direction
25 and get yourself crucified and, like I said, that was just

1 terminology I used to say that you could find yourself in a
2 worse condition than you are purely because you are trying to
3 change a very clear decision on something and it is not going
4 to be changed.

5 And you don't want, and I believe this, you never
6 want to leave on a bad foot with anybody. You don't want to
7 burn bridges. It is just not good business to be done and so
8 accept the fact that the position has been eliminated.

9 And, yes, I will help you trying with the grieving,
10 I will help you get through the anger, I will try to help you
11 through, you know, the moving on but see if you can't move
12 through that stuff and hold your head high and do the best
13 you can and learn from what you can and move on but don't try
14 to, you know, burn bridges before you go as a way of thinking
15 that you can maintain some sort of a grasp on maintaining a
16 position.

17 MS. NEFF: Okay, I had skipped that, so if there is
18 nothing on page 9, we can keep going from there.

19 BY MR. TEATOR:

20 Q Yes, just a follow-up question. Page 10. Eileen
21 read an area to you, line 6, 7,, 8; why on 9 do you continue
22 to say to her:

23 [Reading] I would take it that it is purely
24 position elimination.

25 And then it goes inaudible.

1 A Yeah.

2 Q Why don't you read that?

3 [Reading] Maybe it was something really more than
4 that but this is how you should take it, Kymn.

5 Was there something more to it?

6 A There was nothing more to it. I was simply trying
7 to clarify the same way, over and over and over, is that this
8 is nothing more than position elimination.

9 This is not saying you're fired. It is saying this
10 position has been eliminated and now you find yourself in a
11 pool where you have to actively determine if your skill sets
12 match needs the company has in other areas. That is all this
13 is.

14 BY MR. BARBER:

15 Q Could I ask a question on this?

16 I still, I want to go back to my earlier question.
17 You say it is position elimination but yet in this instance
18 in December where you were asked to provide input and
19 discussion in January, it was more than that. It was
20 performance.

21 A As I said to you yesterday, I believe that two
22 elements came together at the same time for Kymn Harvin.

23 One, the position of excess staff was identified.
24 We didn't know who was going to be in there and who wasn't
25 going to be in there. Concurrent with that was performance

1 reviews that were being done and I think most people would
2 say if position elimination matches with poor performance,
3 that is probably a pretty good place to begin starting to
4 look at where downsizing may make the best sense and that
5 occurred with her.

6 Q Well, but that would mean it is not purely position
7 elimination. It is position elimination and there are
8 performance issues that need to be addressed.

9 A She wasn't fired here, Scott. She was in the pool
10 of looking for other work. She was not terminated. The
11 position was eliminated. That is all that occurred at this
12 stage of the game.

13 MR. BARBER: Okay.

14 BY MS. NEFF:

15 Q Okay, continuing on page 10 --

16 A And, by the way, I believe she was told she wasn't
17 being terminated, she was being put into the 45-day determine
18 if your skill sets match the others. If you do, great. If
19 they don't, then here is how we handle that by company policy
20 and severance.

21 BY MR. TEATOR:

22 Q What is your basis for having that belief?

23 A Because that is our company policy, when you say a
24 45-day wait period.

25 Q Right, but you said I believe she was told --

1 A Meaning I don't know absolute but because [REDACTED]
2 [REDACTED] and others had said she is in the 45 day, that tells me
3 she is in this company policy of being managed.

4 BY MR. BARBER:

5 Q One thing that seems inconsistent with that though
6 is if you go back to page 2 and just at the very beginning of
7 this, you know, she is asking:

8 [Reading] Do you have a minute? Yeah. So, you
9 see I got a call from [REDACTED] yesterday saying you
10 won't be out by Friday. Who does? He said you did. I
11 have not made the decision, [REDACTED] has. [REDACTED] just sat
12 and told me the end of the week, that's it and I said
13 okay.

14 And then it continues but the decision, and the
15 discussions in this instance does not revolve the 45-day
16 waiting period or 45 days to look for another job. This
17 seems very clear that she is being told you are off the site.
18 You are going by Friday, and this is on Thursday. This is,
19 so it is one day.

20 A Yeah, and I think she knew more than that. I know
21 for a fact that she was told at least five days prior when
22 the date was, that it was being moved up, and she avoided all
23 of us to have to deal with that conversation. Every one of
24 us.

25 BY MR. TEATOR:

1 Q Go into a little more detail on that, the five
2 days.

3 A That initially it was thought that when she was
4 told the position was eliminated, we would give her some
5 amount of time to stay on site.

6 Q Right.

7 A And see if there were some jobs that had open
8 positions she might be able to qualify for and bid on.

9 Q Right.

10 A I know that she bid on a few jobs. I know she did.
11 She told me she did.

12 As time was passing, I am pretty sure that [REDACTED]
13 and [REDACTED] were getting feedback from people that were
14 interfacing with Kymn that this is not a good situation for
15 us or for her.

16 She is extraordinarily emotional and she is trying
17 to lobby with anybody that will see if they can't find a job
18 for her and because she gets feedback that she is not
19 qualified, you know, she breaks down and cries and people are
20 saying I don't know how to deal with a person like this. I
21 think this is maybe larger to manager than you might think.

22 And all of that feedback gets to [REDACTED] and to [REDACTED]
23 [REDACTED] and they say, well, you know, maybe we should move up
24 the date and she still has the full 45 days to look for work
25 but the time period that she stays physically on the nuclear

1 site property reduces down to a couple of weeks and that is
2 what she was told, was that your presence on the site is
3 going to end at this point.

4 Q All right, who is that feedback coming from that
5 you just described? Do you remember who?

6 A I am positive that -- I am pretty sure that came
7 directly from [REDACTED]

8 Q Right, but --

9 MS. NEFF: From where?

10 MR. TEATOR: Yes.

11 MS. NEFF: Where was he getting the feedback that
12 she was emotionally disturbing to people?

13 MR. TEATOR: People didn't know how to handle?

14 THE WITNESS: I think from the variety of calls he
15 was getting from various people that she was interfacing
16 with.

17 MR. TEATOR: So we have to go to him for that, is
18 that what you're saying?

19 THE WITNESS: Yeah.

20 MR. TEATOR: All right.

21 THE WITNESS: And I believe he would tell you there
22 were people that, you know, just didn't know how to handle
23 some of the interactions with her given some of the emotional
24 state that she was in and I think they were, you know, trying
25 to do their job and didn't know how to necessarily work with

1 her.

2 MR. TEATOR: We will go to him for that. All
3 right.

4 BY MS. NEFF:

5 Q But you said a little more than that too, you said
6 that she had this information you knew for a fact five days
7 earlier and then she avoided talking --

8 A Yeah, [REDACTED] called --

9 Q -- Explain some of that.

10 A Yes, [REDACTED] called me and I work very close
11 with HR because I was quite frankly running a large number of
12 the population at the site and so he and I had a
13 conversation. It was five days before this end date of
14 Friday, whatever date that was.

15 Five days prior to that, he had called me and said,
16 [REDACTED] we are going to be moving up the end of access date for
17 Kymn to this Friday.

18 I said, okay, have you talked to her yet? He said
19 no, we are trying to find her and she has been avoiding me.
20 I said, [REDACTED] you had better find [REDACTED] her quickly because I think
21 you are going to have your hands full between now and the end
22 of the week and I don't think it is going to be pleasant on
23 Friday when that day arrives.

24 BY MR. TEATOR:

25 Q What made you think that and say that to [REDACTED]

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1 A Because I was very clear on how emotional Kymn was
2 and how she was taking it and she was completely broken up.
3 Had expressed to me financial concerns that she had. She had
4 [REDACTED] problems. She was in a temporary residence and she
5 says I don't know what to do and how I am going to be able to
6 manage my financial position if I am not working.

7 I know that she was extraordinarily stressed over
8 the fact that she didn't have certainty and how she was going
9 to manage some of her financial positions and she made that
10 very clear to me.

11 BY MS. NEFF:

12 Q How was it [REDACTED] couldn't locate her, when she
13 was on site, how was it that he couldn't communicate with
14 her?

15 A He made calls to her and asked for her to come over
16 and see him and ~~she~~ didn't do that. In other words, Kymn has
17 a pager. Kymn has a phone. [REDACTED] came over a couple of times
18 to her office to find her. She was never in her office.

19 [REDACTED] left messages on her phone, he tried to page
20 her and none of those were returned.

21 BY MR. TEATOR:

22 Q Was she inside a protected area, her office?

23 A Yes.

24 Q How about [REDACTED]

25 A No. He is not in --

1 MR. KEENAN: He's in TB2.

2 THE WITNESS: Yeah, he is in TB2. He is not in the
3 protected area. Thank you.

4 BY MR. TEATOR:

5 Q She was inside the protected area, right?

6 A She was in the protected area, yes.

7 BY MS. NEFF:

8 Q Now, the way you are saying that kind of indicates
9 that she thought that he was going to tell her. She was
10 avoiding him specifically?

11 A Absolutely.

12 Q Okay, then how was it indicated to her that her
13 date was going to change at that point? How would she have
14 known about that?

15 A It doesn't take a rocket scientist to figure out
16 that when HR is calling you and it says it is of the utmost
17 and urgent importance that you talk that it only means one
18 thing. It means that the date is being moved up because that
19 has happened on other occasions with other people and those
20 kinds of rumors are out and about in the facility.

21 Q Can you think of any, can you name anybody that
22 that has happened where the date has been accelerated?

23 A Not offhand.

24 Q Is it an unusual circumstance to give somebody 45
25 days and then shorten that?

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1 A No, it is not. It is a case by case decision.

2 Q How about at that point in time in 2003 with the
3 position eliminations that were going on, had that been done
4 by anybody else?

5 A I believe it had and I would suggest that you talk
6 to [REDACTED] who was heading up some of the other
7 parts of position elimination with the IEP in the Business
8 Planning Area because there were other people that were in
9 similar type, types of circumstances.

10 I know some dates were allowed to go further. I
11 know some dates -- I am saying it by the conversations [REDACTED]
12 had with me, I can't tell you the specifics but I know for
13 sure he can, of where there was a case by case determination
14 on some of this.

15 MR. TEATOR: And, Jeff, I would ask that if the
16 licensee has that information for those positions that were
17 being eliminated during that time period for the list of
18 people whose dates were accelerated. If that exists, we
19 would like to have that.

20 MR. KEENAN: Yes, I can talk to our HR Department.
21 I think HR as it goes to [REDACTED] would probably
22 have the records of the folks that were let go along with
23 their notification dates and then final dates.

24 THE WITNESS: Yes.

25 MR. KEENAN: We would be glad to provide that.

ALL TC

1 THE WITNESS: Yep.

2 MR. TEATOR: Thank you.

3 BY MS. NEFF:

4 Q Okay, just one other thing on that. You are
5 indicating that you knew it was five days before you had the
6 conversation or five days before her last day which would
7 have been March 28?

8 A Yes.

9 Q When you had the conversation with [REDACTED] and
10 he had indicated to you he was trying to find her.

11 A Yes.

12 Q Did he tell you how long he had been looking for
13 her, when was that decision made and how long did it proceed?

14 A Called me every day. He called me Monday. He
15 called me Tuesday. He called me Wednesday and said, he asked
16 for help on Wednesday. Look, we have got to find this person
17 and make sure that she understands that Friday is her last
18 official day on site.

19 Q So it would have started with you around the 23rd
20 then?

21 A Approximately, yeah.

22 Q Because that was a Monday.

23 A It was a Monday.

24 Q You agree with that?

25 A Uh-huh.

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1 Q Okay, I think we are at the bottom, look at the
2 bottom of page 10, let's go down to the very last line. It
3 is you speaking here [REDACTED]

4 A Uh-huh.

5 Q And you made the statement:

6 [Reading] I have done my communicating to where I
7 think the plan is and have documented where I believe
8 the issues rest and it is clear to me that I am being no
9 more to her than you are.

10 Breaking it apart, at this point in time, what are
11 the issues that you are talking about?

12 A Where are you now, what line are you on?

13 Q At the top of page 11.

14 A Okay.

15 Q Where you say I have done my communicating, it
16 starts at the bottom of page 10, last line.

17 [Reading] I have done my communicating to where I
18 think the plant is and have documented where I believe
19 the issues rest.

20 MR. KEENAN: Take your time, [REDACTED] You have to read
21 the context.

22 THE WITNESS: Uh-huh.

23 [Pause.]

24 Yeah.

25 BY MS. NEFF:

1 Q My question is what are the issues that you have at
2 this point in time?

3 A I was asked by [REDACTED] and others to provide some
4 feedback as part of the turnover for [REDACTED] to [REDACTED], uh -- what
5 we thought some of the larger items that would be important
6 to communicate to the new guy that we were focusing on and
7 why we were focusing on those areas and that is what I was
8 providing.

9 I had provided that I saw problems in some of our
10 HR business. I said there is problems with our dealing with
11 performance with the Union and said I see some problems with
12 our defense in depth with some of our operations practices.

13 You know, I just gave general areas to [REDACTED] the new
14 guy on the block. If you are asking me in 10 sentences what
15 do you think you would give me as what you're working on and
16 where do you think some of the larger challenges are and that
17 is what all of us did. I did, the other two guys that were
18 reporting to [REDACTED] we all did the same thing and it was to
19 try to give, you know, a relatively comprehensive
20 understanding for [REDACTED] to talk from, to use with [REDACTED]
21 [REDACTED] with regards to the turnover.

22 Q And then you follow that with:

23 [Reading] And then it is clear to me that I am
24 being no more heard than you are?

25 A Yeah, I gave some feedback and I got some feedback

1 in return that --

2 Q Was this to [REDACTED]

3 A Yes, that some of my comments were inappropriate,
4 not as professional as they could be and I took a sensation
5 that, well, I tried to give some understanding and it looks
6 like I am going to have to try again, that I didn't do very
7 good in my first try at this.

8 Q What are you talking about there from her
9 perspective, no more heard than you are?

10 A I think I was only making a comparison that -- I am
11 speculating because I don't quite remember what I meant by
12 this sentence, but I speculate it is that when decisions are
13 made, and this is the way it is, then trying to change that
14 decisions is a losing battle and I found that as [REDACTED] was
15 taking over and taking over from [REDACTED] I saw other changes
16 and now the change of command is different from who is doing
17 the talking but I saw now clear expectation changes that it
18 doesn't matter what I think in these particular areas, that I
19 think we should do it this way or that way.

20 The facts are, the decisions have been made. This
21 is the way they are going to go and now I no longer. I am
22 just like you, I mean I have a responsibility to follow these
23 orders and to implement the expectations as best I know how
24 given those understandings and I can challenge them all I
25 want but the likelihood of that making an outcome difference

1 probably is a worthless effort.

2 For example, I complained -- and I will be very
3 clear with you -- I complained strongly about HR and the
4 practices and our dealings with performance and I told [REDACTED]
5 that I thought it wasn't a very helpful group and that it was
6 making my job harder and that I thought that it was some of
7 the source of why we have had systemic low performance.

8 [REDACTED] says I appreciate that but the facts are the
9 company policies are the company policies and I am expecting
10 you to implement them. I said, I got that, sir. I get it.

11 To say it another way, I tried to give [REDACTED] in my
12 view, my opinions on some things and I tinted it toward some
13 sarcasm and that was inappropriate on my part to do that and
14 [REDACTED] called me to account for that, for being sarcastic, not
15 that the fact that the item I was bringing up didn't need
16 attention but more it was the flavor I put on this.

17 Can we take a break for a minute?

18 MR. TEATOR: Sure.

19 MS. NEFF: It is 11:59. We will go off the record.

20 [Whereupon, a recess was taken.]

21 MS. NEFF: It is 12:28 p.m. and we are now back on
22 the record.

23 MR. KEENAN: What page are you on?

24 MS. NEFF: We are up to page 13.

25 BY MS. NEFF:

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1 Q And on page 13, roughly around line 16, you are
2 having a conversation and you are talking about -- to Kymn
3 Harvin.

4 [Reading] You have gotten into timing and cleaning
5 up before the turnover is complete. That is all it is.
6 If you think it is more than that, you are wasting
7 emotion and don't do that.

8 She responds:

9 [Reading] Well, I guess I am naive because I was
10 really very hopeful that we could put the real issues on
11 the table and really deal with them.

12 And you state:

13 [Reading] The real issue is with who is in charge
14 and the real issue of who is in charge. Is Enterprise
15 in charge, is the site in charge, is the Union in
16 charge? It is clear both of those parties don't want
17 nuclear in charge? That much is clear and [REDACTED] has
18 been in charge and you can debate whether he did good or
19 not but the facts are I think he kept non-nuclear people
20 from running the place into the ground. The change that
21 has occurred now is fossil is running the place. Fossil
22 what? Fossil [REDACTED] and neo-types. Fossil, as you know,
23 is just numbers. Fossil, like I don't understand
24 nuclear. Fossil, like we do the same things we do in
25 other parts of the company. I will say that is what is

1 occurring at this point and that is the direction it
2 looks like it is going to go. They want that.

3 All right, let's talk about this and, in
4 particular, the issues as you saw it with who's running your
5 site and the fact that it is now being run by non-nuclear
6 types. That is what is coming through here.

7 A Yeah, Enterprise. Enterprise is non-nuclear. It
8 doesn't mean they don't have nuclear understanding but with
9 the shift that [redacted] reported to the [redacted] and now [redacted] reports
10 to [redacted] is a non-nuclear guy.

11 Q All right, but you say right in here: Fossil, like
12 I don't understand nuclear.

13 A Yeah, that was a comment based on some of the
14 feedback we had from the Capital Review Board specifically
15 for [redacted] when he said some comment to me along the line
16 of you try to make nuclear something very different and that
17 it has to be different than the way the rest of the company
18 operates and the rest of the way the company makes decisions
19 and it was along the effect of that line of saying nuclear
20 may be a different technology, nuclear may be -- has
21 deferences in the differences but in the way decisions are
22 made and the way the company functions as a collective whole.
23 It is a component of the whole.

24 BY MR. TEATOR:

25 Q You make the statement though that the change

1 that's occurred now is fossil is running the place. Not
2 Enterprise. You are using the word fossil.

3 A Poor words on my part. I used, that was an analogy
4 to say that [redacted] was in charge. [redacted] in the previous
5 period of time before [redacted] retired, [redacted] ran all generation
6 but it was essentially the fossil side of the business.

7 Even though he was President of the Power, [redacted]
8 ran nuclear independent of fossil generation and reported
9 separated to [redacted]

10 Now, we have [redacted] who has been doing fossil --
11 that was a terminology I used -- now running nuclear.
12 Meaning is we have the reporting chain up through [redacted] to
13 [redacted]

14 Q All right.

15 A So, I characterized [redacted] as fossil because that is
16 what he had been doing for the last three or four years.

17 MR. BARBER: But really that has sort of a negative
18 connotation to it though?

19 THE WITNESS: I simply stated that [redacted] was fossil
20 and now he is running nuclear.

21 BY MS. NEFF:

22 Q Right, but just before that you state what [redacted]
23 had done was kept fossil from running the place into the
24 ground and so it is more than a negative connotation. You
25 are looking at it in the overall, this isn't good for us?

1 A Yeah, I gave a perception that I was unsure whether
2 this was a good thing. I thought the reporting chain
3 directly to [REDACTED] was the right thing in that you have
4 a direct line from nuclear directly to the [REDACTED] and I just
5 believe principally that that is a good way of running the
6 railroad and so I disagreed with the company philosophy of
7 making the change and I vented it with someone who listens.

8 BY MR. TEATOR:

9 Q You make the statement there in that very area on
10 line 5 and 6.

11 [Reading] I think he, [REDACTED] kept non-nuclear from
12 running the place into the ground.

13 To me that smells of a hint of [REDACTED] was getting
14 pressure from corporate.

15 A I think he was. I think [REDACTED] got pressure a lot
16 about the things we were doing and what that pressure looked
17 like, you know, my sense is the larger item was why is
18 nuclear so much different than the rest of the business units
19 inside Enterprise and I believe [REDACTED] focus was we weren't
20 ready to be in the fold with everybody else.

21 We hadn't standardized some of the procedures and
22 the processes. We will had fundamentals that we were trying
23 to establish and I think [REDACTED] belief was that those things
24 needed to be separate and worked on before we should become
25 another widget in the total company Enterprise.

1 Q But the phrase: From running the place into the
2 ground, is to me -- we are trying to understand what you
3 meant by that? What was going on?

4 A It is a perception I had.

5 Q All right.

6 A And I don't know if it is right or it is wrong. It
7 is only by my interactions. [REDACTED] is a numbers man. He is
8 extraordinarily good with it. I mean he is a finance person
9 and is an entrepreneur, if you will, and I thought one of the
10 things that we had that I thought was very good was the fact
11 that we had a direct line with [REDACTED] who understood nuclear,
12 and [REDACTED] who had been a plant manager in nuclear that
13 it made our conversations very easy to have about subjects
14 that unless you have been in nuclear, it had no value or no
15 meaning to you.

16 And so I saw this change potentially and as being,
17 uh, maybe not the best of things, because now we are going to
18 be explaining everything we are doing and I saw explain what
19 we're doing sounding like it is going to be more difficult to
20 be able to make change or more difficult to get approvals on
21 things and I believe that the longer it takes to solve things
22 you slowly erode your performance inside of the plant and
23 that is what I was trying to say is that I am hypothesizing
24 that it is going to take more time to get things through,
25 whatever we have got to do.

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1 In the meantime, the clock is still ticking on the
2 site and I think we are just going to find ourselves in more
3 challenging positions than we previously had.

4 Now, is that right or is it wrong? I don't know
5 but I mean that was my perception of things initially when we
6 made the changes in the work structure.

7 Q While [REDACTED] was still in charge, uh, and even maybe
8 going back to 2002/2001, did he tell you that there were
9 attempts made by Enterprise to change how nuclear was being
10 run, that he felt weren't good, could cause problems?

11 A I don't know.

12 Q I mean it is a real general question but when I
13 read the comment you make there, it sounds to me like [REDACTED]
14 was getting that kind of thing and he was fighting it. Was
15 that going on to your knowledge?

16 A I think that [REDACTED] did have pressure in a variety
17 of different ways to be more like the rest of the company and
18 I think [REDACTED] was saying all in due time and now is not the
19 time and I do believe in that position, he probably had
20 periodic battles and, you know, there is some sarcasm in here
21 and so I mean this is some of my, you know, kind of stuff and
22 so --

23 Q Yeah but the flavor is what's --

24 A Yeah.

25 Q This is all in that March 2003 time period where

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1 you guys had issues at the plant there happening too and
2 people are taking different messages from it. People further
3 down below you are taking those messages.

4 A These are not conversations I had with anybody.

5 Q Right.

6 A I mean right or wrong I was in a situation where
7 Kymn was leaving the company. She was very upset. I tried
8 to try to tell her that it is not with you.

9 It is clear that there is a shift in the way we do
10 a lot of things here and, you know, I tried to give her
11 examples of, you know, you are not the only one who carries
12 some concern about some of the changes we may be going
13 forward in and it wasn't meant to indict anybody in senior
14 management.

15 It was my translation of things and simply saying,
16 you know, just because you may be lower in the reporting
17 chain than I am, we have equal kinds of frustrations when we
18 are dealing with major changes in the way we have been doing
19 things.

20 Was it helpful or not helpful, I don't know. I was
21 simply trying to say to her I am just as human as you are.

22 Q Yeah, it sounds like you are, and even listening to
23 the tape, you are venting a little bit too.

24 A I was. Yes, I was. I mean, yes.

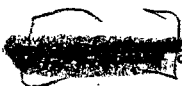

25 BY MS. NEFF:

1 Q Okay, we are going to -- we are still on 14 here,
2 line 14 and it is Kymn Harvin speaking and she says:

3 [Reading] Yeah, those guys have got to see, see
4 that, that is what really scares them that when you have
5 non-nuclear putting pressure on nuclear people to make
6 decisions and the non-nuclear people don't understand
7 all of the aspects involved in what they are asking for
8 or pressuring for. That was that whole issue at Hope
9 Creek about, you know, do we go back up before we find
10 out why that valve -- you know all of that, and so that
11 is what they told me was it is like who is running the
12 show and thank God, you didn't succumb to the pressure.
13 They were afraid you would and if anybody weaker was in
14 your job, what do you think would have happened?

15 And you say:

16 [Reading] I don't know.

17 And then you talk about taking a beating from
18  and  with setting \$25 million a month revenue
19 and I think we've covered some aspects of that before.

20 A Uh-huh.

21 Q But going back to this, in your general statement
22 that Kymn Harvin did not express nuclear safety concerns to
23 you, how do you reconcile that with what you are hearing
24 here?

25 A Well, you know, I guess it is a matter of

1 interpretation of what is nuclear safety. Because we have
2 opinions or feelings or hairs on the back of our neck with
3 intuition that says, gee, we have made a change from fossil
4 to nuclear running things, is that in itself a safety issue
5 or a nuclear safety issue? The answer is no, there is no
6 specifics to that. It is simply a point of opinion will the
7 operators think?

8 Well, the operators read the same organizational
9 chart changes I did. That is their conclusion that, well,
10 now we are reporting to fossil versus nuclear.

11 Q But it is more specific than that here on this page
12 because what she is telling you is an issue that you are
13 obviously involved in. It is the bypass valve and it goes
14 along the way we've had a conversation before about that.
15 She says that is what that whole issue is so critical about,
16 do we go back up before we find out why that valve -- you
17 know all of that.

18 It is more than just a very vague sense that might
19 be somebody's misconception. She is saying non-nuclear
20 people putting pressure on nuclear people to make decisions
21 and she ties to a very specific incident.

22 A I discounted it because I had more first-hand
23 knowledge about the valve than anybody did and I knew what
24 the issues were or what they weren't and I knew what the
25 decision making was or wasn't and I had it documented across

1 the board all of the elements that went with it at that point
2 in time.

3 And so, this -- she didn't tell me anything other
4 than express feelings from people but there was no facts
5 behind the feeling when I had the facts in a structured root
6 cause approach in looking at all of the components and
7 pieces.

8 BY MR. TEATOR:

9 Q What she is bringing to you is not -- we are not
10 debating a technical issue.

11 A Yeah.

12 Q It is this is what the operators are thinking it is
13 an environment issue. They are seeing production and if this
14 is not production over safety.

15 A We had this discussion earlier --

16 Q Right.

17 A -- Even with [REDACTED] Okay, you know, I guess to
18 say that there is never going to be a discussion about
19 starting the plant up before it is time, you know, is a
20 discussion that occurs at every plant somewhere in a given,
21 month, year or period of time.

22 Now, what you hope for is that professionals in
23 their business --

24 [Brief interruption.]

25 MR. TEATOR: For the record, that was just a brief

1 interruption. We are going to stay on the record. Continue.

2 THE WITNESS: Do you want me to continue?

3 MR. TEATOR: Yeah. Thanks, Scott.

4 THE WITNESS: What you hope for is that
5 professionals will put things into the right perspective when
6 you are having dicey conversations. Conversations that are
7 controversial and what you look at is what was the final
8 outcome? Was there a problem in the final outcome? The
9 answer everybody will tell is, well, no. But it was hard
10 getting there.

11 Well, I don't know if that is a good thing or a bad
12 thing. I don't know if it means anything more or less about
13 the environment. It is the way it is.

14 But what was the result? Did we make an
15 inappropriate decision? Did we not do the right thing? Did
16 we not fix the equipment? Did we not fully look at it?

17 The answer is no, we did all of those things and so
18 I am going okay, it took us three more hours to make sure we
19 were clear on something. Is that a problem?

20 Q Well, for these people it was.

21 A I got that.

22 Q And she is telling you that, so we are asking you
23 how can you say that you didn't recognize that, her bringing
24 that work environment issue to you, production over safety as
25 a nuclear safety issue or concern?

1 A Because I saw it as we did not make the
2 inappropriate decision and because I thought others had
3 thought the same thing I did, that I was surrounded with, was
4 that we did a comprehensive review of what we were doing and
5 that the right outcome occurred.

6 I have heard those discussions probably any number
7 of times in other areas, I mean other kinds of items in the
8 power plant, this plant and other plants. It is one of the
9 ongoing sagas that we are plagued with that Scott said
10 before. Is it balanced between, you know, production and
11 safety?

12 Well, I don't know if there is, you know, a balance
13 makes like one always wins, well, no, we are not trying to
14 say one always wins, we are saying if you are coming from
15 being safe, then you will make the right decisions in the
16 production arena.

17 Now, it may not be as easy to define what the risks
18 are. It may not be as easy to find all of the facts and it
19 may take us some zigzagging to get to the right point but
20 let's keep disciplined about trying to do that and I think
21 the right things will occur and, in this case, that is
22 exactly what occurred.

23 And I didn't see this situation any different than
24 other kinds of discussions we've had and other kinds of
25 equipment issues or plant issues that had some more kinds of

1 rings to it.

2 Well, because for every example that we could say
3 here, I can give you 200 examples that would tell you we
4 didn't start the plant up because we hadn't finished
5 something and so I mean what do people want to grab onto when
6 they are making their case?

7 If you have an agenda that says I think, you know,
8 something. Well, then you have found information that
9 suggests it. All I try to do is provide balance.

10 I appreciate where you are coming from but here are
11 some other cases that would say, well, do you just discount
12 those? And people will say, well, I was angry with this one
13 over here.

14 Well, okay, I understand. You were angry with this
15 one over here but the facts are when you look at everything
16 collectively, some decisions are easier to arrive at than
17 others but is there any place where you see that the decision
18 making wasn't proper or a specific issue that you think
19 wasn't properly done in the actual addressing of an equipment
20 issue or performance issue or something in there that really
21 had direct nuclear safety and protection of the core, people
22 would say, well, no, I just didn't like how we got here.

23 Okay, I understand it and I tried to work with
24 people and give them that sense of it is difficult when we
25 are in some of these changes and this is why we try to talk

1 more about conservative decision making.

2 The operating principles that govern the business,
3 just because we use those criteria as ticklers to make sure
4 that if we keep a rigorous approach to things, we will always
5 make the right calls.

6 Q But she tags this concern with pressure, uh,
7 production onto the Hope Creek Ops guy. It is not her. She
8 is saying this is what I am being told by [REDACTED] and she is
9 bringing that to you.

10 I mean, you know, safety concerns, that's a pretty
11 broad thing.

12 A Yes, it is.

13 Q And that's the way the Commission looks at it also.

14 A Then I what I will tell you is I did not see it as
15 nuclear safety because some people said I feel that it took
16 longer for us to get to this decision.

17 I look at it as the nuclear safety issue if there
18 is one was about did we make the right decision? Did we have
19 the right people in there? Did we take the right actions?
20 And the answer to all of that was yes, yes and yes.

21 BY MS. NEFF:

22 Q It goes a step further though. When she is giving
23 you this incident and talking about the pressure from non-
24 nuclear people in the decision making and she says to you
25 directly, you know, thank God you didn't succumb to the

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1 pressure. They were afraid that you would.

2 Later on in it, you talk about -- this is also on
3 page 15 -- that it doesn't mean that everything is as clean
4 as one would like because a lot of people have input and want
5 to have input and by their position have input and sometimes
6 take a little longer to get to the decision.

7 And then she mentions by name:

8 [Reading] Well, talking about [REDACTED] here.
9 You know [REDACTED] really thought you were going to go the
10 other way, production over safety. Again, very specific
11 concern and he was very upset, very upset.

12 A [REDACTED] was the one that I had direct interaction
13 with in the couple of days prior to that on the seal purge
14 line. [REDACTED] was making the decision, was pushing the
15 decision as the [REDACTED] to temp mod that
16 out of the starting up of the plant, to take that piece out,
17 bypass it, block the valve, something like that and I scolded
18 him for that was completely unacceptable to take that kind of
19 approach and he was very angry with me that I had. uh, not
20 taken his position of starting up without the valve, that
21 starting up without the valve was okay, and I told him I
22 cannot reach that position and will not and he said I think
23 you are F'd up.

24 I said I appreciate that, [REDACTED] I outrank you in
25 these kinds of things and I thought that this was a better

1 decision just to put the plant per the design.

2 Q So this is a day later and your position is set
3 forth. He was upset with you for what he thought was a
4 production over safety question?

5 A That is correct and I think some context here is
6 necessary because he was very, very angry with me in the
7 previous couple of days and, you know, I hope that people get
8 over things relatively quick. Some do, some don't. I have
9 used [REDACTED] and many times as a good guy/bad guy. I mean, you
10 know, sometimes he is on the right, sometimes he is on the
11 left but it is good because it creates, as I said, a healthy
12 discomfort to have the conversations to make sure you are
13 looking things.

14 This doesn't mean he is always right, it doesn't
15 mean I am always right but the healthy discomfort allows us
16 to have the conversations that get to the right things.

17 I called [REDACTED] in this particular case because I
18 wanted to hear his side of things.

19 BY MR. TEATOR:

20 Q Which case, the bypass valve?

21 A Yes.

22 Q All right.

23 A Specifically I wanted to hear his case. I had all
24 of these people in the room because I want to hear what all
25 of you are thinking. I heard what everybody was thinking.

1 Q What did [REDACTED] say, what do you recall him saying?

2 A [REDACTED] I don't know exactly what he said but it was
3 along the lines of when [REDACTED] is mad, he doesn't say a whole
4 lot, I have to pull it out of him. That is a behavioral
5 trait he has.

6 He came into the room. He was dead silent. The
7 conversation as you pointed out was an awful lot between [REDACTED]
8 and I initially and [REDACTED] periodically had piped in saying
9 just shut the plant -- just go to cold shutdown and let's be
10 done with it. Just shut the thing down and let's be done
11 with it.

12 I said, [REDACTED] I got it. I got it. I want to
13 finish my conversation with [REDACTED] on what is the basis of
14 operability, what is the basis of inoperability? I just want
15 to make sure we are clear and, engineering, I want to hear
16 from you what is it we are going to do if he says that is the
17 condition of inoperability? And that was the discussion we
18 tried to have.

19 Now, when we got all different parties into it,
20 what you saw was tempers starting to go from very angry to
21 now becoming more, I'll say, aligned. It doesn't mean people
22 were bruised in their egos but what we came out with was the
23 decision and, again, to my recollection I didn't think it
24 took that long.

25 I thought it was only an hour but we came to the

1 consensus is that we have enough information. Yes, we now
2 know some information from the floor. Yes, we know some
3 information about how the valve closed currently. We now
4 have clarity on what [REDACTED] thinks inoperability is and it looks
5 like the right thing to do is to continue going forward and
6 go inside the components and do these things.

7 I saw it as a very successful type of interaction.
8 Maybe a little painful but successful.

9 Q When Kymn tagged this, uh --

10 A By the way, Kymn was not part of the meeting and so
11 Kymn is only giving you hearsay.

12 Q What she has heard from people in the meeting,
13 right.

14 A I don't know who these people are.

15 Q Well, she is telling you at this point that [REDACTED]
16 -

17 A I don't know what context that they are giving it
18 to you in.

19 BY MS. NEFF:

20 Q But, interestingly, this issue about the pressure
21 keeps coming up, it is said to you a number of different ways
22 with the last one that I haven't covered yet, on page 16:

23 [Reading] After talking about [REDACTED] and his
24 upsetment, I think he knew the pressure you were under.

25 A I believe [REDACTED] -- of course, we are under

1 pressure.

2 Q And you are agreeing with that and saying:

3 [Reading] It is only going to get harder.

4 A I am saying as the environment is putting more and
5 more pressure on us to produce the higher levels of capacity,
6 the higher levels of reliability, the higher levels of
7 safety, that is a change in standards.

8 What it says is even though we may be at these
9 standards currently, we have to take it another level higher
10 in all fronts than where we are and that is going to put more
11 pressure on us to do business differently, to think
12 differently and to challenge ourselves far more than we have
13 been doing thus far.

14 Q But directly regarding this incident, I can see
15 where your explanation is that it's because all of the focus
16 is on this place, because you are making money. That is
17 your explanation right here.

18 MR. TEATOR: You are making the money.

19 BY MS. NEFF:

20 Q The pressure is on you because you are making the
21 money and the other operations are not as --

22 A Yeah.

23 Q : --As successful but when she says to you about
24 the valve and the pressure that is being put on you by non-
25 nuclear people and thank God you didn't succumb to the

1 pressure --

2 A First of all, I don't know where she is bringing in
3 this pressure, because there was no pressure on me, as I told
4 you yesterday, to start the plant up, the bypass was the
5 problem. Zero.

6 The only pressure was the pressure we had for
7 ourselves to be effective and efficient in making the right
8 decisions and then commit to some sort of plan of attack and
9 then go follow through and do that.

10 Q That leaves me with a couple of questions here. If
11 there was none on you and given this conversation, how very
12 specific she is being.

13 A Uh-huh.

14 Q Why do you leave her with the impression that there
15 was? Why do you leave her with the impression that it was
16 thank God you were in between all of that?

17 A That is her conclusion. I don't know why she drew
18 that conclusion.

19 Q But you are not doing anything to correct this.
20 You are not -- you are letting somebody in a very upset state
21 run with what you are saying is a misperception.

22 A This is a lady who is extraordinarily emotional at
23 the end. I don't know if she heard anything during this 10
24 to 15 minute conversation. She only wanted me to hear what
25 she had to say.

1 She only wanted me to hear her feelings on things
2 and so I tried to do that. No matter what I would say, it
3 wasn't going to make any difference because the answer she
4 wanted to hear was I was going to save her job or somehow I
5 would try to pull a string to save her job. I couldn't do
6 that.

7 BY MR. TEATOR:

8 Q Okay, we are not talking about her job now. We are
9 talking about things you are saying.

10 A I know that. I'm saying --

11 Q That we are getting to.

12 A Right, I know that and I am trying to say is I was
13 using various things to try to understand where she was at,
14 tell her what I thought of different things but it wasn't
15 meant -- and what I was doing it for was to try to tell her
16 that some decisions are final and that's the end of it and so
17 get over it.

18 BY MS. NEFF:

19 Q In another conversation, did you indicate to ~~Harwin~~
20 ~~Harwin~~ that you were under pressure from ~~Harwin~~ to start the
21 unit back up when the bypass valve unexpectedly closed?

22 A I don't know. I mean I, uh, I can tell you we had
23 a video conference with ~~Harwin~~ before we shut down the
24 plant initially to do the repairs.

25 All right, I had the conversation with ~~Harwin~~ on

1 Saturday of the first week after we brought the plant back
2 and we had a problem with the bypass valve. I didn't talk to
3 [REDACTED] after that until after the plant was back up on line and
4 then I put a lessons learned type of document together which
5 I sent him and we had discussion about that and so I think
6 people are taking the time periods and are blending them a
7 bit.

8 We did have a conversation with [REDACTED] after the plant
9 was back up and he did give me an accountability lecture
10 about performance and did I understand what was occurring but
11 it was after the plant was back up on line.

12 Did I share some of that stuff with people? Yes.
13 People asked me how did the [REDACTED] video conference go? Oh,
14 a tough one today.

15 Q Did you share that with Kymn Harvin? [REDACTED]

16 A I believe I probably did.

17 Q Did you indicate to her at any point in time that
18 you were under pressure from [REDACTED] in making that decision
19 and considering --

20 A No.

21 Q Pushing the plant back further?

22 A I don't believe so. The decision to start up the
23 plant was -- I can only tell you what I thought. The
24 decision to start up the plant I thought was clearly in my
25 hands, mine being the [REDACTED] not by anybody else.

1 In other words, I don't think anybody was
2 pressuring me at that point at all to do anything other than
3 to resolve the items that we have.

4 If we are going to talk about pressure or
5 perception of pressure, I believe it came from, after the
6 plant was back up and then the knowledge of the consequences
7 for the 17 or 14 days we were shut down and what the impact
8 to the company was because I did talk to people about [REDACTED]
9 message to us and [REDACTED] was at that particular video
10 conference and simply told us what the first quarter data
11 summarized looked like for the company and what the
12 contribution of nuclear was into that total picture.

13 I had never seen that before that particular day
14 and I did pass along to people that particular understanding
15 and I also told you that [REDACTED] we had a complete
16 big meeting with everybody and told everybody the first
17 quarter numbers because that was one of the hairy things we
18 wanted to do was to keep people informed on how we were doing
19 with our performance targets. Safety-wise, capacity-wise,
20 loop hole index, costs, all that kind of stuff and we made a
21 big hoopity-do about keeping everybody informed because we
22 got feed in 2002 that says you have got to keep us more
23 informed.

24 And so, unfortunately, the first quarters numbers
25 that came out the end of March, around this particular time -

1 - I don't know what day it was, there was an awful lot of
2 discussion about the Hope Creek impact to the bottom line.
3 I think every employee heard that.

4 BY MR. TEATOR:

5 Q I just sensed when Eileen was asking you about
6 whether you had that conversation with Dr. Harvin or not that
7 you were struggling a little bit.

8 A Because I don't know if I did or I didn't. I know
9 that I had the conversation in some fact after I understood
10 the financial impacts and some, I'll say, you know, putting
11 me under the microscope by the executives that I didn't
12 fulfill what I thought we should have been able to do.

13 Q Okay, but I want to go back to Eileen asked you a
14 specific question. Did you tell Dr. Harvin that you were
15 under pressure from [REDACTED] to turn the plant back on during
16 this bypass valve incident?

17 A I don't recall. I honestly don't recall. I don't
18 know if I did or I did not.

19 Q If you did, why would you?

20 A I don't know if I did or I didn't. I mean I can't
21 answer something I am not sure of. I don't know.

22 Q I will ask you the question. Were you under
23 pressure from [REDACTED] to turn the plant back on?

24 A I've answered that before.

25 Q I know, but I need --

1 A The last conversation I had with [REDACTED] was Saturday
2 night before the bypass valve, we took the plant down. I had
3 no conversations with him. There was no exchange in anything
4 other than make sure we resolve the item and let me know how
5 things are going and so if there was any pressure, it
6 certainly didn't come from there.

7 BY MS. NEFF:

8 Q But this is the conversation that we believe it
9 occurred and ~~Kymn Harvin~~ got the information from you that
10 you were under pressure to start that unit back up when the
11 valve went --

12 A No.

13 Q You are saying, you are kind of being a little I
14 don't know, I don't recall. Did you tell ~~her~~ that?

15 A No.

16 Q Do you recall anything that would give ~~her~~ that
17 impression?

18 A First of all, I think you are changing some of the
19 things that I am saying.

20 Q Okay.

21 A The only conversation I had was with [REDACTED]
22 was Saturday night. There was no discussion about the
23 turnaround time or what we needed to do other than we have to
24 go figure out why this bypass valve isn't working. That was
25 it.

1 Monday morning comes in, the only conversations I
2 am having is what is the problem with the equipment, what are
3 you going to do with it and how are we going to go about
4 resolving it?

5 A That was it. Now, there is an expectation that we
6 have for ourselves that we are timely and turn the plant
7 around as soon as it can be turned around.

8 Now, that is an expectation. In other words, if the
9 plant could be turned around in 24 hours, then it should be
10 turned around in 24 hours. If the plant should be turned
11 around in five days, then do it in five days but don't turn
12 it around in seven days when it should have been done in five
13 because you goofed off.

14 You know, it is like you've got to be accountable
15 that when you are in these situations that you do what is
16 required, you are efficient, you are effective, you are
17 timely because of the fact that, well, the plant does have a
18 large contribution, you know, to the overall profile of the
19 company.

20 Now, if you are saying is that induced pressure?
21 Okay, then it is.

22 BY MR. TEATOR:

23 Q Is it?

24 A Sure it is but is it bad pressure, I think is the
25 best question.

1 Q Well, that is the message that we are getting now.

2 A I understand some people say it is bad pressure.

3 Q Yeah.

4 A I am going to tell you, is I know of no other, uh,
5 it has been the ongoing dialogue every day for the last
6 [REDACTED] that I have been in the business, whether it is this
7 company or another company, is this company any different at
8 it than others? No.

9 There is always the expectation of being when the
10 units can produce, we expect them to produce and, okay, so in
11 that we translate that to say we need to get going on things.
12 We need to be timely and we need to be, uh, complete in our
13 commitments and live to our commitments.

14 BY MS. NEFF:

15 Q But then as the effect existed in this particular
16 incident, did it have any effect on you at that point in
17 time, knowing the pressure on you and knowing that they want
18 to know where that unit is going to be in a day or take five
19 days or one day; before you knew what the bypass valve
20 problem was specifically, did that pressure translate into
21 you pushing for startup simply because the valve won't close?

22 A No, absolutely not.

23 Q If I were to tell you that there is a recorded
24 conversation, if I were to tell you there was a recorded
25 conversation indicating otherwise, how would you respond to

1 that?

2 A Well --

3 MR. KEENAN: I think we indicated we would like to
4 review any discussions that may have --

5 THE WITNESS: Without knowing when we are talking
6 about I don't know. You asked me is did anyone put pressure
7 on me to say you have to do something and bring this plant
8 back. I am telling you is I'd say it is no. I was in it. I
9 lived it and so I don't know of anyone that made me do that.
10 To say it differently is the answer is there wasn't anybody.
11 The only pressure that there was was self-imposed pressure by
12 me and the people around me.

13 Now, is that an issue? Well, it may be.

14 MR. TEATOR: Yes, right.

15 THE WITNESS: Because of our believe of being
16 timely to bring the plant around but that is different than
17 saying did someone order me to do something?

18 The answer I would answer to you is nobody ordered
19 me to do anything.

20 MS. NEFF: I understand the distinction.

21 THE WITNESS: Now, is there a sense that there is
22 always this push to try to bring things back?

23 Yes, there is.

24 Would I relate that to people?

25 Yes, I would.

1 Now, is someone making the connection between
2 that's [REDACTED] telling you that, that is [REDACTED]
3 telling you or I am telling you? No, nobody told me. They
4 never were involved in anything like that for this bypass
5 valve, not at all.

6 MS. NEFF: Okay. I am through 16 now.

7 MR. TEATOR: Well, I just have got a couple of
8 questions.

9 BY MS. NEFF:

10 Q On line 15 --

11 A What page?

12 Q Page 16.

13 A Yes.

14 Q The same area of discussion but it is recorded here
15 and transcribed that -- well, I will start at line 9. This
16 is you, [REDACTED]

17 A Yes.

18 Q [Reading] It is only going to get harder because
19 there is less money the company has these days. Gas
20 prices are out of the roof. There ain't no business
21 coming from Global and you could run an expensive gas
22 unit but all you would do is break even and so who is
23 making your money? Well, this place, and now all of a
24 sudden they are on the bandwagon like [REDACTED] is. They
25 want 95 percent capacity. Ninety-five percent gives you

ALL 7 e

1 no margin, zero. That's flawless. That really is
2 flawless execution.

3 A Yes.

4 Q It is talking about margins here.

5 A Yeah, and it is taken out of the wrong context and
6 so let me try to explain.

7 Q Right, but let me just tell you, I mean what we are
8 seeing all of this and reading it and hearing what people's
9 impressions were coming out of that bypass valve meeting and
10 to us, it sure smells of pressure and so go ahead --

11 MR. KEENAN: [REDACTED] wants to respond.

12 MR. TEATOR: So go ahead and explain.

13 MR. KEENAN: I think he can only give you his
14 perspective. He can't give you the collective perspective
15 or --

16 THE WITNESS: I don't know. What this was saying
17 is that we wanted to be top quartile in all parameters. Top
18 quartile is 95 percent capacity, is less than 2 cents per kw,
19 total product cost and INPO Index of about 97.

20 I mean when you are at that level, there is no
21 margin for mistake anymore. That is what that meant. There
22 is just at that level of precision, execution and doing
23 things is flawless and that was a quest we were trying to go
24 after to try to stimulate our people to improve performance
25 was we needed to be flawless at the point of contact because

1 we were having problems in those areas and those were the
2 primary reasons that we gaps from the performance levels of
3 not being top quartile.

4 It wasn't that the plant equipment was bad. It was
5 that we were making a lot of mistakes.

6 BY MR. TEATOR:

7 Q But the units, it doesn't sound like they were
8 operating anywheres near that level and --

9 A They were.

10 Q -- And yet the drive it appears to be that is where
11 you want to get, so that is a big leap.

12 A We were at a 91-1/2 percent capacity at this point
13 in time.

14 Q On Hope Creek?

15 A Yes.

16 Q Okay.

17 A All three units, I don't know if Hope Creek was
18 exactly 91. I can tell you that the cumulative sum in the
19 first quarter of the year is near or about 91 percent
20 capacity and we were meeting our Business Plan of 91. That
21 was our Business Plan was to achieve a 91 percent capacity
22 for the year. In the first quarter, we had been doing that.

23 Now, what I was trying to articulate in here is
24 that money is getting tougher to get. It is harder to
25 justify and so the way you have to get money is to produce

1 more in revenue in order to give the opportunity to invest
2 and with the way we can control that is by improving our
3 capacity from this level to the next level and plants that
4 are INPO 1, sales 1, in all of their scores are doing those
5 things and that is what we want to do.

6 Now, is that pressure? Yes.

7 BY MR. BARBER:

8 Q Who set those goals?

9 A Those goals were set through our Business Plan
10 Review, you know, the company set this.

11 Q Are those realistic goals?

12 A Yes.

13 Q Now, I will go back to your discussion. Yesterday
14 we talked about how you were going to short your outage
15 duration from 50 days to 25 days as a goal.

16 A Uh-huh.

17 Q And the way you described it was incremental, that
18 you were going to go from 50 to 35 down to 30 and then down
19 to 225, incrementally, progressive, measured and here it
20 sounds like this is a big stretch. A big, big production
21 push.

22 A Well, I would tell you to be top quartile, we said
23 that for four straight years while [REDACTED] was there.

24 BY MR. TEATOR:

25 Q That was a goal? That was a goal?

1 A Yes.

2 Q All right.

3 A That was a goal. Top quartile changes every year
4 as you know. Plants get better and better. Plant quartile,
5 what these numbers were coming from, I defined top quartile
6 in 2003, first quarter of the year, was 95 percent capacity.
7 That is what top players were doing.

8 So we wanted to be top quartile and we have
9 committed to the company and the company said, yes, we want
10 that, then this is what we are trying to accomplish.

11 First quarter results were at about a 91 percent.
12 Now, did we have an expectation of being a 95 percent
13 capacity in the first three months of the year? No, but we
14 thought by the end of 2003 we could achieve top quartile
15 numbers, by the end of the year going into 2004 and that was
16 an expectation for us to try to achieve.

17 Our strategy to make that happen was around
18 flawless execution. It was a let's do things right the first
19 time. Let's put precision in what we do. Let's improve our
20 human performance. Let's bring more collective thinking when
21 we go do things. Let's put the fence and depth around the
22 fact that the processes are good things, that pre-job briefs,
23 training, peer checks, all of the things, this is how you
24 don't have these kind of mistakes that occur and that's what
25 we thought had the largest opportunity to close the gap that

1 we were missing to be in the top quartile numbers and that
2 was based on pretty thorough GAP analysis of looking at all
3 of the shortcomings that we had from 2002 and comparing it to
4 other places in the industry and that is why we, our Business
5 Plan was embarking in 2003 by improving, you know, standards,
6 improving accountability, improving performance around those
7 expectations.

8 Q What were the nuclear safety goals for that period
9 of time, very specific, nuclear safety?

10 A We measured nuclear safety by the INPO Index and
11 the INPO Index was to be at 93 or 94.

12 Q And what type things go into that?

13 A Radiation goes. There is 10 things that go into
14 it. Chemistry, the CPI Index, Fuel and Tiring, capacity,
15 forced loss rate.

16 Q All right, let's just talk for a minute about the
17 ones that involved equipment reliability, forced outage or
18 forced loss, things like that. What kind of success are you
19 having in those areas?

20 A Well, we were an outlier in forced loss rates
21 compared to other plants. Forced loss rates in 2003,
22 beginning of the year, was less than 2 percent and we were
23 running around, 12-month average around 4 percent, so we were
24 twice the industry average.

25 What we thought, given how we were attacking

1 things, and our Business Plan said if we fix these things,
2 put the money in these places, we will shorten the equipment
3 issues and we will see a reduction in the forced lost rate
4 and we did see that occur.

5 We did see that occur, by September of 2003, the
6 INPO Index was around 94 to 95 and our forced loss rate was
7 just about 2 percent and I say it wasn't magic. It wasn't
8 beating people up. It was from doing the things that were in
9 the business plan we said we were going to do. It was these
10 pieces of equipment and focusing on the human performance of
11 the aspects of the way we were doing business.

12 Now, I don't personally see those as bad
13 objectives. I got the fact that not everybody has the same
14 appreciation for those things and may take them in a number
15 of different ways but that is the measurement standards I and
16 other plants used to compare ourselves to determine whether
17 or not we are firing on all eight cylinders from all
18 perspectives in running the power plants. Public nuclear
19 safety, radiological safety, industrial safety, capacity and
20 costs.

21 MS. NEFF: Anything else on 16?

22 MR. TEATOR: No.

23 BY MS. NEFF:

24 Q Let's go to the top of 17. You are talking about
25 carrying an officer title and it doesn't mean shit. Kymn

1 Harvin asked who had more power, [REDACTED] And you agree
2 absolutely. Absolutely, as soon as the announcement was made
3 that [REDACTED] was leaving, the power changed and that's it. We
4 are now under a completely different process.

5 She mentions he doesn't have a nuclear background,
6 right? He did not, did he? [REDACTED]

7 A He is not a degreed, you know, nuclear guy. He is
8 a degreed engineer and he has also a finance background. I
9 don't think he has ever been a chief nuclear officer or in
10 the chain of command running a power plant, you know, like a
11 VP or a plant manager or those kinds of capacities. I don't
12 believe that but not to say that he is not familiar with what
13 nuclear is, he just never has been in the line management
14 position inside of a plant that I am aware of.

15 Q Okay, let's look at the comments that are there.
16 We are talking about who has the power and then it is your
17 comment that it may be even to think one should expect, even
18 in a new environment and for a deregulated company that runs
19 a nuclear power plant and Harvin says:

20 [Reading] Well, the Salem guys told me that they
21 thought that would be our demise.

22 And you respond:

23 [Reading] Well, it has been the NRC's position
24 from the word go and Chairman Jackson said that a few
25 years ago about deregulation. Deregulation is going to

1 be watering down slowly to see a safety culture change
2 in nuclear power and will ultimately end nuclear power.
3 The very thing that it was intended to do was to be a
4 rival entity and it ends up causing people to make a
5 poor decision because of economics and it ends up being
6 economically not viable anymore.

7 Can you explain -- and the context of this
8 conversation, it is more than Kymn Harvin coming to you with
9 a concern about decision making and who is running the plan,
10 you're actually, it looks like, agreeing with her, with this,
11 and you have extended it a bit about the deregulated
12 environment that you are operating right now?

13 A Yeah, I have no bones about telling you that. I
14 told you that the first time. I think deregulation does have
15 a tougher position on us, it does, it is a fact of life.

16 You know, we can accept it or not accept it but it
17 is a fact and if we are going to stay in the business, you
18 have to work inside of it.

19 Okay, that being said, I used Chairman Jackson, I
20 listened to her give a presentation a few years ago where she
21 was concerned about deregulation and whether or not people
22 would make the right decisions.

23 I simply told Kymn that, yeah, this is an industry
24 potential concern and I was educating her that it is not just
25 the operators think, it is what the Chairman of the NRC

1 thinks.

2 Now, it is even true? Well, only performance will
3 tell us that.

4 BY MR. TEATOR:

5 Q We are only talking about performance there. You
6 mentioned deregulation is going to be the watering down
7 slowly to see a safety culture change in nuclear power.

8 Did you see that happening, that artificial island?

9 A No.

10 Q As a result of deregulation. I know that goes back
11 a couple of years when that happened, did you see that type
12 of change occur in there?

13 A No, what I will tell you, and this again goes back
14 to the conversation we had in October is you asked me that
15 very question and I said, well, I don't know if it's eroding
16 but it takes longer for us to get some things approved than
17 it used to. That is what I can tell you.

18 Sometimes now the justifications that are necessary
19 to make investment in a plant doesn't pass the tests because
20 we have no tests in the bank, you know. We didn't have to
21 pass hurdle rates and internal rates of return or things like
22 that. Those weren't in the equation a few years ago.

23 All that was in the equation is do you think it is
24 a good idea? Yeah, it is a good idea. Well then, go do it
25 and there was no time for that.

1 Okay, today the economics and the environment that
2 we are in, I didn't make the rules up. I mean Americans made
3 the rule up that we want freedom of choice and deregulation.
4 Okay, what that translates to now is we now apply the same
5 business practices that every other competitive company
6 operates under and so if I have a job to fill this glass with
7 water as an investment job of some sort, well, it has to pass
8 certain criteria and demonstrate rates of return.

9 Not to be confused with that it is a specific
10 nuclear safety and I know that is somewhat judgmental but,
11 you know, if it is very crystal clear with issue like we had
12 to buy control rods because we don't have any. Okay. That
13 is like a done deal, go get 'em.

14 We need to fix surf water. Oh, boy, well that is,
15 surf water is not a safety system. It is a reliability
16 issue. The NRC would challenge us and say, well, surf water
17 is important because if it is not operating right, it will
18 have challenges to the operators because it will have to deal
19 with transits.

20 Yes, that is true but it is not safety related. It
21 is not an absolute necessary to protect the reactor or shut
22 it down. It is true it is a challenge. It is true we have
23 to fix it.

24 However, that job isn't going to be fixed in the
25 same kind of automaticness as a set of control rods are

1 because you can operate the plant differently to manage
2 around those issues.

3 The grasping season, I will give you an example.
4 Okay, if you don't want 20 percent reductions during February
5 and March, what is another way of dealing with it? Run the
6 plant at 80 percent capacity. I mean you don't need all of
7 the circulators. That is an alternative. That is a business
8 alternative that is within the company's purview to decide to
9 do versus saying I am going to go spend \$65 million and put a
10 new surf water structure in place.

11 Those are the kinds of things we are now in
12 discussion over that a few years ago we were not.

13 Q Was that new environment causing people that
14 artificial arm to make poor decisions because of the
15 economics? I mean you say that in here. I am looking --

16 A I don't think so.

17 Q -- Right, you say that and --

18 A This is --

19 Q Why does that have to be done?

20 A This is a philosophical kind of discussion. I
21 didn't say that this was happening on site. I just said that
22 Chairman Jackson had said these things and I heard her say
23 that and, you know what, there is some truth potential to
24 that when you look across things. There is that potential to
25 occur. That is what I was agreeing to.

1 Now, you asked the question, is there something
2 specifically an artificial arm would have fell into that? I
3 am not aware of something like that.

4 In fact, we were very sensitive to that when we put
5 the Business Plan together for 2003. We were very clear on
6 what the top ten items of equipment we were going to fix,
7 what top initiatives we were going to go after and are those
8 the right things to close the gaps where you had weaknesses
9 because in previous years, we wouldn't fix the right things.
10 We were deluded in the way we were going about things.

11 So, in 2003, we wanted to be very prescriptive and
12 very clear and kill those things dead and that is how we put
13 our money and that is where we placed the emphasis.

14 And, personally, from my perspective at least in
15 the first nine months that I was there in 2003, that worked
16 better than I had seen us do in any other year, even though
17 we had less money total for the year than we did in the
18 previous year.

19 BY MS. NEFF:

20 Q After this particular incident, the bypass valve
21 incident -- let me back up. The way this is worded, the way
22 you are talking here on page 17, line 11, we've gotten into
23 the pressure that is on the place because you are a producer,
24 you're making money, and then you are talking about how you
25 are not going to get the flow of execution at that site. It

1 is your belief it is not going to happen given attitude,
2 certain attitudes.

3 A I think it is a challenge, yes.

4 Q Well, you indicated that pretty clearly on that
5 page. On page 17 --

6 A That was my belief. I mean people can counter that
7 but that was my belief is that we weren't performing, you
8 know, flawless, that was a fact based on the kinds of events
9 and issues that we were having and it is documented in the
10 Corrective Action Program and, quite frankly, I think that is
11 one of the reasons why we got the cap item in the purge
12 inspection from the NRC. It said the same thing.

13 Q Yes, I am saying you are making it clear you don't
14 think that is a possibility on the site at this point in
15 time. That is your statement here.

16 A You realize that sometimes I speak in absolutes and
17 not everything is absolute so, you know, was I probably fully
18 careful on every single word I chose when I am talking to a
19 person that is having a high emotional day, I use general
20 words at times.

21 Not to be confused with is that an absolute
22 statement of personal belief. Well, you know, nothing is
23 that clear.

24 Q Let me finish this through because when we get
25 through it, we are talking the power change and with [REDACTED]

1 leaving and the power change at that time and you are talking
2 about being run by people without the nuclear background.

3 The way you word that, it may that these aren't the
4 things one should expect given the new environment. The
5 thing that you are talking about here is pressure, the bypass
6 valve incident and to answer Jeff's question to go a step
7 further, if this is an indication to you of the kind of
8 pressure or the kind of consideration and you are tagging it
9 to the deregulated environment, while you were there, did you
10 come up against another instance that you would have felt
11 this way about?

12 It looks like this is something that is new for
13 you. This is something that you are going to see because of
14 the deregulated environment that you are in. This is
15 something one should expect given the deregulated
16 environment?

17 A It's true. We should expect in a deregulated
18 market the processes for approval of things and demonstrated
19 value add as a different component than it ever did before.

20 I think that what was occurring was that [REDACTED] in
21 the position that he had, directly reporting to [REDACTED] we were
22 able to bypass, right or wrong, but I think we did bypass
23 some things that other areas of the company had to go prove
24 their, you know, bottom line value and I think [REDACTED] was
25 probably more charismatic at times to be able to win over [REDACTED]

1 on various things.

2 And, you know, right or wrong, I mean I just saw
3 that as being a value add because I think [REDACTED] and [REDACTED] were
4 very close from an understanding of the nuclear business.

5 When the power shift occurred to [REDACTED] and the
6 first thing that occurs is we are very heavy into a whole
7 bunch of new processes, my first reaction was, you know, on a
8 venting place, I hope that this turns out to be good. My
9 first impression is, I don't like it.

10 But, it was only 30 days from [REDACTED] announcement
11 and the time this occurred so my first set of interactions
12 with them weren't pleasant.

13 BY MR. TEATOR:

14 Q Talking about the discussion with [REDACTED] about
15 the money? Is that what you're talking about?

16 A Yes. You know, we didn't do very well there. I
17 was trying to hire some people and I got told no, not wait
18 and I had, you know, other kinds of difficulties that I was
19 trying to work through and I just found, well, if this is
20 process, this is going to be tough.

21 Q Right, now Eileen asked you about can you recall
22 another incident or issue like the bypass valve issue after
23 that. That was part of her question. Were you involved with
24 your people on an issue like that?

25 A Put just a little bit more shape to it. What do

1 you mean by another one like that?

2 Q Well, nonalignment. The operations people not
3 being aligned with where you're going and where they think
4 they're going. Is there one?

5 A Yeah, there is another one that comes to mind. I
6 am surprised you haven't mentioned it quite frankly.

7 It was with Salen surf water after a scram. I have
8 forgot, I think it is unit -- the regrassing event, you know.
9 A big head came in one night, unit one dropped to 40 percent
10 power. Unit 2, we actually scrambled the unit, manually
11 scrambled it.

12 We were down for five or six days on unit 2 fixing
13 equipment, cleaning the grass. Unit one was being maintained
14 about 40 percent. We were just getting routine hits. I mean
15 shift after shift, you know, every time the tide moves.

16 Q You say hits, you mean the grass is coming in?

17 A Uh-huh.

18 Q Okay.

19 A It is really strange though the way it works is
20 when the tide is high, it is not when you get the problem.
21 It is when the tide goes up, the grass gets drawn in because
22 the water level drops and so the volume area to draw water
23 from changes considerably and the grass plugs things quickly.

24 We had I think there are six circulators on the
25 unit and every one of them had a problem of some sort after

1 the scram and so one at a time we were going through them,
2 diagnosing what the issues were, what we had to go after and
3 putting a game plan together in kind of a matrix fashion.
4 What have we got to do with the screens? What have we go to
5 do with the pump? What have we got to do with the valves,
6 you know, and how to make sure that everyone, every train is
7 ready to bring the plant back.

8 I don't recall what day it was but, uh, we had
9 reached a point where we had done a review from the scram and
10 then did a review of what does it take to restart the plant?
11 There is a documented type of on-site review.

12 [REDACTED] and others, [REDACTED] and other
13 people had collected all of the information from the scram
14 and done a review and then had made a determination that this
15 was the criteria to restart the plant and, essentially, in
16 this case, we had met all of the criteria and we were
17 allowing ourselves to start back up with four circulators
18 instead of six, so we were not starting up with a full deck.

19 Q Which unit?

20 A Unit 2. We were, uh, the Safety Review Committee,
21 which is chaired by the Operations Director, and others had
22 said, well, we should probably put some hold points in the
23 power ascension so we don't put ourselves into -- if we lose
24 a circulator we don't have a significant transient with the
25 plant and so we had four good ones, a fifth was coming back

1 ten hours from whenever the thought was we were going to
2 start up and the sixth one was going to come back 24 hours
3 from that. Something like that, within 36 hours.

4 And so the plan was is to start the unit up with
5 four circulators, bring the plant to 40 percent. We thought
6 the time it was going to take to go from zero to 40 percent,
7 you would have the fifth circulator back. We would validate
8 the fifth one worked and then bring the plant up to 80
9 percent.

10 We hoped by that point we would have the sixth
11 circulator back and then we were comfortable in bringing the
12 plant back up to full power. That was the power ascension
13 idea and that was what was documented in the On Site Safety
14 Review Committee score count.

15 And, uh, one evening and I don't remember which
16 evening it was, where I had left some part in the day that we
17 had -- we were completing all of the signatures and the shift
18 was doing the checklist verifications before making the mode
19 change.

20 Somewhere in the evening, I got a call from --
21 there was a conference call I had gotten from a series of
22 people. It was [REDACTED] [REDACTED] [REDACTED]
23 [REDACTED] who was the [REDACTED] on the shift that
24 particular night.

25

Q

1 A I don't know if [REDACTED] was on or not. I
2 don't -- I am not sure. I know -- he might have been.

3 MS. NEFF: [REDACTED]

4 THE WITNESS: [REDACTED] was on and so was [REDACTED]

5 [REDACTED] I think that was pretty much the people that were on
6 the conference call with me and they were calling me. I
7 don't know if they were all in a room or if they were in
8 different places but this group of people called me.

9 And what they had -- [REDACTED] who was not in
10 the operations change of command, he was in charge of [REDACTED]
11 [REDACTED] had said -- was leading the discussion about
12 whether we should start up the plant and I said, okay, well,
13 what is the concerns?

14 Well, we think that we need to have six circulators
15 back before we make mode change. I said, okay, well, what's
16 different now than earlier when the Safety Review Board said
17 four has been enough and here is the steps to come up and it
18 was a roundabout discussion of saying, well, we just are
19 uncomfortable with that and I said, okay, well, why are we
20 running the unit right next door with four circulators who
21 have exactly the same condition; are you going to shut down
22 that plant?

23 They said, no, that plant is safe. I said, well,
24 okay, why is that plant safe with four and the one that is
25 shut down that we have four is unsafe to start up?

1 Well, there was no good answers. It was just
2 people were not comfortable with things and it was a useless
3 dialogue back and forth and I said, I find no substance in
4 what you're describing to suggest that this Unit 2 is any
5 different than Unit 1.

6 You're telling me Unit 1 is fine but you don't want
7 to start up Unit 2, I am sorry, I don't understand what we
8 are doing or why we are doing it.

9 BY MR. TEATOR:

10 Q Okay, [REDACTED] [phonetical] agreed that they
11 wanted five?

12 A I don't know. I thought it was four.

13 Q Not six?

14 A And then it was five and then it was six and so I
15 am only telling you what I recall was four was enough to make
16 mode change, five was to go above 40 percent power and six
17 was enough to go above 80 percent power. That is what I
18 remember.

19 Q So you are in this conversation?

20 A In this conversation.

21 BY MS. NEFF:

22 Q What are the things -- you are saying they weren't
23 comfortable with things, what were they saying they weren't
24 comfortable about specifically?

25 A They said we weren't confident in the overall

1 reliability of surf water. I says, well, what does that
2 mean? Well, you know, what if one train fails? I said,
3 well, okay, if we are at four and you lose one and you are
4 running at three, does that change the influence of the power
5 plant if you are sitting at 40 percent?

6 Well, no, but we could lose two. All right, what
7 happens if you were to lose two? Well, if you lose two, then
8 you would have to scram the unit.

9 I said, well, okay, what do we think the confidence
10 level is of two circulators, you know, not being reliable?
11 Well, we could debate whether it was or it wasn't, you know,
12 we have had problems in the past, that kind of discussion and
13 I said, well, did we do a lockdown on what we have? Yes, we
14 have a lockdown on what we have. Are they working the way
15 they are supposed to? Yes, they are. Do we have any
16 problems with grassing at this point? No, we do not.

17 I said, well, it sounds like we have met the
18 criteria of what the Safety Review Board was expecting for us
19 to make the mode change and so I just don't understand why we
20 are not making the mode change.

21 What is it that you are telling me is that a
22 concern other than you just are uncomfortable with it?

23 At a certain point, I said, well, I don't, I simply
24 don't understand it and then I asked [REDACTED] I
25 said [REDACTED] do you have any specific concerns, are there any

1 safety concerns associated with bringing the plant up and he
2 said, no, there is not and I said, well, then I believe we
3 should start the plant up and let's do that, and we did.

4 Now, there was fallout from that as you might
5 expect. However, in this particular case I did ask that
6 question specifically to the shift manager on shift and he
7 gave me the affirmation that the plant was okay. He didn't
8 see anything and that he was not uncomfortable with it but I
9 had other people in the room who were uncomfortable and so,
10 you know, I tried to work through what the uncomfort was and
11 all it came to is, well, there might be a reliability issue
12 with issue with the circulator and we want to prevent
13 challenges to the outriggers. Excellent discussion.

14 So the risk is how much challenge do we think we
15 have and can we manage that risk in a way that minimizes
16 those challenges and the answer was yes and that is what the
17 Safety Review Board also had said and that's what we were
18 trying to fulfill was the implementation of it.

19 I said if you disagree with that, then the Safety
20 Review Board should reconvene and, you know, propose what
21 they think the differences ought to be and why that is.

22 BY MR. TEATOR:

23 Q Who were you having the most discussion with during
24 that call?

25 A , I believe, was probably the largest

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1 and [REDACTED]

2 Q All right. During the call, did the tourists, the
3 middle and later part of the call, did it become more between
4 you and [REDACTED] having the discussion?

5 A I think so. It changed hands but the two primary
6 parties that I was talking to was [REDACTED] initially and I
7 was a little irritated that [REDACTED] was doing the discussion
8 since he is not in the chain of command for operating the
9 power plant and that is when [REDACTED] started talking and I was
10 comfortable with [REDACTED] talking because he is the other [REDACTED]
11 [REDACTED]

12 The [REDACTED] and the [REDACTED] had said very
13 little during the whole time, if anything. Why the choice of
14 who talked to me, I don't know. I mean that was how it
15 turned out and, you know, the dialogue continued for a period
16 of time where there was no specific issue identified.

17 Yes, surf water is not the most reliable of systems
18 that we had at Salem. That is also well documented by -- I
19 think anybody that knows anything about the plant.

20 However, it seemed like the risk was manageable
21 given the way we were expecting to try to provide some
22 minimal impacts if in fact we did lose one and so there was
23 contingency to assume if we did lose one how we would manage
24 the power profile ascension to have minimum impact.

25 I thought that was a fair conclusion by the Safety

1 Review Board and I expected that the managers would implement
2 the Safety Review Board's recommendations because they made
3 the recommendation to me to start up based on that and so
4 then I am expecting us to be accountable to do what we said
5 we were going to do.

6 The conversation ended and then [REDACTED]
7 confirmed that there was no problems with the plant and that
8 he was comfortable starting the plant up and he said I am
9 going to start the plant up[.

10 BY MS. NEFF:

11 Q Had he been there all along in that conversation,
12 [REDACTED]

13 A I believe he was. I don't know that for an
14 absolute but I believe he was.

15 I also did follow-up conversations with each one of
16 these people to find out how did things land with them, you
17 know, what was their concern? What was their, you know, what
18 really was it and all I could gather was just apprehension.

19 And I said, you know, I am not trying to tell you
20 to do something that you shouldn't do but what I am trying to
21 do is you've got to give me something to work with so we can
22 address it.

23 You can't just say I'm nervous. Why are you
24 nervous? Let's explore why you are nervous. What can I do
25 to address it and the answer only came back as we want six

1 circulators.

2 Well, I know it doesn't take six circulators to
3 start the power plant. It is not a safety-related system and
4 that is purely in the space of judgment to determine what you
5 do or don't want to do with things with that.

6 BY MR. TEATOR:

7 Q During that discussion did it get heated and
8 personal with [REDACTED]

9 A I don't know. Say the question again?

10 Q Well, from what we understand, the conversations
11 did get heated and personal between you and [REDACTED]
12 What do you recall of that discussion with [REDACTED] and,
13 in your opinion, did it get like that?

14 A I didn't think so but that's my -- was there foul
15 language used? I am sure there was but heated would imply
16 there was some sort of forceful tone with me or something
17 like that. I don't recall having that kind of conversation.

18 I think I asked the why question a lot of times and
19 it was frustrating people that I was taking that approach.

20 Q Did you challenge [REDACTED] manhood during
21 that conversation, due to the fact that maybe he wanted more
22 circulators before going up than you thought were necessary,
23 did you challenge his manhood regarding that?

24 A Why do you use manhood?

25 Q It is the word that was used with us. That is what

1 we have learned.

2 A Manhood?

3 Q Well, I could speculate what that would be but I
4 think, yes, that is the word that was used. Did the
5 conversation get like that between you and [REDACTED]

6 A Well, your description is one that confuses me as
7 that, because the conversations I thought we were having was
8 all around why is it okay or why is it not okay to start up
9 with four or five or six and so if that is being translated
10 as challenging manhood, then I would say, yes, I did.

11 Q Well, it has been described that it got personal
12 between you and [REDACTED] and that during that personal
13 disagreement discussion, you in fact challenged his manhood
14 about what he wanted to do and what he felt he needed to do
15 the turn, to run the plant that way?

16 MR. KEENAN: So the question is do you have any
17 recollection of a personal exchange there, conversation?

18 THE WITNESS: I don't know. I don't remember, you
19 know, personal manhood, I just don't know how to translate
20 that into something that would tell me what the answer to
21 that is.

22 BY MR. BARBER:

23 Q Do you feel like you had to get belligerent in
24 order to make your point, because he wasn't getting your
25 message?

1 A I didn't think so.

2 BY MR. TEATOR:

3 Q Did you use a term like wimp? I mean I am throwing
4 things out there to try and job your memory, something along
5 those lines?

6 A Maybe. I might have -- I don't know whether it was
7 directed at any person. I said, well, I probably said if I
8 did, it would have been something along the lines of, guys,
9 we are in the business to run these places. What is it that
10 we are nervous of? I mean you can't just tell me we are
11 nervous and then not be able to describe it so that action
12 can be taken.

13 I am sure I had conversations around that multiple
14 times.

15 Q With [REDACTED]?

16 A Yeah.

17 Q How about [REDACTED]?

18 A I think I told [REDACTED] to stop talking to me.

19 Q Is the way the things started, the phone call got
20 to where there was just you and [REDACTED] having a discussion?

21 A Well, there is a period of time when -- well,
22 first, you can only have a conversation like that, two people
23 can participate and so it changes in the room. I am on one
24 end and I know I am the one that is always doing the dialogue
25 on one end.

1 Q Right, on your end, right.

2 A Now, [REDACTED] started the conversation, then some
3 others pipe in and then [REDACTED] I think [REDACTED] and I probably
4 ended up in half of the conversations as it was towards the
5 end.

6 Q Right, that's what we heard.

7 A And then the last maybe couple of minutes was a
8 conversation I then tried to have with the shift manager.
9 They told me the shift manager was on the call. I was
10 actually glad that he was on the conversation and I asked him
11 specifically, is there anything you believe that is of a
12 safety concern that would prevent us from starting up the
13 plant? He said no and when he said no, then I said, [REDACTED] I
14 expect us to start up the power plant.

15 Q [REDACTED] who?

16 A [REDACTED]

17 BY MS. NEFF:

18 Q Do you recall [REDACTED] left the conversation at some
19 point?

20 A I don't know. I wasn't -- they wasn't in any room
21 I was in. I mean I am at home and I think they are at the
22 power plant.

23 BY MR. TEATOR:

24 Q Did he announce on the call that I'm done, I'm
25 through, something like that?

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1 A I don't know. I don't know.

2 Q You talked about, a little bit about the fallout
3 from that discussion. Did you have fallout discussions with

4 [REDACTED]

5 A Yes.

6 Q Let's talk about those. Can you tell us what those
7 would were about?

8 A Once again, I thought it was a very productive
9 conversation and [REDACTED] apologized to me the following day and
10 said that, uh, he wasn't well prepared for the discussion.
11 He appreciated me pushing back and said next time, you know,
12 I understand your expectations and this wasn't properly
13 handled and I told him I would agree with that.

14 I said what is the learning from this? Our
15 discussion was what the learning was.

16 Well, we had a Safety Board Review that said these
17 were the things. We did the right things. Now I got it
18 maybe someone in the crew challenged you on that but it is
19 your job to address the challenge. It is not your job to
20 call me and have me address the challenge. It is your job to
21 address the challenge. I want your thinking. I want your
22 decision making.

23 He didn't provide me his decision making or his
24 thinking. That is what I was upset about and he had that
25 primary responsibility in the chain of command.

ALL TC

1 Q But [REDACTED] is the [REDACTED] isn't he?

2 A Yes, he was.

3 Q So why did [REDACTED] have that responsibility, was
4 there a turnover in there?

5 A No, I think it became -- because the decision to
6 start up the plant administratively is, by procedure, rests
7 with the higher levels in operations.

8 The actual turning of the mode switch and beginning
9 the startup is the shift manager's accountability.

10 Q Right.

11 A And so [REDACTED] was in the space of I'm not telling the
12 shift yet it is okay to start the plant up, so he was taking
13 the responsibility of, from all of our operational procedures
14 and readiness to start the plant.

15 There is an administrative sign off at the end that
16 says are you ready to start up the plant and essentially you
17 do a formality turnover of this document to the shift and the
18 shift then, you now, has management's concurrence that it is
19 acceptable to begin restart, pending any issues that may be
20 out there at this point that based on the shift manager's
21 localized expertise on what is going on may be factored in.
22 So he gets to decide when it actually starts up.

23 BY MS. NEFF:

24 Q [REDACTED]

25 A The shift manager does, after the turnover is done.

1 So what we were doing was an administrative
2 determination of were we ready to start the plant. That is
3 what that discussion was and that was [REDACTED] and [REDACTED] and [REDACTED]
4 [REDACTED] accountability and they didn't do that.

5 I was holding them to account to do their job
6 responsibility.

7 Q And you are saying that you didn't see them doing
8 their job, [REDACTED] in particular here, because he couldn't
9 explain why he needed more circulators for the startup?

10 A Why is he taking exception to the Safety Review
11 Board? What was it that, was it new information or change to
12 something that would suggest that after an independent body
13 of which some of his people were on said they think it is
14 okay.

15 MS. NEFF: You know, I have to ask for a break
16 here. I need to review some factors about this incident
17 review before we go any further, okay?

18 Maybe now would be a good time for a lunch break, I
19 would suggest, and then we can finish.

20 MR. TEATOR: Absolutely.

21 MS. NEFF: It is 1:50 p.m., let's go off the
22 record.

23 [Whereupon, at 1:50 p.m., a recess was taken, to
24 resume at 3:10 p.m., the same day.]

25

AFTERNOON SESSION

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MS. NEFF: All right, we are back on the record.
It is approximately 3:10 p.m.
Whereupon,



was RESUMED as the witness herein, was examined and testified further as follows:

EXAMINATION

BY MS. NEFF:

Q A question for you is, have you ever heard the term holding the plant hostage?

A Yes.

Q And what does it mean and how have you heard it used?

A I think my term of it would be is that there is something that is keeping the plant where it is. You know, there is some sort of leverage that is bounding the existing position that the station or the plant may be in.

Q Could you give us an example of what that would be?

[Pause.]

A I am drawing a blank right this minute of an example that comes to mind or one I could generate to give understanding to it but maybe we could come back to that.

Q Do you recall if it was used in the discussion that we were talking about before regarding the circulators in

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1 Salem?

2 A I am only speculating here. It would be it is
3 possible someone might say that the outstanding reliability
4 issues on surf water might hold the plant hostage to improve
5 beyond where it currently is.

6 BY MR. TEATOR:

7 Q How about from this aspect? A particular
8 individual in operations decision making holding the plant
9 hostage? Not a piece of equipment but a person taking a
10 position that holds the plant hostage?

11 A That's possible. Someone might say something
12 along those lines or use it in that type of phraseology. A
13 particular individual has the ability to put a restriction in
14 some fashion and that holds the plant at some status level
15 that it currently is.

16 Q Did you ever use that term in questioning somebody
17 on whether they were in fact doing that, holding the plant
18 hostage, a particular individual?

19 A I have used that phrase but a particular
20 individual, uh, no, about a particular individual but I can
21 think of an outcome from decisions that I may have used that
22 characterization.

23 Q What are you talking about?

24 A The one that comes to mind and I don't know when in
25 time it was but it was probably in 2002 somewhere, we had a

1 diesel generator cooling water valve off of the service water
2 header from Salem. I don't remember which diesel it was and
3 the valve had some problem with it that made the diesel
4 questionable about its operable status and the interpretation
5 that ended up being utilized was not only is the line that
6 comes off this main header inoperable but we made the main
7 header inoperable as well and I think when that situation
8 occurred, I said that's holding the plant hostage in a non-
9 conservative approach.

10 BY MR. BARBER:

11 Q What specifically was, uh, why did you make that
12 assessment?

13 A Because the specifics around that one were that the
14 line could have been isolated and we called that particular
15 line inoperable but we also called the main trunk inoperable
16 which then put us into an extremely restrictive position
17 because of the header being out, we now inopt a whole bunch
18 of other potential pieces of equipment that now made it very
19 difficult to manage the plant and so we made the situation
20 more difficult for us than it was and that would be an
21 example of where I may have characterized as saying that is
22 holding us hostage erroneously.

23 MS. NEFF: Moving on from that, Scott, are you
24 finished with that exhibit?

25 MR. BARBER: Yes, thank you.

1 BY MS. NEFF:

2 Q Okay, we are going to jump to the transcript from
3 April 3, the Winston Straun transcript. Did you review?

4 A Are we done with the remaining pages, because I had
5 stopped at page 17 or 18 and so I didn't know if you were
6 through with at least round one of this.

7 MS. NEFF: Yes.

8 MR. TEATOR: We are through with that.

9 MS. NEFF: We are finished with that one.

10 THE WITNESS: Okay. That was very clear. Thank
11 you.

12 BY MS. NEFF:

13 Q All right, we are looking at the Winston Straun
14 transcript that is dated April 3, 2003.

15 A Okay.

16 Q And we have some questions for you on page 6. You
17 are asked the question -- actually I should say it leads in
18 from page 5.

19 A Okay.

20 Q Page 5, around line 16, are you aware of this
21 individual and I should say that the individual that you are
22 talking about here at this point is Kymn Harvin, is that
23 right? You are being interviewed about --

24 MR. KEENAN: Why don't you take some time?

25 THE WITNESS: Yeah, I need to start from the

1 beginning. I am not sure here. You may be right.

2 MS. NEFF: Okay. Let's go off the record, okay,
3 Rose? It is 3:17 p.m.

4 [Whereupon, a short recess was taken.]

5 MS. NEFF: Okay, it is 3:20 p.m., we are back on
6 and I should establish for the record we are looking at the
7 April 3, 2003 interview. On page 2 of that interview, it
8 notes by Mr. Megary that before they started the interview
9 with you, it was explain in an off the record conversation
10 the nature of the investigation.

11 Can you explain to us what was told to you at that
12 time?

13 THE WITNESS: As I understood, these particular
14 fellows from this organization were hired to respond to a
15 complaint that Kymn Harvin had generated, you know, a couple
16 of page letter to -- and sent it to [REDACTED] and I read
17 the letter during that particular, uh, brief, if you will, at
18 the beginning to understand what was said because I hadn't
19 seen the letter before.

20 I had heard one existed but hadn't seen it and then
21 from that point, these fellows said we would like to ask you
22 questions and have some information regarding some of the
23 items that are being talked about in this particular letter
24 and I agreed with that and that then formed an interview and
25 the answers that are here.

1 BY MS. NEFF:

2 Q Okay, now we are looking at page 5 of the
3 questioning for you. It starts with, this is line 10:

4 [Reading] Do you recall the individual suggesting
5 that there is an increased risk of nuclear safety errors
6 due to the alienation, poor morale or lack of
7 empowerment which itself is created by inadequate
8 management?

9 And it follows here, I think they break it down for
10 you, and your response is:

11 [Reading] I have heard the person you are
12 referring to imply that some of our employees believe
13 from their perceptions that more attention could be
14 placed in the items that they have brought and
15 documented from a timeliness perspective.

16 And further into page 6 now, you say:

17 [Reading] And the question you raised that I am
18 thinking through is the issue of was there an increased
19 likelihood of nuclear safety events from any of the
20 items mentioned. I am not aware that those words were
21 used. I am trying to make sure I am clear. Nuclear
22 safety is a very different set of terms to me than to
23 say could we have mistakes made by people and so I am
24 going to distinguish it by saying I have not heard
25 her -- I am sorry, I have not heard the person say

1 nuclear safety.

2 Okay?

3 A Okay.

4 Q Go to page 19 and 20.

5 A Uh-huh.

6 Q I am sorry, I have put you too far, it is page 18,
7 okay?

8 A All right.

9 Q And the individual indicates that members of
10 management have nuclear safety --

11 A I am sorry. What sentence?

12 Q I am sorry, 18 line 16. Page 18, line 16.

13 A Okay. Thank you.

14 Q The individual indicates that members of management
15 have nuclear safety concerns but they haven't raised them.

16 [Reading] Are you aware of any member of
17 management having nuclear safety concerns?

18 You say:

19 [Reading] No, I am not.

20 Are you aware of the individual having ever made
21 that statement, ever expressing a concern that members
22 of management have nuclear safety concerns?

23 Your response is no and then on the top of page 19,
24 you state:

25 [Reading] I want to make sure I am clear that

1 person has never made the point to me to say nuclear
2 safety. The person has said [REDACTED] has some items maybe
3 you'd want to talk him about and [REDACTED] has some items
4 that might require some involvement from you.

5 And farther down line, line 9 on page 19:

6 [Reading] Never has it been [REDACTED] as an example,
7 has nuclear safety concern or [REDACTED] has a nuclear safety
8 concern.

9 Then later, at page 19, go to the bottom of it and
10 they are reading you a sentence.

11 [Reading] I told [REDACTED] that the company's
12 production at the expense of safety approaches has
13 concerned and pressure members of management to have to
14 design choices that honor safety first.

15 Then they ask, they are asking you:

16 [Reading] Do you recall the individual raising
17 that?

18 And your answer is no, you do not.

19 And on page 22, I believe it was, the question to
20 you is, on page 22, beginning at line 3:

21 [Reading] Are you aware of anybody suggesting that
22 they felt production driven with respect to the safety
23 decisions they had to make?

24 And you say you know of no specifics.

25 Now, what we are looking at are a couple of areas

Amc

1 where obviously they are talking nuclear safety concerns.

2 A Uh-huh.

3 Q Okay, and in each of these areas that I am
4 outlining for you. Based on what you've heard from Kymn
5 Harvin in your conversation that occurred one week earlier.

6 A This taped conversation.

7 Q Right, this taped conversation from March 27, just
8 a week before this, based on what you've heard from her, how
9 is it that you respond to this with:

10 [Reading] I know of no specifics. No, I haven't
11 heard her say nuclear safety .

12 In that conversation, she uses the words nuclear
13 safety.

14 A I have no explanation. I mean, in fact, I was
15 surprised when I saw the tape and the transcripts that the
16 words nuclear safety was used in the way that it was.

17 I don't know. I mean I don't remember or recall
18 hearing that the issues that she had been talking about
19 connecting the words with it's nuclear safety and here is
20 the specific that suggests why it is.

21 What I have heard her say was that I think there is
22 some morale issues. I have heard her say that I think there
23 is some leadership issues in maintenance or there is some
24 leadership issues with the shift managers. We need to do
25 something and I would agree, yes, we need to do something.

1 Those are things that we have in our focused area
2 with [REDACTED] and with the [REDACTED] to be able to detect.

3 Now what I had said in here in all of these is that
4 myself and others never saw those as specific human, specific
5 nuclear safety because they weren't tied to anything directly
6 that would suggest there is something to look at other than
7 generalities that those are concerns that are out there in
8 the work place.

9 I would agree those are concerns that we've had in
10 the work place but the translation of them into something
11 that has been a direct influence or impact as a result of it,
12 I could not -- I didn't know of anything, I didn't know where
13 anything was brought to anyone's attention that would suggest
14 that is the issue and so I answered it based on that basis.

15 Q In spite of what she was telling you in that
16 discussion the week before and she raises it as nuclear
17 safety, she raises it as concern of others actually. She is
18 betraying it as concerns of others, the operators. She
19 actually says the Hope Creek operations.

20 A But you also note in that description there was no
21 specific other than her yague mention of the number two
22 bypass valve which I told her I thought the number two bypass
23 valve was safety significant and we documented as safety
24 significant and so it wasn't that [she] was providing me any
25 other specific example to draw that conclusion from those

1 general feelings that were out there.

2 And so I believe that I had, or we had addressed
3 anything that was a specific from that kind of dialogue and
4 because I knew the specifics that was going on with that
5 particular investigation, I felt that we had done what we
6 could or should have done with what was known.

7 These leadership initiatives that I had told you
8 about before we all part of trying to improve the morale in
9 some of the harder spots that we had in different parts of
10 the organization and, you know, I don't view those without
11 some connection to it to be more than people's opinions or
12 their feelings about things and I try to respect people's
13 opinions and feelings but I don't know how to deal with
14 people's feelings and opinions unless they can point me to
15 something and show me how that's translating into something
16 that really has a nuclear safety by the definition of it.

17 Is it affecting reactor safety? Is it affecting
18 core management? Is it affecting LCO time? Is it affecting
19 the way we are doing maintenance? Is it affecting the way we
20 are doing procedures? Is it affecting the way we are
21 implementing our processes around specifics that might
22 specifically influence the core?

23 I could not find those things nor did she give me
24 those things.

25 Q It seems as though she did when she hits it right

1 on with the Hope Creek bypass valve incident and she says to
2 you that it is the consideration there of production over
3 safety and considering that you would start up without
4 finding why that valve did what it did.

5 A But you're hypothesizing that we were going to do
6 that but we did not.

7 MR. TEATOR: But she is telling you of the
8 perception there.

9 MS. NEFF: Right, the perception there.

10 THE WITNESS: I understand that the realities are
11 that is not what occurred. That is not what occurred and so
12 I can't answer the question anymore than saying, well, I know
13 what we did. I know what decisions we made.

14 Yes, I told you earlier that perhaps we could have
15 gotten alignment around some of the communication gaps
16 quicker, more timely, and I accept that but when I look at
17 was there anything not done properly associated with the
18 actual decisions in terms of effecting nuclear safety,
19 associated with any of that equipment and what we were doing
20 around it, we made the right decisions and we did fix the
21 equipment and we did not place an inappropriate value on
22 protecting the plant versus, you know, producing electricity.

23 BY MR. TEATOR:

24 Q What she is bringing to you in that March 27
25 conversation, the taped conversation is that there is a

1 perception that production over safety was the drive and
2 Winston Straun, the attorney, specifically asked you that on
3 page 22. So, again, the question is why? Maybe you didn't
4 believe it but she did bring that issue up, why didn't you
5 tell them that during that interview?

6 The question is, are you aware of anybody
7 suggesting that they felt production driven with respect to
8 the safety decisions they had to make?

9 It is a pretty broad question. It is not an ally.

10 A You know, I can't give you anything that is beyond
11 what I provided in that I guess I was looking for in
12 answering the question for these fellows was, was there
13 something that it was factual that really had evidence of
14 something being done in an inappropriate manner or may have
15 influenced an inappropriate manner where the outcome was not
16 what we expected and that was due to production over safety.

17 I knew of nothing that I could go to. Now --

18 BY MS. NEFF:

19 Q What would make you do that? What would make you
20 screen to that level of fineness because right here on page
21 14 -- I think it is all of page 14 -- is an appeal to you.

22 They are not hearing anything from you and she has
23 obviously involved you in her concern here and so we are
24 trying to get from you what do you know on her concern?

25 I mean it starts right at the top of 14 that they

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1 are telling you they don't have a lot of specificity to work
2 with.

3 A And that was a dialogue we had considerably and we
4 were on and off the record at different points and I said I
5 don't know how to answer these questions if there is no
6 specificity.

7 Now, we did agree in the conversation was there
8 items around, have you heard these things of, uh, we should
9 be more timely on things, that maintenance leadership needs
10 to be improved or there is insufficient alignment at certain
11 points and I answered those in previous times to say, yeah,
12 I've heard those things but never in the construct of saying
13 here some of the things have become an exact nuclear safety
14 issue.

15 And even when I hear that they are saying it is
16 nuclear safety, I always ask the question can you give me a
17 specific that helps me understand what is it I need to do or
18 how is it I can go about trying to address the issue.

19 And usually, and in all the cases that I was with
20 this dialogue is that there were no specifics and I said,
21 well then, I don't know how to answer the question other than
22 to say I don't know of anything specific. I don't know.

23 Q Right and -- go ahead, Jeff.

24 BY MR. TEATOR:

25 Q I am sorry. On line 17, and Eileen characterized

1 it as an appeal, and I look at it that way too. They are
2 asking you so if anything triggers in your mind that this
3 individual had some concern, that is what we need to know.

4 Having said that, based on our discussions thus far
5 and it is still early in the interview, it is on page 14.

6 A Uh-huh.

7 Q Having said that based on our discussions thus far
8 has anything in the back of your mind been triggered that
9 there may have been something the individual was referring to
10 and we are trying to understand with what she told you in
11 your discussion with her on March 27th, this is how long
12 after that?

13 MS. NEFF: Seven days.

14 MR. TEATOR: Seven days. Why didn't you share?
15 Maybe you didn't believe what she was saying or felt she was
16 specific and a butt, why didn't you share that with them at
17 that point?

18 THE WITNESS: I have no explanation. Perhaps, you
19 know, I can only give you what I am thinking now, is that I
20 honestly didn't recall her saying nuclear safety in the
21 conversation we had until you showed it to me.

22 I am going, well, I don't remember that and my
23 guess is I didn't probably remember it either even in the
24 seven days after that.

25 I really was thinking prior was there anything I

1 was connected to or that was bringing past opinions and
2 feelings into something that was tangible that I could relate
3 to and that is what I answered is I don't know of anything
4 like that.

5 BY MR. BARBER:

6 Q Is it possible that you discounted what she said
7 just because of the lack of specificity to the concerns?

8 A I'd say that is probably a reasonable assumption,
9 Scott, and, you know, whether that was right or wrong, I
10 don't know but my sense is that is probably the way I made
11 judgment is that I could not hear some things that led me to
12 do something beyond the we need to improve, you know, the
13 overall attitude at the site.

14 Well, that is clearly a focus of mine with the
15 initiatives we had and in the improvement plans in various
16 areas was exactly that and that is what I was relying on to
17 address those items and felt then, if that is all it is, well
18 then I have that stuff covered. I have that stuff documented
19 and I have that stuff being focused on.

20 Now, if we can take it one step and say is there
21 something specific? Without the specifics, I probably judged
22 that it was more feelings than it was anything else and they
23 probably discounted that there was something of substance.

24 BY MR. TEATOR:

25 Q Let me ask you this. Was this something that

1 caused -- and we are asking these questions about Kymn
2 Harvin.

3 A Yeah.

4 Q Her complaint, her letter to [REDACTED] -- was
5 this something that caused you to be reluctant to share with
6 them what she told you? Not that is right or wrong but just
7 what she told you, repeating to them what she told you was
8 just something that made you reluctant to do that?

9 A Boy, I don't think so. I mean now maybe I went
10 mentally dumb when they were asking me the questions but I
11 was searching as hard as I could for anything that I thought
12 may have been brought to someone's attention around a
13 specific item that really was in the nature of nuclear safety
14 is at least the definitions that I understand it to be and I
15 asked them, I thought on several occasions, is there anything
16 that you could point me to where I can try to help out in
17 that determination.

18 Q Right, then they go more broad in their question.
19 When you had an interaction with them, I see that in the
20 transcript, then they come back with these things on 14 and
21 say, look, let's be real general here.

22 A Yeah.

23 Q We don't know, we are trying to find out.

24 A Yeah.

25 Q And they are coming to you for help.

1 A Yeah, I understand.


2 Q And information.

3 A I understand that. So, you know, the only answer I
4 could give you is I made judgement in some fashion that what
5 I had heard did not constitute nuclear safety, not to be
6 confused with was there some sort of action or documentation
7 or something around that to try to address it.

8 I was coming from the perspective of if I heard it,
9 are we addressing it? Whatever it was and I guess I believe
10 too here in front of you that that is what we were doing.

11 BY MS. NEFF:

12 Q You have to look at the circumstances here on the
13 tape recorded conversation. This paragraph long here that is
14 around the bypass valve and it is talking about who is
15 running the plant.

16 She has already mentioned to you that she went to
17  She mentions at least twice that she raised
18 concerns to him and it is her belief at this point that she
19 now escalated out of there for having done that.

20 She makes it a very big statement in there, a very
21 clear statement that it is her concern that non-nuclear
22 people are pressuring the plant to make decisions without
23 understanding what it is they are asking for and what their
24 pressuring for and so --

25 A I can't discount what her feelings or opinions are.

1 I guess the only way I know how to address it is that someone
2 can say can you point me to where that is being applied so I
3 can look into it and then try to take some specific
4 understanding and action to it.

5 When the EHC or the bypass valve was mentioned, my
6 brain went immediately to I am addressing that. I know
7 wholeheartedly we have covered that from, you know, from A to
8 Z and there isn't anything in there that we haven't
9 uncovered.

10 I also knew that Kymn didn't know that because she
11 wasn't part of the investigation and I hadn't told her there
12 was an investigation, so -- our root cause type of review --
13 so, when you take that example out and now we are just
14 getting to philosophy of is [REDACTED] going to be the right guy
15 or the wrong guy down the road? Well, that is just purely
16 speculation.

17 There isn't substance one way or another to suggest
18 that there may be anything at all because, quite frankly,
19 [REDACTED] had never been in the job until just the last couple
20 of, you know, weeks and so there is clearly no evidence other
21 than just, you know, suppositional thought on what a possible
22 future might be.

23 Well, that is just purely speculative and opinion,
24 including me and, as you point out, yeah, I gave my opinions
25 on some things.

1 Q Right.

2 A That doesn't mean by opinions are right.

3 Q Right, but the whole smell of that large part of
4 the conversation with Dr. Harvin, the taped conversation, is
5 about perceived pressure, increasing production.

6 A I know that.

7 Q Right.

8 A You are right.

9 Q And decision making.

10 A That is clear.

11 Q And who is in charge now and now Winston Straun's
12 commenting here seven days later what is she talking about
13 and that part of the conversation is not shared with them so
14 they know what her concern is maybe more about and we are
15 just trying to get it. It is seven days. We are trying to
16 get understanding for why that wasn't shared and we are
17 asking you again. I know you're --

18 A I don't know what else to tell you anymore at this
19 point.

20 Q Well, I went to the reluctance question.

21 A Okay.

22 Q And you said there was nothing that made you
23 reluctant to share that.

24 A No, there was nothing that kept me in a hold back
25 or anything like that. I truly was trying to search was

1 there something there that said ah, yeah, that could be a
2 nuclear safety item.

3 I discounted feelings and perceptions as being
4 nuclear safety, yes, I probably did and so, therefore, it
5 didn't come into play because I had already judged that as
6 being non-nuclear or as not being nuclear safety.

7 MR. TEATOR: Jeff, you were going to help clarify
8 something?

9 MR. KEENAN: I just thought that it might be
10 helpful with your thought of asking ~~him~~ his overall
11 perspective of that discussion with Ms. Harvin now, now that
12 his memory has been refreshed and we have been able to review
13 the transcript to ask him what his overall -- what the
14 overall context is.

15 MR. TEATOR: We haven't gotten to that yet.

16 MR. KEENAN: If we haven't, I mean what were the
17 key takeaways? That's the --

18 MR. TEATOR: For you, what were the key takeaways?

19 MR. KEENAN: Yes, do you think that is a fair
20 question?

21 THE WITNESS: Well, I don't know who is answering
22 the question.

23 MR. KEENAN: Well, I am asking the NRC.

24 MR. TEATOR: Yeah, the only thought had been I have
25 some follow up on that. Why don't you go ahead and tell us

1 that?

2 MR. KEENAN: So, ~~let me~~ let me clarify. You had a --
3 I don't know how long the discussion was -- a less than ten
4 minute discussion with Ms. Harvin on March 27.

5 We reviewed the tape, reviewed the transcript, you
6 have given a couple of hours of testimony on it. What was
7 your overall takeaway of that discussion as it has now been
8 made clear in your mind?

9 THE WITNESS: The isn't anything more revealing in
10 looking at the specifics than what I had thought at the time
11 that I had the meeting with her.

12 I don't have any changed view of, you know, if I
13 have a different focus on nuclear safety or somehow did I
14 misunderstand or mischaracterize?

15 I would say, no, I don't have any difference in the
16 way I am thinking than I did before and my rationale was what
17 she was telling be about certain things I believe we were
18 addressing and I believe that they were being looked at.
19 Some of them more specific, some of them a little soft and
20 have a longer duration of taking action to and didn't find at
21 that point a cause for a concern or a cause for doing
22 something different than already what was being done.

23 I mean that is the best way I -- I mean so that is
24 my takeaway is, I mean I got to where she said nuclear safety
25 and I'll tell you I don't remember her telling me that.

1 Now, maybe when she said it and attached it to the
2 valve, I stopped listening past a certain point but when she
3 said the valve is nuclear safety, I know I was coming from we
4 were addressing that valve as completely as one knew how to
5 do and I didn't think that there was anything more that could
6 be done than what we were doing and that management was
7 reacting and was proper in the actions it was going forward
8 on that.

9 Because I did see that particular as a true,
10 because there is a specific with it, as a real possible
11 nuclear safety concern, you know, from all of the different
12 elements that went with it.

13 MR. KEENAN: What about the employment aspects of
14 the discussion? Can you comment on that element?

15 The employment aspects of Kymn coming to you with
16 concern about her position?

17 THE WITNESS: I saw no -- I knew of nothing or any
18 kind of influence that would suggest in anyway shape that
19 this position elimination or the decision that her time was
20 up was the result of some sort of response to information she
21 was providing that was in, you know, a nuclear safety space.
22 I knew of nothing like that or had had any indication of
23 anything like that.

24 BY MR. TEATOR:

25 Q I have got a question on that.

1 She tells you on March 27 that when she brought --
2 she had her discussion with [REDACTED] discussed her concerns
3 with him. She is not real specific but she tells you that
4 she had a discussion with [REDACTED] that in her mind that
5 escalated her departure from the site.

6 A I see that connection that you're making.

7 Q No, she mad it. She did and so I am asking you, do
8 you know if her going to [REDACTED] then caused that escalation to
9 occur?

10 A I know of nothing like that. I know of nothing
11 like that and I say that because, one, I wasn't part of the
12 conversation; two, I didn't make the decision; three, I
13 didn't make the decision for it to be moved up. I was not
14 involved in any of those --

15 Q I am just trying to --

16 A Conversations or decisions.

17 Q I am trying to explore are you aware of any
18 information which suggests to you that the escalation
19 occurred because she went to [REDACTED] with and had that
20 discussion with him?

21 A No, as I said earlier to you, I thought that -- and
22 this is speculative on my part because, and the only person I
23 had talked to was [REDACTED] is the reason the date was
24 being moved up was because of feedback.

25 Others had said that, you know, we have got the

1 walking wounded, you know, running around and this isn't
2 going well and she is an emotional person and people were
3 struggling with how to work with her and deal with her during
4 this period of transition and they just said, you know, maybe
5 the better thing to do is to move her off site and let her
6 continue her employment opportunities outside of the double
7 fence.

8 MS. NEFF: I am finished with that. Are you
9 finished with any discrepancies?

10 MR. TEATOR: Yes.

11 MS. NEFF: Scott, do you have one?

12 MR. TEATOR: Actually, I do.

13 MS. NEFF: Do you?

14 BY MR. TEATOR:

15 Q The addendum to the Winston Straun transcript.

16 A Yes.

17 Q There is the very short addendum. You just saw
18 that?

19 A Yes.

20 MR. TEATOR: All right, I have just got to get
21 myself to it now. It is pretty short. I think it is just
22 about a page.

23 MS. NEFF: Fifteen lines.

24 MR. TEATOR: Yeah.

25 THE WITNESS: Oh, I am sorry, okay.

1 MR. TEATOR: I guess it is page 2 I am looking at.

2 MR. KEENAN: [REDACTED] this is a subsequent interview on
3 April 23.

4 THE WITNESS: Okay.

5 MR. KEENAN: Supplemental interview.

6 THE WITNESS: All right.

7 MR. KEENAN: Via telephone conference.

8 BY MR. TEATOR:

9 Q Right. [REDACTED] I am going to ask you about this -- it
10 is page 2 of the addendum.

11 A Yes.

12 Q There was a follow up phone conversation between
13 [REDACTED] and yourself.

14 A Okay.

15 Q Do you see that?

16 A Yes, I do.

17 Q In there, he asks you on the last question.

18 [Reading] Do you recall Kymn Harvin raising the
19 specific safety concerns of others?

20 And based on what, the discussion she had with you
21 on March 27, that whole conversation, how can you answer no
22 to that?

23 A It is no different than the question you asked me
24 earlier on the April 7 one. I made a conclusion from earlier
25 that the items that [REDACTED] was raising with the issues, that the

1 one possible nuclear safety item was being addressed and I
2 saw no further action that could be or should be done.

3 And the other items were feeling things and I
4 didn't view them as nuclear safety and, quite frankly, I know
5 from conversations I had had with [REDACTED] and well before Kymn
6 Harvin ever had any discussions, was that as a collective
7 group of senior managers, we didn't see that some of the
8 attitudes or some of the perceptions that people had as being
9 anything other than this is part of the change process we are
10 trying to do, is to elevate the performance, and so people
11 have different perspectives on things.

12 In fact, on a couple of occasions, we had senior
13 management get together with [REDACTED] to talk through, you know,
14 these things and how to apply them and that we collectively
15 didn't see those kinds of improvement or weakness areas as
16 nuclear safety and so it didn't come to me that that would be
17 nuclear safety.

18 MR. TEATOR: Okay.

19 BY MS. NEFF:

20 Q Just to get this perfectly straight and in their
21 approach to you on both of these occasions regarding these
22 concerns with her, I mean it is a very specific interview
23 driven toward what are Kymn Harvin's concerns.

24 You are saying that you didn't disclose this
25 conversation that you had with her the week before because

1 you either didn't recall hearing it as nuclear safety, you
2 didn't believe it was a nuclear safety concern or you thought
3 that it was already being addressed. Sort of a mix of those
4 three.

5 A Yes.

6 Q You more or less screened it out? I mean you heard
7 the concerns but you screened them out and didn't provide
8 them to Winston Straun at this point?

9 A I would say that is probably true.

10 Q What would your motivation be for doing that when
11 they are specifically asking you on the 3rd what her concerns
12 are and then they go to the trouble of following up with you
13 20 days later?

14 I mean it keeps coming at me. Can you help us out
15 here? What were the concerns? What did she have? Did she
16 have specific concerns?

17 A All I can tell you is that my line of answering the
18 question was coming from was there specifics beyond just the
19 general feelings of things and I answered it from that
20 perspective because I thought that was the question that was
21 asked.

22 Q It might have been an interpretation on your part
23 with your specifics beyond the general feelings of things
24 because they are asking you for anything that would have
25 triggered it in your mind at that point.

1 A You know, I --

2 Q It looks like you screened it. You screened them
3 out and we are just trying to figure out --

4 A It certainly --

5 Q -- What would motivate you to do that when they are
6 coming directly to you for your help? That's it.

7 A Then the only comment I can give you is maybe I
8 misunderstood what they were asking or the intent of what
9 they were asking.

10 I thought what they were asking is, was I aware of
11 things that were not being addressed? Things that I thought
12 were being addressed I did not think was in this scope of
13 stuff. Why? I don't know why. I gave you why as because I
14 thought management was going to right things and, therefore,
15 I was doing the right and proper things.

16 MS. NEFF: Okay, I am done.

17 MR. TEATOR: Yep, me too.

18 MS. NEFF: Scott, what have you got?

19 BY MR. BARBER:

20 Q I have a number of -- this may go to the question
21 you had mentioned earlier regarding, you know, other discrete
22 issues and events asked but I have some of those I would like
23 to go through and get your take on.

24 A Sure.

25 Q Okay, let me back up. What I want to do is I have

1 in chronologic order roughly.

2 A Okay.

3 Q They may not be exact but it is just, kind of let's
4 go back. You said you were hired on [REDACTED] and when you
5 originally started you were the [REDACTED]
6 [REDACTED].

7 A Yes.

8 Q And then in late [REDACTED] you picked up
9 [REDACTED] and then in [REDACTED] you
10 picked up [REDACTED] responsibilities, is
11 that about right?

12 A It's about right, yeah.

13 Q Included [REDACTED]

14 A Yes.

15 Q Okay, now going back to the time after July.

16 Obviously, you are coming on board, you are working for new
17 [REDACTED]

18 Somewhere about a year later [REDACTED] has a fairly
19 significant meeting with a group of Salem and Hope Creek SROs
20 about whose authority is needed to raise plant power level
21 authorizations.

22 A Yes.

23 Q Do you recall that, that meeting?

24 A August, I believe it was in August and I thought it
25 was August of 1999.

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1 Q Was it '99?

2 A Yes.

3 Q It might have been 2000 but --

4 A August 20 of 1999.

5 Q Okay.

6 A I believe is the specific date, yes, I remember it.

7 Q Okay, could you kind of summarize what was
8 discussed there and your take on that?

9 A Yes, the plant, this is Hope Creek specifically, we
10 had a lightning strike. I don't remember if it was in the
11 evening or the early evening or late evening but we had a
12 lightning strike on that day and there was a curvation in the
13 switch yard, not too uncharacteristic when you have a high
14 voltage system and you have an electrical strike, and we
15 actually had some surge protectors on various pieces of
16 equipment go from an AC power to an battery back up type of
17 mode to provide, initially it is to allow a seamless transfer
18 of that kind of a transient but gives you time to take action
19 before and now you get, you know, when the batteries go bad,
20 you will start seeing various pieces of equipment begin to
21 change position.

22 In this particular case, as I remember, we had this
23 kind of protection scheme on some faux steam or, uh, yeah,
24 faux steam to some feed water heaters and what had occurred
25 is that these valves through this transient ended up closing.

1 I don't know how many. One, two, three, four, some number
2 and the plant came down in some power level to respond to the
3 transient and then there was some sort of review by the
4 current [REDACTED] which was, I think that was --
5 you know, I don't know who the [REDACTED] was at that date,
6 that time. I was going to speculate it was [REDACTED] but
7 I don't know if it was or wasn't.

8 I do know that the [REDACTED] was [REDACTED]
9 and I do know that the [REDACTED] or
10 something like that I think was [REDACTED]

11 I know it was [REDACTED] and what had occurred is
12 that the shift crew that was on that shift did not recognize
13 that these valves had isolated and that they were saying to
14 their line management that we thing everything is fine at
15 this point and we are going to bring the power plant back up
16 to full power.

17 I don't remember what power level it had dropped
18 to, but like it was 80 percent or something like that.

19 The plant was brought up in power and we weren't
20 achieving all of the outcomes expected and apparently the
21 shift that was on didn't recognize it. In some manner, the
22 new shift that was coming on with [REDACTED] who typically
23 the guy who came in at 3:30 or 4:00 in the morning and did
24 kind of rounds. So, I don't know who initiated what but
25 let's just say the new shift coming on and [REDACTED] recognized

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1 there was off conditions on these Oxteen [?] valves and that
2 they had raised power with a condition that wasn't right and
3 so as. anybody would, we did an investigation and tried to
4 understand what all that was and then we communicated [REDACTED]
5 communicated that to [REDACTED] and [REDACTED] was pretty upset
6 over that because he said, how can -- how can the plant be
7 brought up in power and we don't know the configuration of
8 the plant and how come we didn't do a full scope of extended
9 condition and understand where we are deviating from
10 expectations and yet the shift feels comfortable to go raise
11 power without doing a thorough review and so he was pretty
12 angry with that.

13 He called all of the operators and all of us, we
14 all had seminar sessions with him and he proceeded to tell us
15 that first, the power plant does not belong to anybody on
16 this site. The power plants below to [REDACTED] and that
17 management has the responsibility of assuring there is proper
18 oversight and concurring with the -- uh, and provided shift
19 support before we make major changes in the power plant
20 unless it is of imminent significant concerns and requires
21 the operators to take immediate action.

22 And what that meant was is that if a piece of
23 equipment breaks, you expect the shift to take whatever
24 action is necessary.

25 If something is in the space of it is not

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1 imminently of a safety concern or emergency, then the
2 expectation is to have management do a review.

3 Management being people off of just the shift crew
4 to do a comprehensive review of things and that crew doesn't
5 have the authority to just simply raise power without that
6 comprehensive review being done.

7 Now, either they do it or we have others do it but
8 it has got to get done as a fundamental before the operators
9 suddenly make change in reactor power.

10 Q Okay, well, it sounded like the guidance was
11 related to both increasing power and decreasing power other
12 than in emergency conditions or --

13 A Yeah.

14 Q -- Conditions of imminent equipment issues and
15 things like that?

16 A Yes, essentially, you are right. It was around
17 making, you know, significant power changes. Well, what is
18 significant? And, you know, there were some rules of thumb,
19 50 megawatts, 100 megawatts, something like that. Then when
20 we are making power changes greater than that in a non-
21 emergency issue, then the crew itself doesn't have just
22 automatic capability of doing that without getting
23 concurrence from their chain of command.

24 Q What would you say the reaction of -- was this just
25 Hope Creek or was it Hope Creek and Salem?

1 A Hope Creek was the first group of people that was
2 talked to since the event occurred there, but it was [REDACTED]

3 [REDACTED]
4 Q Okay.

5 A Who went to everybody.

6 Q Okay, what would you say the reaction of the
7 various SROs were who had that guidance?

8 A I think they took that, as you said, a challenge to
9 their manhood because they heard [REDACTED] say that they are not
10 in charge of the plant and that perception potentially of
11 they couldn't exercise their license responsibilities under
12 what they thought they were given and so they had hardship
13 over what they thought philosophically from [REDACTED]

14 Q Was there any direct outfall as a result of that?

15 A Direct outfall? Could you --

16 Q Was there any type of rebellion or were there any
17 grievances of any sort filed, was there any concerns raised
18 with the Employee Concerns Program? To your knowledge, was
19 there any allegations brought to the NRC about what happened
20 at the time?

21 MR. KEENAN: That is a couple of compound questions
22 there.

23 MR. BARBER: About four questions. He can answer
24 each one individually.

25 MR. KEENAN: Either one or maybe you could just ask

1 what did ~~Scott~~ know happened as a result of that meeting?

2 MR. TEATOR: Go ahead, Scott. Anyway you want to.

3 MR. KEENAN: Is that what you wanted?

4 MR. TEATOR: Go ahead, Scott.

5 THE WITNESS: Well, I could -- the answer is I
6 don't know the answer to any of those specifically but what I
7 can tell you is probably secondhand conversations that, you
8 know, by walking around, people would give you comments and
9 the comments that I had gotten was very mixed response on
10 that whole thing and some hostility in the expectations being
11 changed, meaning is that the shift thought they didn't --
12 shift crews thought they didn't necessarily have the
13 authorities that they once did and that they were expected
14 now to have additional support when things occurred and that,
15 in essence, they had to have a recommendation that went some
16 review process before the shift could make maneuvers, you
17 know, major power changes.

18 And that was a very different process and different
19 structure that had a lot more rigor than had been in place in
20 order to validate that when things happen, we fully
21 understood it before things went forward.

22 And, like I said, the shift crews had never been
23 accustomed to that. That is not the way business had been
24 done and that was a clear shift in standards that ~~Scott~~
25 expected all of us to implement and we did that.

1 MR. KEENAN: I didn't mean to cut in on you. It is
2 just helpful to have one question.

3 MR. BARBER: I thought I asked one question. It
4 was a general open-ended question.

5 MR. KEENAN: Okay.

6 MR. BARBER: And I got not a -- it wasn't
7 responsive, I got a what do you mean and so I tried to
8 clarify.

9 MR. KEENAN: Yes, and I didn't mean --

10 MR. BARBER: I was trying to provide a series of
11 questions to give you an idea of what I was looking for.'

12 MR. KEENAN: Yes, I understand.

13 BY MS. NEFF:

14 Q Was that implemented through the tarp process? Is
15 that where the tarp began?

16 A Yes. Several things occurred from that. The tarp
17 process as you mentioned which was a rigger around an
18 infrastructure of when things happened and at what threshold
19 we defined things that would say we need to bring support to
20 the shift and to provide some understanding of these things.

21 And then do some sort of an independent review of
22 it and provide recommendations to the shift to move the
23 plant, which ultimately they either did or did not. I mean
24 they always had the choice after the recommendation.

25 We also, I think initiated the air free clock.

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1 Again, that was an item that had been in place and then it
2 was dropped and then it was resurfaced and it was resurfaced
3 is because the industry was using that as a vehicle to try to
4 establish thresholds of events that would trigger focused
5 attention and hopefully learnings from so that we could
6 improve.

7 And that was put in place so it had been there,
8 Scott, and then it just kind of fell off somewhere and then
9 it got reinvigorated after the August 20 lightning strike.

10 Q Okay, well, did you get any special guidance in
11 acting in [REDACTED] behalf in this role? I mean did [REDACTED]
12 expect, we talk about it being the genesis of the tarp
13 process but there was also this -- part of this was some
14 approval from senior management. Was that delegated to you
15 or was that -- did that reside with [REDACTED] Did [REDACTED] have to
16 approve of whatever that threshold was, the 50 or 100
17 megawatts?

18 A [REDACTED] wouldn't have to approve it but [REDACTED]
19 expected to be notified what was going on and what he really
20 was after was are we applying the rigorous approach behind
21 the decision making that ultimately is being communicated to
22 me and so he was inserting himself by making sure [REDACTED]
23 [REDACTED] me, [REDACTED] and [REDACTED] were taking a
24 leadership role in implementing those expectations including
25 we all were put on weekends and week rotations to be part of

1 the actual participants in the final decision making from an
2 oversight that we accomplish the expectations that were met
3 and then we had the responsibility of letting [REDACTED] know.

4 Sometimes it might have been my weekend. Sometimes
5 it might have been [REDACTED] weekend but that was the
6 way we operated the place going forward from that point.

7 Q Was the weekend coverage requirement or
8 expectation, was that something that continued for a long
9 period of time?

10 A Yes, and to my knowledge it is still in place
11 today.

12 Q Okay, and it was --

13 MR. KEENAN: I just one clarifying statement, is
14 this line of questioning going toward the safety conscious
15 work environment issue? Is there anyway to just indicate on
16 the record that [REDACTED] is not the focus of potential
17 wrongdoing related to this line of questioning.

18 MR. TEATOR: You are not, [REDACTED]

19 THE WITNESS: I understand I am not.

20 MR. TEATOR: He is being questioned as a witness to
21 further probe the work environment stuff that we --

22 MR. KEENAN: As opposed to the 50.7 or 50.5 issue
23 we were talking about earlier.

24 MR. TEATOR: Sure, work environment.

25 MS. NEFF: We would tell you if you were the

1 subject of a potential violation that we are looking into.
2 This is work environment.

3 MR. KEENAN: Okay, that's appreciated.

4 THE WITNESS: Well, I have been in conversation all
5 day. I don't understand what you just said but that's okay.

6 MS. NEFF: I think Jeff was looking at it, when we
7 are talking about this particular incident, is there some
8 violation tied to it.

9 MR. KEENAN: Yes.

10 MS. NEFF: Looking at you as a subject.

11 MR. KEENAN: To just give me more comfort because
12 the questioning is broader and open ended and we are getting
13 into some technical.

14 MR. BARBER: I am sure ~~██████~~ knows a lot of this
15 technical.

16 MR. KEENAN: Oh, I am sure. I am sure. I am just
17 looking at it from --

18 THE WITNESS: The aspects.

19 MR. KEENAN: An aspect. So that is on the record.
20 I appreciate it.

21 BY MR. BARBER:

22 Q Let's move on to the next area I wanted to touch
23 on.

24 A Did I answer what you were looking for?

25 Q I think so because, actually, what I want to do is

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1 I wanted to get into a couple other events and issues and
2 some of this actually is back up for that.

3 A Okay.

4 Q Okay, the next item I wanted to talk about had to
5 do with some testing of the safety injection valve and, okay,
6 let me set the stage a little bit.

7 Apparently, there was -- there was a refueling
8 outage and there was a startup coming out of that and there
9 was some leakage through some valves, safety injection
10 valves. I think they were for the Braun injection tank, they
11 were check valves or MOB's and then there were some question
12 about how much leakage there was, which valves were leaking.

13 A Yeah.

14 Q Was it an operability issue?

15 A Yes.

16 Q Was -- you are familiar with that?

17 A Oh, very much so.

18 Q The information that was reported to us was that
19 there was, there was a pretty extensive debate about the
20 valves and whether they were operable, whether they were
21 inoperable, whether testing was necessary, whether it wasn't
22 necessary. Could you give us your knowledge of that issue?

23 A And I believe this was the check valves going back
24 with the hot loops, isn't that correct?

25 Q I believe that is correct.

1 A And somehow there was a surveillance on a couple of
2 check valves around the bib tank and in doing that particular
3 surveillance, or whatever it was, they were going this
4 doesn't look right and I don't remember all of the details
5 but I think it was something like the pipe is hot, there is
6 pressure here, there shouldn't be pressure here or something
7 like that and that just led into a variety of different
8 discussions of where would this be coming from and so P&IDs
9 were pulled out and people were looking at what this might be
10 and there was an extensive effort to look at all the
11 different check valves that were coming off the hot loops
12 that may have communication with this particular line or some
13 version of it.

14 And, yes, I remember -- I can't tell you the
15 special leakage numbers but there was a great deal of debate
16 over, well, what is acceptable leakage, what is not
17 acceptable leakage. What is leaking if it is leaking? How
18 do you test that and, honestly, I don't know what the
19 conclusion was when we first had identified it but what we
20 did do, there was an outcome from it but I don't remember
21 what led us there but what we found was that we should be
22 doing testing differently when we are coming up from the
23 plant, from a start and there is ways that we can test this
24 loop and check things.

25 And there were a couple of startups that we had

1 where we had just miserable results on some of these valves
2 and, you know, we had to fix them one at a time.

3 We even had a forced outage once. We went after a
4 couple of them and it wasn't easy finding which ones were
5 actually the culprit. It wasn't as intuitively obvious as it
6 originally came out to.

7 But I don't know what the source of consternation
8 was other than it was a difficult problem to solve. We
9 didn't know where exactly or how exactly everything was
10 interacting and it did take some time to figure it out and
11 actually get to the point of resolving it by fixing several
12 valves in a refueling outage and I believe, you know, one was
13 the larger culprit of the problems than unit 2.

14 Q What was reported to us through this issue is that
15 operations in the form of the Shift Manager and the Assistant
16 Operations Manager wanted to do some additional testing, that
17 engineering felt that it was unnecessary and [REDACTED]
18 intervened and said I am making the final decision we are not
19 doing the testing, we are going to continue with the start up
20 and there was no further discussion.

21 As you indicated earlier, it was very similar to
22 your interaction with [REDACTED] it was a final decision
23 and they felt they did not have a say in the matter as it was
24 described to us.

25 A Now I don't know if we are talking about the same

1 valves and I wish I had better memory than I am having at
2 this point but -- and we may be talking two different
3 problems here, that is the reason why I am commenting here.

4 We had problems with SI check valves going to the
5 hot loops that were leaking. They were material condition
6 issues.

7 We also had some surveillance testing about a
8 couple of check valves, I believe that came off of an RHR
9 loop to the bib tank and there was an inlet and outlet of
10 something or some combination of it and we had imposed in
11 some manner, and I think there was even belief there may have
12 been a commitment to the NRC on it, about doing some sort of
13 monthly or quarterly surveillance on these couple of valves
14 and I am going to tell you I don't know exactly what the
15 scope of the testing was but something that says go check
16 these periodically.

17 I do remember that [REDACTED] had questioned that because
18 it required us to inop something in order to do these tests
19 and I don't remember what we inopted, if it was RHR or not
20 and the questions were being asked and I think [REDACTED] was
21 spearheading, what is the basis behind those, where did this
22 commitment come from, is it really a commitment to the NRC or
23 is it a commitment to ourselves, is it a hard commitment,
24 what was it?

25 And I think the conclusion -- and I am saying on

1 the subject that the check valves off the hot roof with these
2 other ones and I do remember that there was some debate over
3 the testing of these and whether that was okay or not okay
4 and that it turned out that there was not a firm commitment
5 to the NRC. It was an internal commitment in that we had the
6 privilege of deciding to do it or not do it and [REDACTED] had
7 decided he didn't think we needed to do that. 7c

8 Q Okay.

9 A That is what I remember from this kind of it may be
10 they are related or maybe they are not.

11 Q So your recollection is that this wasn't, that this
12 particular instance was not an operability issue. It was
13 strictly within setting the terms of doing it?

14 A Yes.

15 Q Okay. All right, thanks. I have another discrete
16 issue I'd like to discuss. This one had to do with a problem
17 that occurred, I believe it was in late 2001. It had to do
18 with the severe degradation of the stationary compressors.

19 A Yes.

20 Q Let me kind of give you, to set the stages, I
21 understood --

22 A It was the summer of 2001?

23 Q It could have been the summer. I wrote late but,
24 you know, it could have been August or it could have been
25 summer.

1 A It was summer.

2 Q Okay, there were two out of three air compressors,
3 stationary compressors arrived initially. This was at Salem.

4 A Yes.

5 Q And then the third one tripped, there was a diesel
6 generator -- not a diesel generator -- diesel backup
7 compressors that were available. They were started and then
8 there was a tarp team that was called out and, again, we will
9 go to the management contact, our understanding was you were
10 the management contact and the tarp leader started his tarp
11 process and there was an intervention, as we understand it,
12 on your part and he was trying to lay out a methodical review
13 of the issue and you made a comment to the effect that why
14 are you doing this? Why don't we get compressors on site and
15 not worry about what we are going to do with the unit? Do
16 you have a recollection of that?

17 A No, I don't, not that but I think what I do
18 remember is we had, uh, the instrument air compressors have
19 some common piping and some common valves that are very, very
20 difficult to ever get at unless you have the whole thing
21 down.

22 And I think we ended up is that we had a couple of
23 compressors that were down as you said and one that was
24 running that seemed to have some reliability and the diesel
25 backups were there and if you have been on Salem, Salem has

1 had diesel backups for quite some time.

2 You know, I know that I have some difference of
3 opinion with how we were approaching the problem solving with
4 what was at hand but I don't remember what, what it is we
5 were talking about. I am drawing a blank as to what the
6 specifics were or were not.

7 I know that, like I said, I was in that meeting and
8 there were a couple of others in it and -- but, like I said,
9 I am drawing a blank as to what was it that we were having
10 the conversation about.

11 Q The way it was characterized to us was we are
12 putting production over safety. You were basically telling
13 the tarp that they were headed down the wrong path. They
14 needed to get some blankety-blank air compressors on site.
15 They needed to get air matter. That you need not worry about
16 moving the plant and that this was witnessed by a number of
17 people and confirmed through further review.

18 A Yeah, I think the issue was is that we had one
19 compressor in service and tripped. We had the diesels
20 working and the instrument air header was stable and the
21 belief he had was, well, let's shut the plant down.

22 I said, well, what is the concern at this point?
23 Well, you know, we are running on the diesels and they break
24 so let's get some additional diesels and let's fix the
25 problem and let's get the equipment back that we want the

1 plant to run on. That should be our focus.

2 As you are aware, the loss of instrument air is a
3 dual unit shutdown. That is a huge transient for the plant.
4 The plant was steady state at this point and it seemed to me
5 that the right thing to do was keep the plant steady state
6 and let's fix the equipment so we don't put ourselves through
7 an induced transient we don't need to do.

8 Q If the process was a thorough and allowed to be
9 bedded properly, could it not have come to that conclusion on
10 its own? Was this early on in the discussion about what to
11 do?

12 Basically the initial, okay, what are our options?
13 This is one options. There are how many others?

14 A Well, I don't know. I suppose that is possible. I
15 don't know. I mean I was called in. They asked for my
16 advice. I gave them my advice, you know, that is what the
17 team asked me. They said, please come in and give us your
18 advice.

19 Q Okay. Anything else you want to add to that?

20 A Huh-uh.

21 Q Okay, we will go on to the next issue. This is
22 roughly a year later, plus or minus, summer of 2002 and you
23 may or may not have any knowledge of this but it had to do
24 with the Salem Meteorological Tower or that tower for the
25 site I should say.

1 A Uh-huh.

2 Q But what the problem was is there was some
3 excavating going on the in the area of the Met Tower.

4 A Uh-huh.

5 Q And a backhoe or something went through a power
6 cable and there was a loss of the met tower?

7 A Yes, uh-huh.

8 Q There was kind of a big push to bring a temporary
9 Roots diesel generator --

10 A Yes, I am familiar with that.

11 Q -- To the location to restore power for the tower?

12 A Yes.

13 Q And our understanding was, and what was the
14 protocol that the main focus we were trying to deal with in
15 a certain time period was to avoid reporting to the NRC the
16 loss of the met tower and that although nothing was done that
17 was overtly unsafe from an industrial safety standpoint, that
18 the temporary modification process was not followed, that
19 under normal circumstances a temp mod, this was in the
20 process of the temporary modification.

21 A Uh-huh.

22 Q With the appropriate safety reviews done ahead of
23 time, prior to the hook up.

24 A Uh-huh.

25 Q And then once that was perfectly acceptable, then

1 the hook up would have been made.

2 A Uh-huh.

3 Q The way it was described to us was that was done
4 after the fact.

5 A It was.

6 Q And there was no acknowledgement or no LER or
7 things of that nature or anything that described the lack of
8 vigor in following the temporary mod process.

9 A I don't know if an LER was needed or not but I mean
10 I would have to read what the tech specs say but I was pretty
11 certain that when it came forward how that was assembled. At
12 least in the meetings I was at, that was not considered an
13 acceptable practice and I thought that there was corrective
14 actions documented to do the review and determine why that
15 was done the way it was and dispositioned within the CAP
16 program. Now that is my recollection of it.

17 MR. BARBER: Okay.

18 BY MR. TEATOR:

19 Q Were you involved in a decision-making process with
20 what was done with that issue that Scott just discussed?

21 A No.

22 BY MR. BARBER:

23 Q Okay, all right, if you didn't have any
24 involvement, we can just move on. So you were aware it
25 happened but you did not play a decision-making role?

1 A No.

2 Q Okay, the next issue, I think you have, probably
3 have at least some awareness of, uh -- that has to do with
4 another issue we are looking into as part of this review.

5 It has to do with a steam leak on the length of the
6 MP-1 pump turbine at Salem, an S-42 valve.

7 A Okay.

8 Q This was a leak that occurred about September 2002
9 time frame.

10 A Somewhere in there, yes.

11 Q And the information we had reported was that the
12 [REDACTED] at the time, [REDACTED], went out and isolated the
13 steam leak. There is some question as to whether or not he
14 had the specific authorization of the shift manager. Are you
15 familiar with that?

16 A I am.

17 Q Were you involved with any of the discussion either
18 before, during or after that and, if so, in what role, from
19 the standpoint of whether you were on site or off site?

20 A It was a Saturday. I was the, once again, the duty
21 guy for the weekend and I was called by [REDACTED] that
22 said we just had a steam leak or something and that, uh, this
23 MS-42 valve and we're going to have to back down the unit to
24 take off the heat pump and depending on the problem, we may
25 have to take the unit off line because it may be un-

1 isulatable.

2 Okay, he says I am going to -- I said okay. [REDACTED]
3 says I am going to go up to the plant and I am going to head
4 up the troops and we will make sure we are doing the right
5 things. Okay. Fine, keep me informed.

6 Several hours later. It wasn't too long and so I
7 am going to say it was probably within a couple of hours, I
8 got a call from [REDACTED] saying we've isolated the issue. We
9 don't have to take the plant off line. We are at about 50 or
10 60 percent power. We are going to bring the feed pump back
11 and we've got the condition arrested.

12 I said, wow, okay. You sounded like it was death
13 before and now all of sudden, you know, it is okay. I have
14 no idea of what we did or how we did it other than this leak
15 was isolated.

16 It wasn't a part of any conversations other than
17 [REDACTED] information to me, and I was at home at the
18 time, telling me the initial situation and then the
19 conclusion of the situation.

20 I did know that in the Monday time frame after the
21 weekend, there was some scuttlebutt about Industrial Safety
22 and one of the Chief Union Stewards had said that the work
23 practice and the implementation by a senior manager, [REDACTED]
24 [REDACTED] was completely inappropriate or something to that
25 effect.

1 [REDACTED] was in charge of [REDACTED] and he
2 headed up a review of that.

3 Concurrent with that, I was the single point for
4 grievances to be reviewed at in step 3 of the process for the
5 site. I received a grievance from the Union through the
6 normal chain that had stated that there was a failure to
7 practice industrial safety and management doing bargaining
8 unit work. I mean in the contract's face, whether it is safe
9 or unsafe is not really in the domain of the Union contract.
10 What is germane to the Union contract is who is supposed to
11 do that work.

12 We have an agreement with the Union that bargaining
13 unit work a management person did that and so my view was
14 that that was inappropriate.

15 That was my end of involvement. Now [REDACTED] end of
16 the involvement was more of the specifics of what actions did
17 [REDACTED] take? What was the communication between the shift.
18 Who knew, who didn't know and all of that kind of stuff.

19 I don't know what the details of the investigation
20 actually turned out to be. I wasn't part of it. I mean so I
21 can only tell you at this point that I know what some of the
22 actions were out of it but what the actual conclusion was, I
23 am not sure.

24 MR. BARBER: Okay. All right. Let's move on to
25 the next -- did you have follow up?

1 BY MS. NEFF:

2 Q Was there more to it? More to the actions out of
3 it that you want to add to?

4 A Well, I know there was a discussion about was there
5 industrial safety practices done correct? That was one theme
6 and it had to do with the use of ladders and fall protection
7 and that kind of stuff and the information that I had heard
8 was that work was done off a ladder without the proper fall
9 correction and there was some shimmying on a pipe to get to
10 this particular valve. Whether that is true or untrue, I
11 don't know. That is just what I've heard and so that was
12 viewed as being setting the wrong example or the wrong
13 standard for industrial safety.

14 The other thing that I had heard was that there was
15 some sort of conflict of such between the [REDACTED] that
16 was on and [REDACTED] and I think it was [REDACTED] that was the
17 [REDACTED] on shift.

18 I don't remember who told me about things but, you
19 know, it doesn't matter. I was aware that this potential
20 existed, that there was this conflict.

21 It just so happened by coincidence Tuesday,
22 Wednesday, Thursday of that week I happened to be in the
23 control room and I talked to [REDACTED] about things in general
24 and I just asked him a casual question, what happened the
25 other day? I mean I heard that, you know, you were all bent

1 out of shape about, you know, this being done and he says,
2 well, who told you that and he goes, we didn't have a
3 problem.

4 We had a problem with the equipment. [REDACTED] said he
5 would go out there and look at it. The Union fellow, the
6 equipment operator was a little, uh, skiddish about how to go
7 about doing this. I guess the two of them exchanged ideas
8 and [REDACTED] said I'll do it and if you are okay with that and he
9 went up and closed the valve or something like that and it
10 seemed initially that things were okay.

11 And my conversation with [REDACTED] seemed similar, that
12 he thought people were blowing things up out of more
13 proportion than actually was true.

14 Now, I wasn't part of the investigation so I can
15 only tell you these are some of the conversations I had with
16 people and what they said.

17 BY MR. TEATOR:

18 Q During that conversation with [REDACTED] did he give
19 you any indication that he did not know that [REDACTED] --
20 is it [REDACTED]?

21 MS. NEFF: It was [REDACTED]

22 MR. TEATOR: Was going to go out and close the
23 valve.

24 THE WITNESS: I don't -- I don't remember. I mean,
25 so I would have to say I don't know. Could you ask it in

1 absolutes, please? Could you repeat the question again?

2 BY MR. TEATOR:

3 Q Yes, during that conversation you had with [REDACTED]
4 [REDACTED] you asked him how is things going?

5 A Yes.

6 Q Or what happened? During that conversation did he
7 give you any indication that that night when this event is
8 going on that he did not know that [REDACTED] was going to
9 close that valve?

10 A I don't think he knew and so I'd answer your
11 question by saying [REDACTED] knew that the operator and [REDACTED] were
12 out there. I don't know if [REDACTED] knew specifically who closed
13 the valve.

14 Q Did he give you any indication that he did not know
15 that the valve was going to be closed by someone?

16 A Oh, I didn't hear that. In other words, I thought
17 that in some manner [REDACTED] had dispatched people to go look at
18 this and to assess the situation and [REDACTED] and this
19 operator ended up doing it.

20 Q Right, looking and assessing are different than
21 closing it.

22 A I see. I can't answer, I don't know. I don't know
23 if assessing means take the action or if assessing was report
24 back and then I will order you to take the action. I don't
25 know. I don't know.

1 MR. TEATOR: Okay.

2 MR. BARBER: Do you have anymore on that?

3 MS. NEFF: No.

4 BY MR. BARBER:

5 Q Okay, another issue. This is, and you may or may
6 not have any knowledge of this but again, I will just give
7 you a little background and then ask you some questions about
8 it.

9 This happened to be that it is a Hope Creek issue.
10 It is a, uh, it was a loss of cross load indication, which
11 is, it is a computer program that was used to verify certain
12 parameters that are needed after the unit was power operated
13 and my understanding is, the previous hundred percent ratio
14 on power is 3293 megawatts thermal and the new hundred
15 percent power after tower operating I think was 3339
16 megawatts thermal. That is roughly --

17 A That is correct.

18 Q Roughly 40 to 50 megawatts --

19 A Thermal.

20 Q -- Thermal.

21 A Right.

22 Q Forty to 50 megawatts more and our understanding
23 was the plant power was being solely increased between 3293
24 and 3339. There was a loss of cross load indication, and
25 some problems with the computer.

1 The reactor operator had made a recommendation
2 because of the nature of the problem, that there were some
3 changes taking place with Z-9 and he felt that it was
4 conservative to lower power back below the 3293 threshold
5 which would be over a hundred percent power threshold and
6 which the existing computer program could buy or could verify
7 and when we are talking maybe a one to two percent power
8 increase at the most had discussed it with his peers, other
9 reactor operators and himself, they concluded that that was
10 appropriate and before they could inform the supervisor that
11 that was their intention and wanted to get his buy in and
12 were proceeding to do that and then somewhere in the midst of
13 the evolution or prior to it actually starting, the shift
14 manager came back and said, told them to stop.

15 And there was a lengthy discussion about the need,
16 why they felt they needed to take this conservative action
17 and was it really needed? Couldn't they stay where they
18 were? Couldn't they use APR admin indication or other
19 indications to verify that in fact they weren't exceeding 100
20 percent power?

21 A Uh-huh.

22 Q And this was viewed as an example of a potentially
23 nonconservative decision. It was viewed as a potential
24 production over safety issue and I just want to know did you
25 have any discussions or involvement, any awareness of this --

1 zero?

2 MS. NEFF: You are indicating a zero.

3 THE WITNESS: Thank you, I know nothing about this
4 specific set of information.

5 MR. BARBER: Okay. All right, we didn't have a
6 really good time frame on that and so, uh --

7 MS. NEFF: That was spring 2002, if I remember
8 correctly.

9 MR. BARBER: 2002?

10 MS. NEFF: Spring 2002.

11 THE WITNESS: I mean I knew we were doing upgrades
12 in the spring of 2002. I do recall some, you know, trouble
13 with the cross flow but I don't know anything that you are
14 describing here.

15 MR. BARBER: Okay, all right, I won't -- I actually
16 had a fairly long description of turbine bypass load but I
17 think you have covered that in enough detail.

18 THE WITNESS: I hope so.

19 MR. BARBER: So we will skip over that.

20 THE WITNESS: Could we, please?

21 BY MR. BARBER:

22 Q And if you ever happen to hear about the activity
23 of management of that?

24 A Which one is that?

25 Q The one on Sunday.

1 A Oh, okay, that was closure on that weekend.

2 Q Yeah, the normal power. Now, do you want to add
3 anything on that? We didn't really spend a lot of time
4 talking about that. Most of the discussion we were all
5 trying to determine the bypass valve.

6 I mean our understanding was, is that you did not
7 become aware of this until I think Wednesday. Actually, I
8 think [REDACTED] became aware of it during the discussion
9 in sort and then you were informed then and you went through
10 it and you started telling us who is talking and called a
11 bunch of people on Thursday how that --

12 A Yes.

13 Q -- Tuesday folks had at INPO --

14 A Somehow when I got a notification I read on Tuesday
15 it was mid day Tuesday. [REDACTED] was in sort and we connected and
16 we said did you know this, did you know that and I'm going
17 what happened here and that prompted this get the troops
18 moving here, this could be not a good scene.

19 Q Did you ever have any discussions with any of your
20 reports on this issue as to why you didn't know about it
21 sooner?

22 A Yes.

23 Q What were you told on that?

24 A And [REDACTED] was the one I had specific
25 conversation of because I did learn he was aware of it on

1 Monday morning. I don't think he was aware of it Sunday or
2 Monday morning, say, midnight to 6:00 a.m. that something of
3 that magnitude had occurred.

4 He did know when [REDACTED] was going off shift,
5 he debriefed [REDACTED] and said I don't think things went as well
6 as they should have here and, uh, however, [REDACTED] was focused
7 with the plant where it was and dealing with some of the
8 things they were talking about Monday morning and so he was
9 focused on that and told [REDACTED] to go home and to come back
10 Tuesday and we would work on it.

11 And I think [REDACTED] told me after all of this
12 investigation stuff, he said that that was inappropriate on
13 his part, that he had the responsibility as [REDACTED] of
14 being aware of something like that, to notify the chain of
15 command and he recognized that was a deficiency.

16 Also recognized that because it was reactivity that
17 management was unable to take action for several days in
18 order to get to the full genesis of what had occurred and I
19 think [REDACTED] said, you know, I'd be surprised if he would say it
20 any differently. I said that was an error on my part.

21 Q It has been reported to us that he was distracted
22 because of the lengthy discussion on Monday morning revolving
23 around the turbine bypass valve and what to do with that and
24 how it worked with the plant and how to leave the plant.

25 A Because I can say I had direct eyeball to eyeball

1 with ~~that~~ that is not true.

2 Q Okay. Do you have any follow ups on that?

3 No? Okay. The last issue I'd like to mention was
4 the Hope Creek emergency de-stair and inner core leak. This
5 was a circumstance where there was a small drip from an inner
6 core piping, either the pump or piping and it got worse, it
7 started, the magnitude had increased over a weekend. The
8 pump was declared inoperable.

9 A Is that the one we had under discussion back in
10 October, you and I?

11 Q Yes.

12 A That is what I remember.

13 Q That was part of it and your repair attempts had
14 failed.

15 A Yes.

16 Q You had to shut down. The unit came from full
17 power and had about 40 percent.

18 A Yes.

19 Q Engineering had turned things around by that time
20 and I think your characterization of that was, is that you
21 were disappointed with engineering because they didn't
22 understand the design basics of the system.

23 A That's right.

24 Q Then one thing that we didn't really discuss at the
25 time was -- I mean you made an assertion that that was your

1 take, or your take away from that. At least that is what I
2 remember from looking at the --

3 A That was based on the involvement, knowledge I had
4 with the people that were wrestling with the issue and how we
5 captured the lessons learned from that three or four days of
6 effort, and I believe that is what we documented to the NRC
7 as well is that there was design basis information
8 particularly around the thrust that you can go either side
9 and requirements that you need on the pumps if you are going
10 this way or that way and some tools or something to that
11 effect that you need to have and we didn't have it captured
12 into the vendor manual. We didn't have it captured some
13 other places. We didn't even know that.

14 We had past occurrences that the shim stuff had
15 been changed and we didn't understand why we had the shim
16 change and so I mean, you are right, I said is that we didn't
17 understand the design basis behind those components.

18 MR. BARBER: Okay. I guess that's it. I don't
19 have anymore unless, did you have any follow up questions on
20 any of these?

21 MR. TEATOR: No, I don't.

22 MR. BARBER: Did you have anything else you wanted
23 to add on any of the things we have just discussed?

24 THE WITNESS: No.

25 MR. BARBER: Okay. Thank you.

1 MS. NEFF: Anything further at all on any other
2 event? If not, on anything that we have just discussed, do
3 you have anything you would like to add at this time to
4 anything we have covered in these two days?

5 Anything you would like to add to the record at
6 this point?

7 THE WITNESS: I don't think so.

8 MR. KEENAN: Maybe we could take a quick break?

9 THE WITNESS: All right, and maybe --

10 MS. NEFF: Take a break, think about it and we will
11 regroup and then we will probably wrap it up at that point.

12 THE WITNESS: Yep, okay.

13 MS. NEFF: All right, it is now approximately 4:46.
14 We will go off the record.

15 [Whereupon, a short recess was taken.]

16 MS. NEFF: Okay, we are back on the record. It is
17 approximately 5:03 p.m.

18 We had essentially concluded and we have nothing
19 further to add to the record at this time, is that right,
20 Tim?

21 THE WITNESS: Yes, I don't have anything further to
22 add from what we have previously discussed. All I would say
23 is I appreciate your patience with me and giving me the
24 opportunity to try to explain things and the patience to
25 allow that to occur and so I thank you for that.

1 MS. NEFF: And, likewise, we are very appreciative
2 of all the time it took for you to pass through these issues
3 with us in these two days, you and Jeff both, we appreciate
4 the time you took away from what you're normally assigned to
5 and it was great deal of your time and we recognize that and
6 we thank for that.

7 A couple of closing questions. Have I or any other
8 NRC representative, Scott Barber, Jeff Teator offered you any
9 promises or rewards or threatened you in any manner in
10 exchange for your information today?

11 THE WITNESS: No.

12 MS. NEFF: And have you appeared here freely and
13 voluntarily?

14 THE WITNESS: I have.

15 MS. NEFF: Okay, at this point, we will conclude
16 the interview. It is 5:04 p.m.

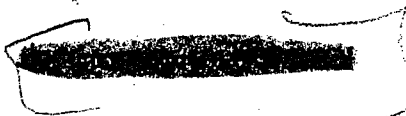
17 [Whereupon, at 5:04 p.m., the interview was
18 concluded.]

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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: Interview of



Docket Number: 1-2003-051 and 1-2003-045

Location: Atlanta, GA

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,
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A handwritten signature in cursive script that reads "Peggy Warren".

Peggy Warren
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