

Official Transcript of Proceedings

NUCLEAR REGULATORY COMMISSION

Title:

Interview of [REDACTED] TC

Docket Number:

(not provided)

Location:

Exton, Pennsylvania TC

Date:

Thursday, October 9, 2003

Work Order No.: NRC-1193

Pages 1-121

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N-16

P-R-O-C-E-E-D-I-N-G-S

(9:05 a.m.)

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2
3 SPECIAL AGENT NEFF: Today's date is
4 October 9, 2003. The time is approximately 9:05 a.m.
5 Speaking is Special Agent Eileen Neff, U.S. NRC Region
6 One Office of Investigations. What follows will be an
7 interview involving [REDACTED]

8 [REDACTED]

9 Also present at this interview is Scott
10 Barber from the Division of Reactor Projects, also at
11 Region One.

12 ~~The concerns being discussed today have~~
13 been explained to [REDACTED] in that we're
14 gathering information regarding the safety conscious
15 work environment, in terms of concerns that have been
16 raised to the Region and that we're looking for his
17 assessment regarding those issues.

18 [REDACTED] can you please raise your
19 right hand? Do you swear that the testimony you are
20 about to provide is the truth, the whole truth, and
21 nothing but the truth, so help you God?

22 [REDACTED] I do.

23 SPECIAL AGENT NEFF: Thank you. This
24 interview is taking place at [REDACTED] Bob Evans Restaurant in
25 Exton, Pennsylvania on Route 100. I will go off the

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1 record if need be if we're interrupted, and I'll
2 explain it. So, we may not have to keep this running
3 the whole time when we may not be able to.

4 Could you please spell your name, please,
5 and provide some identifying information, date of
6 birth and Social Security number?

7 You know what else I will explain is you
8 indicated to us that you have a slight disability
9 hearing today?

10 [REDACTED] That's correct. I've got
11 some, I don't know, some bug or what have you, and my
12 ears are plugged up a little bit right now.

13 SPECIAL AGENT NEFF: Okay, so it may be
14 that I'll have to repeat a question for you and I'm
15 trying not to shout out because we're in a public
16 location, but at the same time, I'm just trying to set
17 for the record the circumstances that we're meeting
18 under.

19 If you could state your name, spell your
20 last name, please, and provide your date of birth and
21 Social Security number.

22 [REDACTED]: My name is [REDACTED]
23 First name is [REDACTED] Last name is [REDACTED]
24 [REDACTED] Date of birth is [REDACTED] Social
25 Security number is [REDACTED]

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SPECIAL AGENT NEFF: Could you give us a brief summary of your work experience, please?

I spent around [REDACTED] in various capacities, the last being the [REDACTED] I was the [REDACTED]

g...
P...

I did some [REDACTED] and recently the [REDACTED] [REDACTED]

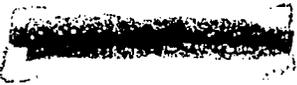
SPECIAL AGENT NEFF: And how long have you been there?

[REDACTED]: It will be [REDACTED] [REDACTED]

SPECIAL AGENT NEFF: Okay. The concerns that we wanted to talk to you about regarding the work environment at Salem and Hope Creek, I'd like to ask overall, what was your assessment of the safety culture at Salem and Hope Creek, and I guess you could

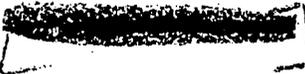
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1 consider did it have particular strengths? Did it
2 have any particular weaknesses?

3  My assessment was that the
4 organization wasn't real proactive for what I would
5 say in bringing issues forward, either minor issues or
6 major issues. I tried to assess the basis for that,
7 if there was a trust issue with the management or what
8 have you.

9 What I found was after a period of time,
10 the organization individuals, whether it be employees,
11 workers, supervisors, were more amenable to bringing
12 issues to the table to the forefront, and that's the
13 environment that I like to work under and encourage.
14 My view was that the management style, I don't know
15 exactly what it was prior to my arrival, but that it
16 was fairly top down, autocratic, and directive.

17 SPECIAL AGENT NEFF: Are you talking about
18 at the point in time that you arrived there?

19  Correct.

20 SPECIAL AGENT NEFF: So this is around
21 December of 2000?

22  Yes, and I would say at
23 the point in time of December of 2000, it was very
24 disorganized, and you know, disorganization,
25 dysfunctional. The site, a lot of things were very

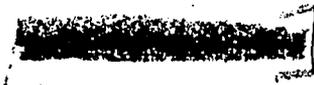
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1 short term, very reactionary, and that's the category
2 that I would place things, at least initially when I
3 arrived.

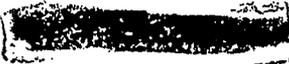
4 There wasn't what I would call any long
5 term timing and thinking. For an example, I came in
6 December, and the budget was released for the spring
7 outage in January. You know, there is just no way
8 that you're going to do adequate and/or appropriate
9 design change packages, there's procedures to be able
10 to effectively execute an outage in that kind of time
11 frame without the up front planning and preparation.

12 So, there was a lot of discussion about
13 the short term reactionary mode that the organization
14 was in.

15 SPECIAL AGENT NEFF: What do you attribute
16 that to, this top down autocratic? I mean, was there
17 a particular position? Was there something more to
18 it? Where do you attribute what you were seeing?

19  You mean to the management
20 style?

21 SPECIAL AGENT NEFF: Is it any one
22 individual, or is there more than one?

23  I'd say, let's see. It's
24 the existing current senior leadership, predominantly
25 the  and the  at that

1 point in time.

2 SPECIAL AGENT NEFF: Could you put a name
3 with those positions, please?

4 [REDACTED] I'd say it was [REDACTED]
5 [REDACTED] Their style was pretty
6 much directive, top down, task oriented versus looking
7 at the infrastructure programs, the processes, what's
8 working, what's not working and why isn't it working,
9 trying to gain understanding of the organization. X If
10 you looked at the organization, there was a lot of
11 what I would call key players from other utilities
12 that came to Salem and Hope Creek, and for whatever
13 reason, weren't successful. Yet then they would leave
14 the island and would be key managers at other
15 facilities. X

16 SPECIAL AGENT NEFF: Who were these
17 people?

18 [REDACTED] Some were individuals in
19 operations. [REDACTED] was one. [REDACTED] was
20 another one. [REDACTED] he came from another
21 organization and was I believe was successful there.
22 Their senior reactor operators, I can't remember their
23 names at Salem. There was kind of a mass exodus what
24 I would call of seven SRO's about that point in time
25 as well.

1 SPECIAL AGENT NEFF: Are we talking about
2 the late 2002, early 2001?

3 [REDACTED] Early 2001.

4 SPECIAL AGENT NEFF: Okay.

5 [REDACTED] Spring time frame. There
6 was a -- I'd have to look at the numbers, but there
7 was probably five or six, or maybe even more key
8 senior reactor operators that left Salem, to the point
9 where --

10 MR. BARBER: Were these people on shift or
11 were they in staff positions?

12 [REDACTED]: There were on shift. A
13 number of those folks were on shift to the point where
14 it was even difficult looking at covered vacations
15 during the summer of 2001. So, that raised questions,
16 you know, why would individuals of that caliber and,
17 you know, it takes at least two or three years to get
18 somebody into that kind of a position. It's not
19 something they can go out and trade what I would call
20 a senior reactor operator to run the facility in a
21 short time frame. It was predominantly at the Salem
22 operations.

23 SPECIAL AGENT NEFF: Did you ask them?
24 Did you have conversations with these key individuals
25 and the SRO's who left? Did you get their input as to

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1 why they weren't happy there?

2 [REDACTED] I did not [X] with the
3 individuals that left. They left before [REDACTED]
4 [REDACTED] That position
5 previously didn't exist in the organization. [X]

6 SPECIAL AGENT NEFF: Okay.

7 [REDACTED] [X] They had left the company
8 before I had assumed the position of [REDACTED]
9 [REDACTED]

10 SPECIAL AGENT NEFF: Okay.

11 [REDACTED] I did talk to each and
12 every other one of the Salem senior reactor operators
13 that were on shift and so forth. Something was, if
14 you had come into operations at Salem/Hope Creek, you
15 had no career opportunities because you weren't going
16 to get out of operations. You know, my assessment,
17 what I learned from that is that, you know, I needed
18 to go ahead and not only retain the individuals that
19 we currently had at least in the Salem [operation
20 because that's where I was short of staff, but take a
21 look at maybe getting the pipeline started because it
22 was impacting morale. [X]

23 It impacted the behavior of some of the
24 operations staff whereby they couldn't take vacations.
25 They had planned on going to the shore and spending

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1 the week with their family. They were unable to get
2 away, so there was a lot of personnel issues that
3 preoccupied my time trying to understand how we got in
4 that position under a situation when you're short of
5 staff doesn't work.

6 SPECIAL AGENT NEFF: Did you see the
7 situation in this exodus of these individuals, did
8 that have an impact on the safe operations of the
9 plant? Did you have concerns along those lines?

10 [REDACTED]: I don't believe it had
11 what I would call immediate impact on the safe
12 operations of the plant, but it certainly necessitated
13 some prompt action by management in alleviating the
14 problem and understanding the issues were in the
15 operations staff and retaining the current employees
16 that we had.

17 You know, there were some pay policies
18 that helped because of all of the overtime that the
19 individuals working were compensated for, you know,
20 with the increased bonus program. Then we weighed out
21 the staff and communicated that with the employees on
22 what we intended to do as far as filling up the
23 pipeline so that in fact they could see that there was
24 light at the end of the tunnel, that management was
25 taking some prompt action.

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1 SPECIAL AGENT NEFF: Did that help with
2 the morale issues?

3 [REDACTED] It did. You know, there
4 were still what I would call naysayers and some
5 individuals who assumed, they said well, we've seen it
6 before, we've heard it before, but it's never come to
7 fruition and we never had the staffing that we needed
8 to be able to appropriate staff the facility without
9 an inordinate amount of overtime.

10 MR. BARBER: When you were in the position
11 of [REDACTED] was there any residual
12 departures? I mean, it sounds like there was some
13 sort of environment there or some reason why these
14 five or six SRO's left in the spring of 2001, and the
15 way you describe it is you were coming into the
16 [REDACTED] so you did
17 not have an exit interview with these folks. Were
18 there other people that may have left sometime after
19 that that were in some way affected by whatever the
20 earlier environment was that you did in fact talk to,
21 and what kind of feedback did you get from them, if
22 you did?

23 [REDACTED] There were two individuals
24 that come to mind that left after. One was -- his
25 first name was [REDACTED]. I could find out.

1 MR. BARBER: Okay.

2 [REDACTED] That individual left the
3 company and went into the training operation. I did
4 talk to him and asked him about leaving and he said
5 well, he was going to get out of operations and go
6 into -- that's when we were trying to get the
7 management process up and running. I think he went to
8 work for Connecticut, and they said well, you know,
9 why don't we just save the PSET. They knew there was
10 a training operation up in Newark.

11 He made some phone calls and talked to
12 some folks and you know, if it's possible to get a
13 transfer up there. You know, you're a good employee.
14 You've got a lot of background knowledge. You know,
15 you've got an SRO at Salem. You know, I would think
16 the company would want to retain an employee like
17 that.

18 It was commented back to me was that in
19 the past, it's always, when you've indicated to
20 anybody that you're leaving, it's don't let the door
21 hit you on the back side on the way out. So, it has
22 never been kind of hey, wait a minute. You know, the
23 open dialogue and discussion. If you want to change
24 and do something different with the company, change
25 careers or what have you. I sense the support has not

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1 been there to help those individuals move into other
2 positions in the corporation.

3 SPECIAL AGENT NEFF: Did he tell you that
4 was why he was leaving? Did you have any discussion
5 about that.

6 [REDACTED] There was obviously some
7 dissatisfaction with his involvement with the
8 management process in trying to get that to work. A
9 lot of frustration trying to get that work management
10 processing working.

11 SPECIAL AGENT NEFF: Could you be more
12 specific? What process wasn't working for him?

13 [REDACTED] He was one of the Salem
14 senior reactor operator liaisons to operations and the
15 work management process, and my sense is that there
16 was a level of dissatisfaction and frustration that he
17 had encountered trying to get that process really to
18 work the way it should. My assessment is that I'm not
19 sure we're beyond a two-week process yet. It's
20 supposed to be a 12-week process. At that point in
21 time, there's a lot of consternation between major
22 organization and operations and how that all should be
23 integrated to work together to have an effective run.

24 MR. BARBER: So what you're really talking
25 about is that the 12-week online maintenance program

1 where you have discreet activities that take place so
2 each week, they all relate to preparation and making
3 sure that when you do your maintenance during the
4 week, that it's done effectively, efficiently, safely?

5 [REDACTED] Correct.

6 MR. BARBER: All the risks have been
7 assessed. There's been walkdowns, preparation work
8 packages, et cetera?

9 [REDACTED] Yes.

10 MR. BARBER: And that's what you're
11 referring to?

12 [REDACTED] Correct.

13 SPECIAL AGENT NEFF: Can we just take a
14 moment?

15 (Whereupon, the foregoing
16 matter went off the record
17 briefly and went back on the
18 record at 9:27 a.m.)

19 SPECIAL AGENT NEFF: Okay, we're back on
20 the record. It's approximately 9:27 a.m.

21 You were talking about some of the
22 individuals who left the site due to their concerns on
23 I get the sense overall with the way things are
24 managed, the opportunities there. In terms of the
25 safety culture, do you relate any of the

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1 dissatisfaction to the safety culture at the site at
2 this time, and I think you're still talking about,
3 when we went off the record there with this particular
4 SRO, the 2001 time frame?

5 [REDACTED] Correct.

6 SPECIAL AGENT NEFF: Okay.

7 [REDACTED]: Well, there's the safety
8 aspect of not being able to adequately and/or
9 appropriately do the risk assessment for the effect of
10 work weeks, that you're going to be executing those
11 work weeks. I think that was also a level of

12 frustration that [REDACTED] had experienced in not being
13 able to do the job that he wanted to do. So, that was
14 one.

15 [REDACTED] left in the spring of 2002.
16 In fact, during the Salem outage. The exit that I had
17 with him was that he had indicated to me that he
18 wasn't going to work for [REDACTED] anymore, [REDACTED].
19 He was going to get his life back, and he was just not
20 going to live under that kind of an environment.

21 SPECIAL AGENT NEFF: What kind of an
22 environment?

23 [REDACTED] Well, there was a lot of
24 meticulous task orientation and exportation that the
25 plant facility, you know, this is some speculation on

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1 my part because he and [REDACTED] interacted directly on a
2 lot of occasions around the -- which I told [REDACTED] that
3 I didn't appreciate the need to go through these. I
4 knew what he had, you know, asked [REDACTED] to do or not
5 do, and in fact, so I could act as not a buffer so to
6 speak but at least be aligned with the work activities
7 that would be requested.

8 MR. BARBER: What was [REDACTED]
9 position at the time?

10 [REDACTED] He was [REDACTED]
11 [REDACTED]

12 MR. BARBER: Okay, so he was in the
13 management chain, but he was in effect bypassing you
14 with these communications and these interactions?

15 [REDACTED] Correct.

16 MR. BARBER: Okay.

17 [REDACTED] Correct.

18 MR. BARBER: Okay.

19 [REDACTED] And then [REDACTED]

20 who was the [REDACTED], he went to
21 [REDACTED] you know right around the same time frame. So
22 basically we lost the senior management at Salem all
23 at once. [REDACTED] left in the outage. I stepped over
24 and functioned as the [REDACTED] so [REDACTED] and
25 I, and we had to complete the outage. That was in

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1 2002, plus take a look at the INPO was coming in. The
2 evaluation was going to be happening in August.

3 Then [REDACTED] left, who was the
4 [REDACTED] left a month or two
5 after that.

6 SPECIAL AGENT NEFF: Did you have the
7 opportunity to exit interview with him, with [REDACTED]

8 [REDACTED]
9 [REDACTED]: I did talk to [REDACTED] You
10 know, he wanted to be the operations manager, and
11 because that opportunity wasn't provided to him, he
12 decided in order to move on with his career, I think

13 he believed he had to leave the company. ~~I~~ reassured
14 him that that wasn't the case. ~~I~~ I had worked with him.
15 You know, part of it was he was not ~~degreed~~ and they
16 were looking for a ~~degreed~~ individual to fill the
17 operations manager position.

18 We got to the outage and got to be ~~I~~
19 worked with him ~~and~~ and that he ought to go acquire his
20 ~~degree~~. He was kind of set on it. I think he at that
21 point in time, he had been here for a period of time
22 before I ever got here, and I think he had just had
23 some frustration with the operation.

24 SPECIAL AGENT NEFF: Did either of these
25 two gentleman, [REDACTED] or [REDACTED], express to

1 you any concerns that they might have had regarding
2 safe operations at the plant? Was that any part of
3 their considerations?

4 [REDACTED] No, no, they didn't
5 express any issues or concerns, as I recollect,
6 directly with the safe operation of the facility.

7 SPECIAL AGENT NEFF: It seems they're
8 expressing issues to you regarding the management
9 style of [REDACTED] and the positions and
10 availability of those positions to them. In [REDACTED]
11 [REDACTED] case, that was more the reasons for their
12 wanting to move on.

13 [REDACTED] My sense is that there is
14 an organization element there. You know, if you look,
15 the management, looking at very short term, myopic,
16 looking at the broader, you know, organizationally,
17 what you call successor plan, whatever, I'm going to
18 grow the organization to provide opportunities for
19 folks who aren't reaching their talents, their
20 knowledge or experience, and provide them an
21 opportunity to bring that to the table and help the
22 organization grow because if you talk to a lot of the
23 individuals, I've always asserted that you don't have
24 any better people than you've got over at Salem and
25 Hope Creek. There's something holding that

1 organization back and keeping the potential that it's
2 clearly capable of. My sense is that it's the
3 management, the management style.

4 SPECIAL AGENT NEFF: In your experience
5 there, in terms of assessing the safety culture, has
6 it been your experience that people are willing to
7 raise concerns of a nuclear safety nature? Are they
8 willing to? Do they do that?

9 [REDACTED] I believe they will. I
10 don't appoint the need to take it. You can flush
11 them, but I believe that they will bring the nuclear
12 safety issue to the table. I don't know what

13 threshold that they would -- there's a lot of lower
14 level threshold issues that, say that the stars all
15 line up and set you up to that fall.

16 There's one that's I'd say somewhat
17 bothersome, and that was the ~~on-plant reactivity event~~
18 that we had at Hope Creek.

19 SPECIAL AGENT NEFF: What's the time frame
20 for that?

21 [REDACTED] That was spring of 2003.
22 That event had taken place on early Monday morning.
23 I forget the exact date, and it either went
24 unrecognized, which is the way it was, as I say,
25 proposed to myself, or individuals were reluctant to

1 acknowledge it for what it was. It wasn't until we
2 were sitting in SORC, the Safety Operations Review
3 Committee, which I chair, and we were doing the post-
4 trip report, that it became evident to me that looking
5 at the graphs and in the discussion, that I had had an
6 on-plant reactivity event, which no one in senior
7 management was knowledgeable about or cognizant of
8 previously.

9 MR. BARBER: When was SORC relative to
10 when this event occurred?

11 [REDACTED] It was like Wednesday.

12 MR. BARBER: Okay. So, you're talking
13 about at least two days after?

14 [REDACTED] Yes, yes, at least two
15 days, and it -- well, I'll be honest with you. I was
16 the one that said you know; that we had an on-plant
17 reactivity event, you know, and basically recessed the
18 Safety Operations Review Committee and sat down with
19 [REDACTED] who was [REDACTED] you know, what was going
20 on here.

21 SPECIAL AGENT NEFF: Is this [REDACTED]

22 [REDACTED] [REDACTED], who was the
23 [REDACTED]. He had been off site during that
24 shutdown, but was cognizant of it, but I'm not sure
25 that -- I don't know if it was a lack of recognition

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1 of what had transpired or an unwillingness to
2 acknowledge because of the repercussions.

3 SPECIAL AGENT NEFF: On whose part would
4 that be? Where would you have expected it to be
5 recognized and raised, if there was unwillingness
6 there?

7 [REDACTED] It should have been
8 recognized and raised with the shift manager, or there
9 was an IPTE and frequently performed test and
10 evolution. He had a test manager. He had a couple of
11 senior reactor operators that were --

12 SPECIAL AGENT NEFF: Can you put names
13 with those positions, please?

14 [REDACTED] was the [REDACTED]
15 [REDACTED] I can't remember his name right now. I can
16 see him, though. There was a test manager associated
17 with it who was also senior reactor operator.

18 There was an investigation, and we got all
19 the issues out on the table, but I would say that one
20 raises some questions on why that wasn't acknowledged
21 or recognized. I can remember back when [REDACTED]
22 back in the early 90's I believe it was, put a letter
23 out about all the on-plant reactivity events that had
24 taken place in the industry, and it was a significant
25 issue. I mean, there was just no ifs, ands, or buts

1 about it.

2 I acknowledged and seen what had
3 transpired. It was a serious event that we had -- it
4 didn't result in anything serious happening, but it
5 was a significant, serious event. It's and SER with
6 INPO right now.

7 MR. BARBER: What was your assessment of
8 [REDACTED] knowledge of the issue and [REDACTED]
9 [REDACTED] knowledge of the issue and their discussions
10 with you? I mean, was this -- we need to try and
11 understand who knew what and, you know, the way you
12 describe is it occurred. You became aware of it on

13 Wednesday. What I'm trying to understand is what did
14 they know? Did [REDACTED] have full knowledge in
15 the event? Did [REDACTED] have full knowledge of
16 the event? Were they given partial information? What
17 was their knowledge level?

18 [REDACTED]: To my knowledge, [REDACTED]
19 [REDACTED] was involved with it, so he had full knowledge
20 of the event. He had the [REDACTED]
21 manned. I'm not sure who was all in there, but they
22 certainly were cognizant of it.

23 You had the second [REDACTED] who was the test
24 manager, who was cognizant of it. [REDACTED] was the
25 [REDACTED] who was probably

1 cognizant of it, and he had had conversations with
2 ~~XXXXXX~~ so ~~XXXXXX~~ was cognizant and had knowledge of it.

3 So you know, the question you have is did
4 they really recognize it for what it was, or is there
5 some inhibition to go ahead and bring it to the
6 forefront or the table. I don't know.

7 If you step back in time a little bit,
8 there were some other issues that I would say that we
9 did encounter. Some of it, my sense is it's a
10 knowledge issue with the operations department, the
11 ASB Code week issues sometimes that we had
12 encountered. A case in point is they were taking the

13 ~~[~~ safety system ~~]~~ out on a platform and cooling it,
14 because of rainwater. ~~X~~ We had a leak, and it was ~~A~~
15 classified as ASB Code class leak. ~~X~~

16 If you look at, you know, it's already
17 performed its intended function, but the operations
18 department ended up calling the equipment inoperable,
19 and they had some additional dialogue and discussion.
20 You know, I think we've brought their knowledge up on
21 what the real intent of that is, but there are a
22 number of occasions there that I believe there were
23 knowledge shortfalls with the operations department.

24 So, I'm not convinced that that isn't part
25 of what I was experiencing over at Hope Creek as well.

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1 If you remember, I don't know if you were involved
2 with the [SG 12 and 13 issues] with [the leak] We were
3 going to go and get NOED, who actually ended up taking
4 a look at it. Engineering was reluctant [inaudible]
5 was tested and further every month half power, which
6 is really not a good place to be. Those [check valves]
7 were never intended.

8 It had to do with the fit tanks. They
9 didn't have [relief valves] on them, and they had the
10 potential for [throwing the binding]

11 MR. BARBER: Okay.

12 [REDACTED] It was part of your
13 [injection path.] It was somewhat incomprehensible to
14 me that we were doing that [leak test half power]. They
15 probably had done it for an extended period of time,
16 and they got a sense of start-up. It's like nobody
17 was challenging and questioning, you know, does this
18 really makes sense, and why are we doing this.
19 Subsequently, we're not anymore. We ended up putting
20 the [reading valves] in, and we don't do those [check
21 valve leaks] at power. To me, that had some safety
22 significance.

23 In fact, at one point in time, we had the
24 [leak valves] checked out. So, you actually had
25 yourself potentially for a small loca for an accident,

1 with the situation that you're putting the facility
2 in.

3 SPECIAL AGENT NEFF: When did that stop
4 the testing?

5 [REDACTED] That was in 2002 that that
6 testing was taken place.

7 (Whereupon, the foregoing
8 matter went off the record
9 briefly and went back on the
10 record.)

11 SPECIAL AGENT NEFF: Okay, we're back on.

12 You talked before about the reactivity management
13 event, and that there may have been unwillingness to
14 recognize what had occurred there on the part of shift
15 managers and test managers. The investigation, you
16 said there was an investigation into the event.

17 [REDACTED]: Correct.

18 SPECIAL AGENT NEFF: What was the result
19 of that?

20 [REDACTED]: That it was a significant
21 event. There were a number of fig matrix done so you
22 think you had your process. There was one that wasn't
23 followed, engineering wasn't involved to the extent
24 that they should have been involved. There were some
25 program issues associated with the extent there are a

1 number of checks and balances that should have
 2 precluded it from happening. My concern was that, you
 3 know, once it happened, you know, there wasn't any
 4 issue from it happening. It went down either
 5 unacknowledged or it wasn't seen as a significant
 6 issue.

7 Additionally, during that event, we were
 8 ~~shutting the unit down.~~ Remember we were ~~shutting it~~
 9 ~~down~~ because to bypass us, not close, and that's why -

10 -
 11 MR. BARBER: Wasn't there actually a
 12 planned aspect to the outage? Didn't you have other -

13 - wasn't there certain things that you were repairing
 14 and that this was actually something that happened
 15 coming out of that?

16 ~~_____~~ That went into the
 17 [inaudible.]

18 MR. BARBER: Okay.

19 ~~_____~~ And I'm trying to
 20 remember, wasn't there also a ~~relief~~-- I think there
 21 was a ~~relief valve~~.

22 MR. BARBER: And maybe a ~~diesel~~ generator
 23 exhaust leak? Is that part of this same outage?

24 ~~_____~~ Yes.

25 MR. BARBER: There was a repair to that?

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1 needs to get a hold of me because my sense was there
 2 was a real push to be able to go ahead and do that
 3 with ~~critical heat.~~

4 I remember specifically having a one on
 5 one conversation with ~~Bill Beech~~ in ~~Region Three~~ where
 6 ~~Quad Cities~~ had in fact done the same thing. It was
 7 with the, you know, after a refueling outage they went
 8 ahead and had done a ~~hydro~~ with critical heat ~~which~~
 9 I think the Code allows you to do, but I don't think
 10 anybody ever fathomed that any utility would go ahead
 11 and actually do a ~~reactor hydro~~ with critical heat ~~.~~

12 SPECIAL AGENT NEFF: Where was the push

13 coming from?

14 ~~_____~~ There was a lot of
 15 challenging and questioning I would say from senior
 16 management of why we couldn't do it with ~~critical~~
 17 ~~heat.~~

18 SPECIAL AGENT NEFF: Senior management
 19 being who? Is this one individual or more than one
 20 individual?

21 ~~_____~~ I know ~~_____~~ i know
 22 mentioned it, and I think ~~_____~~ did as well.

23 ~~I told _____~~ he couldn't do it, and I wouldn't
 24 do it, ~~.~~

25 SPECIAL AGENT NEFF: What was the response

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1 to that?

2 [REDACTED] We didn't do it.

3 SPECIAL AGENT NEFF: Did you get any more
4 challenging or any more push?

5 [REDACTED]: Well, I would say there
6 was some probably a little pushing and questioning and
7 challenging, but they ultimately followed up with
8 [REDACTED] and got everybody on the right page and
9 showed them why they couldn't do it, and they finally
10 agreed.

11 MR. BARBER: Did you feel that you
12 suffered any kind of adverse consequence because you

13 stood up to management and said no, we're not going to
14 do this?

15 [REDACTED] That's probably why I
16 don't have a job right -- I mean, that's one of them,
17 but you know, I don't have a job out there. *

18 SPECIAL AGENT NEFF: Do you feel this
19 contributed?

20 [REDACTED] Oh, I'm sure. I'm sure
21 that, possibly the reactivity event that I brought to
22 light. There was another issue associated with
23 restarting the unit, remember the start-up of the
24 bypass where it stuck open. There was a lot of
25 questions -- it went beyond questioning and

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1 challenging. It was more like interrogation, right?
2 The fact that [inaudible] couldn't be certain, and if
3 after we came out of that, you know, replaced the
4 exhaust leak, did the hydro lift at the caging. It
5 took a little longer at the critical path, but you
6 know, we got up the pressure rate, did it fine.

7 Then the number two bypass valve stuck
8 open, about 40, 50 percent. That was on I think a
9 Friday or Saturday. We had a conference call Saturday
10 night. That's when we went through and did the --
11 that was all associated with the reactivity at the
12 IPTE and crew was supposed to be trained. They

13 weren't trained effectively. There were a number of
14 things that broke down.

15 When they shut the unit down and tripped
16 the reactor, the valve actually went shut. So then
17 the question was why can't I just start the unit back
18 up.

19 SPECIAL AGENT NEFF: Where was the
20 question, from whom?

21 [REDACTED] He says why
22 can't I just start the unit back up? I said, you're
23 kidding me. Anyhow, I was there when we were trying
24 to close that valve, and they went out and listened to
25 it, and it was coming up against a hard mechanical

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1 stop, and they knew there was a problem with that
2 ~~number two bypass valve~~. Even though the ~~valve~~ in and
3 of itself is not safety related, it impacts ~~reactivity~~
4 management, reactivity changes, ~~and~~ he knew it was a
5 definite problem and issue with that ~~valve~~ at the
6 bypass valve system somewhere. Whether it was a
7 mechanical blockage or something with the ~~valve~~. We
8 did considerable testing.

9 Anyhow, I believe it was that Monday
10 morning after they shut that ~~valve~~ did go closed, and
11 I was asked why we couldn't just restart the unit.
12 There was a problem with it.

13 SPECIAL AGENT NEFF: Was this after the
14 fact or -- I'm sorry.

15 ~~REDACTED~~ It was during.

16 SPECIAL AGENT NEFF: During it?

17 ~~REDACTED~~: During, right.

18 SPECIAL AGENT NEFF: You're being asked
19 why can't you just --

20 ~~REDACTED~~ Coming in Monday morning,
21 right after we had shut the unit down, went in, and
22 the ~~bypass valve~~ had gone closed. It was why can't I
23 just restart the unit.

24 SPECIAL AGENT NEFF: And this is with ~~REDACTED~~

25 ~~REDACTED~~

1 [REDACTED] Right. ~~I~~ said you can't
2 restart that unit. You're going to have a problem
3 with the bypass valve. ~~X~~

4 SPECIAL AGENT NEFF: What was the response
5 to that?

6 [REDACTED] It's not safety, so what.
7 The ~~valve~~ is closed. ~~X~~ It's working fine right now.
8 Why can't they just start up?

9 [REDACTED] ~~I~~ said you can't restart
10 the unit. ~~X~~

11 SPECIAL AGENT NEFF: His position was it
12 wasn't safety related, and it's closed, is that what
13 you said?

14 [REDACTED] Correct. ~~X~~ It's closed. ~~X~~ and
15 it seems like it's working fine now. I believe they
16 might have even ~~stroked~~ it. ~~X~~ I'm not sure. There was
17 a problem with that. There was a problem and a
18 problem with ~~that~~ valve. ~~X~~ You can't restart this unit,
19 and ~~I~~ wouldn't restart the unit. ~~X~~

20 So then there was a lot of discussion,
21 challenging, and consternation.

22 SPECIAL AGENT NEFF: But challenging to
23 what specifically? ~~X~~ It seems like you're saying it's
24 pretty cut and dry. ~~X~~ You can't restart the unit, and
25 they're describing that it's not -- [REDACTED] is

1 saying it's not safety related, and your response to
2 that is you can't restart the unit. So, what do you
3 get in response to that? Where is the challenge?

4 [REDACTED] Well, the challenge was to
5 restart the unit. There was another conference that
6 we had over in [REDACTED] office.

7 SPECIAL AGENT NEFF: Who was involved in
8 that?

9 [REDACTED] [REDACTED] was involved
10 because he was the [REDACTED] at that
11 point in time. [REDACTED] was in there, and there
12 was what I would call -- it was really kind of an

13 intimidating manner I think that [REDACTED] was challenging

14 [REDACTED]
15 SPECIAL AGENT NEFF: Was [REDACTED]
16 involved with that?

17 [REDACTED] I believe he might have
18 been in there as well.

19 SPECIAL AGENT NEFF: Anybody else?

20 [REDACTED]: I'm trying to remember who
21 was all in the -- I don't know if [REDACTED] was in there or
22 not, [REDACTED] I don't know if he was in there.

23 SPECIAL AGENT NEFF: [REDACTED]

24 [REDACTED] He might have been in
25 there. I don't recall.

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1 SPECIAL AGENT NEFF: And you're talking
2 about --

3 [REDACTED] know was in
4 there. I was in there.

5 SPECIAL AGENT NEFF: When you say
6 intimidating, why do you describe it that way?

7 [REDACTED] Because it wasn't in an
8 inquisitive type of a manner. It wasn't what do you
9 think is going on, you know, what do you think the
10 problem is? It was more why can't I restart the unit
11 you know, what's the, you know, it's not safety
12 related. It's working fine now. Why can't

13 -- so it was more in an intimidating, directive
14 manner, and I had come from safety at a conservative
15 decision making. You just can't even contemplate. To
16 me the questioning was out of line.

17 SPECIAL AGENT NEFF: Where do you think
18 that was coming from?

19 MR. BARBER: I mean, although he was doing
20 the talking, is your perception it was from him, or
21 was there anyone else that --

22 [REDACTED] He was the singular
23 individual that was in the room, and he was the one
24 that was directing the questions and the challenge.

25 SPECIAL AGENT NEFF: At any point, did you

1 become aware that anybody above [REDACTED] was
2 involved in this discussion?

3 [REDACTED]: I had heard some rumors
4 that there was some other individuals that were
5 potentially above [REDACTED] that had asked those
6 questions, but I don't have any knowledge to that.

7 SPECIAL AGENT NEFF: And the rumors would
8 be from where and involving who?

9 [REDACTED] I'd rather not even say
10 because I really don't, you know. One individual made
11 the comment to me that the questioning came from above

12 [REDACTED] but I really don't have any insight or any

13 knowledge or anything to that effect. I'm not trying
14 to protect him. I just don't, you know, just some
15 comments whatever --

16 [End of Side A, Tape 1]

17 [Beginning of Side B, Tape 1]

18 [REDACTED]: You can't even start the
19 unit. That's the end of discussion.

20 MR. BARBER: Well, that also would help us
21 maybe understand why he acted the way he did. I mean,
22 you're describing that his behavior probably should
23 have been different if he understood what you
24 understood, but maybe he had pressure from above to
25 forge ahead and to, you know, to challenge the plan to

1 shut the unit down and investigate the cause of the
2 ~~by~~bypass valve.

3 [REDACTED] It's his accountability
4 and responsibility, just as it is mine, to make sure
5 that we safely run and operate that facility, no
6 matter where it comes from or who it comes from.
7 There was no question in my mind whatsoever that if
8 I'd have been given, if I'd let them go ahead and get
9 it all out on the table, if they didn't come to the
10 right answer and somebody gave them direction to
11 ~~re~~start that unit, you and I would be having a
12 conversation because I would have taken it up through

13 the chain of command at PS&G. If I didn't get to
14 where I needed to be there, then I have been having
15 the discussion with the Nuclear Regulatory Commission
16 because I would not have ~~re~~started that unit.
17 [REDACTED] there's no doubt in
18 my mind ~~I~~would not have restarted that unit.

19 MR. BARBER: Okay.

20 SPECIAL AGENT NEFF: Did you think there
21 was -- was it clear to [REDACTED] what the concerns
22 were in that that did affect the safe operation?

23 [REDACTED]: Absolutely. He was as
24 cognizant of that ~~val~~ve not functioning ~~the~~ way it
25 should have as anyone else was because we sat at

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1 reduced power, I think 20 percent power, all of
2 Sunday. He was on the conference call Saturday night
3 when we had the discussion about the valve and the
4 valve not closing,

5 SPECIAL AGENT NEFF: So you think he was
6 well versed with what the issues were?

7 [REDACTED] Absolutely.

8 SPECIAL AGENT NEFF: How long was the time
9 frame on this discussion?

10 [REDACTED] Monday morning?

11 SPECIAL AGENT NEFF: Yes.

12 [REDACTED] The Monday morning

13 discussion, I would say it probably started, you know,
14 right away in the morning, 8:00, 7:30, 8:00, and we
15 had meetings over at Hope Creek, and took a look at
16 what, you know, the issues were and what had been
17 going on. Then we were all summoned to [REDACTED]
18 conference room in his office to have additional
19 discussion and dialogue on it. That's where a lot of
20 the questioning and the style. It was more of what I
21 would say an intimidating type of dialogue and
22 discussion.

23 MR. BARBER: Was it directed strictly at
24 you or was it directed at any others in the group?

25 [REDACTED] It was directed

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1 predominantly at [REDACTED]

2 MR. BARBER: Okay.

3 [REDACTED] You know, [REDACTED] and I talked
4 before we went over there. I said, you can't restart
5 this unit. So, I mean --

6 MR. BARBER: What was his reaction to that
7 comment, the one you just made?

8 [REDACTED] He was aligned with that.
9 I think he kind of sensed he was going to be coming up
10 on a precarious situation, which I think it totally
11 inappropriate. You know, if you're looking at
12 promoting conservative decision making and make the

13 right decisions for the right reasons, operating these
14 places safely, I would have expected that senior
15 management would have been embracing we aren't going
16 to restart this unit until we completely understand
17 what the problems and the issues are, instead of
18 coming from why can't they restart the unit and it's
19 not safety related. They should be able to start the
20 unit back up.

21 The line of questioning was totally
22 inappropriate.

23 MR. BARBER: Was there anything that had
24 occurred recently within the last weeks prior to that
25 that you could have conceived of as providing the

1 insight as to why [REDACTED] was reacting the way he
2 was? I mean, one of the things you indicated just a
3 few minutes ago was that [REDACTED] should have known better
4 than to want to ~~restart~~ without investigating the
5 problem, and you kind of intimated that there may have
6 been some pressure from above, but you really didn't
7 have a source. Were there any other factors? Were
8 there like budgetary discussions or anything else
9 that, capacity factor discussions, any other
10 influences that you were aware of that had come out in
11 the previous weeks that may have affected his decision
12 making or his style of questioning during that

13 discussion?

14 [REDACTED]: I'm trying to remember the
15 specifics. I mean, I'm sure there were, you know,
16 budgetary discussions, the fact that Hope Creek is 100
17 percent PSET share. I kept hearing that all the time,
18 and I understand that, you know, there's a significant
19 impact to the operation with this Hope Creek versus
20 Salem because it's a 50 percent share or 57/43, or
21 whatever it is over at Salem.

22 Yes, I mean, it would be speculative on my
23 part to understand why and/or where he was coming
24 from. If you take a look at the combined capacity
25 factor at the facility, at the island up through the

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1 middle of September here when I gave up the reins, we
2 were up over 93 percent capacity factor.

3 I believe part of that was because they
4 quit churning the organization. You know, we started
5 getting out ahead with some readiness reviews, with
6 [REDACTED] making sure we were working the right
7 equipment, which is really kind of a work management
8 work-around because that wasn't working, but it helped
9 us at least make sure that we were getting all of the
10 critical equipment taken care of.

11 That site has never seen a 93 combined
12 capacity factor before in its entire operating

13 history. But what I'll also tell you that, well, I
14 know you don't because you were in the control room.
15 If anything happened in those control rooms, I was in
16 there for a number of reasons, right? I wanted to
17 make sure I clearly understood what the operators are
18 going to do, and also clearly understand and make sure
19 that somebody gives some other direction, as long as

20 [REDACTED]
21 So, part of it was to make sure that the
22 appropriate decisions were being made in those control
23 rooms as long as I was still the [REDACTED]
24 [REDACTED]. I think we're fairly aggressive on some
25 things, but we make prudent decisions on the issues

6/7/11

1 that we encountered during the summer.

2 SPECIAL AGENT NEFF: The event around the
3 March 17th the turbine bypass valve incident and the
4 reactions or direction, I'll categorize it the way you
5 did. The intimidation that you saw on [REDACTED]
6 part, was that a first for you?

7 [REDACTED]: No, it wasn't. And that
8 gets back to the management style. I'd say the
9 management style was one particular of intimidation,
10 bullying, berating. It wasn't conducive to bringing
11 issues to the table or forefront, right? Individuals'
12 opinions in some cases in meetings were discounted,

13 and they were chastised. You know, my opinion, you
14 know, the public forum, you did that once or twice,
15 and those individuals aren't going to speak up again.

16 Instead of encouraging people to bring the
17 issues to the table and endorsing and encouraging them
18 so that you're sure there's nothing going on out there
19 that you're not aware of or cognizant of and then
20 making a decision on that, there were a number of
21 instances where a number of individuals were, well,
22 basically clammed up.

23 SPECIAL AGENT NEFF: Can you give us an
24 example?

25 [REDACTED]: Yes. I can give you an

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1 example that I was personally involved with on the
 2 Safety Operations Review Committee. When we had the
 3 first fueling here at Hope Creek, and [REDACTED]
 4 [REDACTED] meeting, I had
 5 gone through a lot of the discussion, you know, the
 6 dialogue on what we need to do as far as the
 7 suppression testing and their discussions with General
 8 Electric.

9 [REDACTED], came in late, and we were --
 10 I had some senior folks around that table, including
 11 [REDACTED], I believe [REDACTED] I'm
 12 trying to remember who was all in there, but senior

13 individuals, I mean [managers] at the facility. We had
 14 had all the dialogue and discussion, and there were a
 15 few follow-up things.

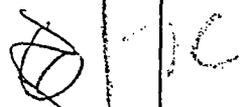
16 (Whereupon, the foregoing
 17 matter went off the record
 18 briefly and went back on the
 19 record.)

20 SPECIAL AGENT NEFF: Okay, we're back on
 21 the record.

22 [REDACTED] We were getting ready to
 23 go ahead and recommend a certain unit with the
 24 following issues. When we started [REDACTED] says oh, wait
 25 a minute, before you make a recommendation, because he

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1 had made a recommendation to [REDACTED]

2 [REDACTED]

3 He said before you do that, you know, let
4 me -- I forget exactly what his words were, but he got
5 into the discussion, the dialogue, and to be quite
6 honest with you, I literally saw every senior manager
7 on that SORC committee shut down. What I mean by shut
8 down, because we were having good dialogue, good
9 exchange, good interaction beforehand. They clasped
10 their hands, and their heads went right on down, each
11 and every one of them. The whole SORC stalled out.

12 I mean, it just stopped.

13 I had to literally what I would call go in
14 and say hey, [REDACTED] what do you think, back in gauge
15 and go around to each individual person, get them back
16 engaged in the discussion around the table, told [REDACTED]
17 that, you know, taken care of, and then we ended up
18 voting and it went forward.

19 It was just unconscionable I guess, for me
20 to see the entire senior management team represented
21 on SORC to shut down. It seems like a conditioned
22 behavior.

23 MR. BARBER: What exactly did he say to
24 cause that reaction?

25 [REDACTED] I can't remember the

1 trouble hearing at this point, and I know that you
2 indicated that there were other incidents where you
3 saw this type of behavior on senior management's part.
4 What I'd like to do is go off the record briefly.
5 Let's consider moving.

6 (Whereupon, the foregoing
7 matter went off the record
8 briefly and went back on the
9 record.)

10 SPECIAL AGENT NEFF: Okay. The time is
11 now approximately now 10:32 a.m. We have changed
12 locations. We're now at the Chester County Library in

13 Exton.

14 In continuing the discussion involving the
15 ~~SORC meeting~~ and ~~_____~~ the effect that he had
16 on that meeting that you were talking about, can you -
17 - what's your assessment of the way that affects
18 safety and the decision making at the plant?

19 ~~_____~~ My assessment is that it
20 actually shut down the engagement and the interaction
21 of the ~~SORC~~ committee members so that, you know, a
22 good exchange and interaction, to make sure that there
23 weren't any issues that weren't uncovered or whatever,
24 and from a safety standpoint, were all put out on the
25 table. That interaction, you know, was subdued based

1 on [REDACTED] presence in engaging with the
2 committee members.

3 SPECIAL AGENT NEFF: Okay. ^{Scott} on that
4 incident, do you have anything further?

5 MR. BARBER: Well, I guess when I was
6 thinking about what you'd said, I was trying to
7 understand what the nature of his discussion was. I
8 mean, I know you said you don't remember the details,
9 but what was the nature? Was it to proceed? I mean,
10 what was the gist of his conversation? What was his
11 point, I guess, is the right way of putting it?

12 [REDACTED] I don't recall, again, the
13 specifics and the manner and how he had engagement.
14 I don't recall if it was like in an intimidating
15 manner or if it was before you go ahead and vote, you
16 know, you need to --

17 MR. BARBER: What was the status of the
18 unit at the time? Was the unit up and running? Was
19 it shut down? Where was it?

20 [REDACTED] I'm trying to think now.
21 I believe we were operating.

22 MR. BARBER: At full power?

23 [REDACTED] No, I believe we were at
24 reduced power, but I don't recall the specifics. I'd
25 have to look it up.

1 MR. BARBER: Okay. I guess what I was
2 trying to understand in my own mind was his tone and
3 demeanor directed at getting the plant to a higher
4 power level, higher production, as soon as possible,
5 or was it more, you know, make sure you air out all
6 the issues? It sounds like whatever it was he said
7 turned off the [S]ORC committee the way you described
8 it, and I was trying to understand the background, the
9 back drop, the setting, what the effect of that was.
10 If you don't remember, that's fine. We'll just
11 proceed onward.

12

[REDACTED] It was very --

13

MR. BARBER: And if you do recall, you can
14 just raise it.

15

[REDACTED] It was very pronounced,
16 though, I mean, the thing that struck me was that
17 everybody just shut down. I mean, they literally just
18 shut down.

19

SPECIAL AGENT NEFF: Have you seen that
20 happen before?

21

[REDACTED] I have, in some of the
22 management meetings when a lot of times [REDACTED] or
23 whatever would engage the management. I would see
24 everybody pull back.

25

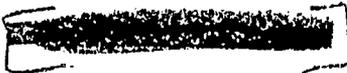
SPECIAL AGENT NEFF: Over what type of

1 issues?

2  I'd say a wide variety of
3 issues, some significant, some insignificant. I think
4 it was the mannerism and the demeanor. It was the
5 style and the environment that was created whereby
6 individuals were afraid of even having their heads
7 handed to them or else being publicly demeaned, right,
8 put in a situation where amongst their peers they
9 would -- I'm trying to find a word here to properly
10 capture that, but a very precarious, awkward
11 situation, you know, amongst their peers and what have
12 you. I would say they would be less apt to speak up

13 in the future.

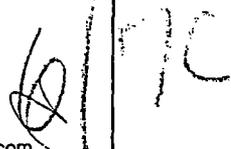
14 MR. BARBER: Would you say that would be
15 a chill type of environment where people didn't feel
16 as, maybe didn't feel as inclined to raise safety
17 concerns. Is that what you're portraying? I'm not
18 trying to lead you, but is that --

19  It could, in some
20 conditions or situations.

21 SPECIAL AGENT NEFF: Had you seen that
22 happen?

23  Have I seen that happen?

24 SPECIAL AGENT NEFF: You're saying it
25 could indicate a chilled environment. Had you seen it



1 happen where somebody raised a nuclear safety issue
2 and had their head handed to them?

3 [REDACTED] I have not seen a specific
4 nuclear safety issue raised where someone had had
5 their head handed to them, and you know, as far as
6 operation of the facilities, you know, I was always
7 engaged as far as where we went with the units and
8 what we did with the units.

9 So, from a specific safety issue, I don't
10 recall ever seeing somebody having their head handed
11 to them.

12 SPECIAL AGENT NEFF: Did anyone ever
13 express to you that they would have a fear of raising
14 an issue if such a need -- if they had the need to,
15 would they have a fear of raising the issue for fear
16 of, you know, some personal, negative action against
17 them?

18 [REDACTED] I don't recall anyone
19 indicating to me that they had a fear of raising an
20 issue. I'd say there was I believe a lack of trust in
21 some of the management and some of the managers, and
22 subsequently, they would probably be reluctant to
23 bring up some issues or get into the middle of some
24 dialogue in the discussion.

25 SPECIAL AGENT NEFF: Are there -- when you

1 say with some of the managers, do you have concerns
2 that focus on certain individuals?

3 [REDACTED] If you could repeat the
4 question.

5 SPECIAL AGENT NEFF: When you say that
6 there might have been a fear or distress of raising
7 anything, is this across the board? Is this limited
8 to one area, or where are you speaking from?

9 [REDACTED] Let me see if I can give
10 an example here. Take [REDACTED] for instance.
11 Great guy, got a good program, does well. Sometimes,
12 you know, he'll bring up, and he challenges the

13 organization. I think he does a good job of it.
14 Sometimes his mannerism is you know, a little
15 abrasive, but that's all right. You know, when he
16 started reporting to me, we worked on that somewhat,
17 and I think he did well.

18 Instead of recognizing him for what he
19 brought to the table in his questioning and
20 challenging manner, it was I would say conversations
21 or discussions that I had either with [REDACTED] and/or [REDACTED]
22 is that you ought to replace him because you know,
23 he's I would say poison to the organization, whatever.

24 You know, that's not the case, you know,
25 so I would support him and say, you know, that's not

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1 the case. He is bringing a critical element to the
2 table. Well, he challenges the organization, and some
3 of the things that they're doing or not doing.

4 The same with [REDACTED] who was the
5 [REDACTED]. I know there was I believe an
6 allegation that was submitted on him here probably
7 towards the end of 2002. He stopped in and talked to
8 me on a number of occasions where you know, my sense,
9 he was under a lot of pressure, and that pressure was
10 coming directly from [REDACTED] as I understand it.
11

12 It was to change the performance in
13 chemistry, yet my sense is that once he took [REDACTED] out
14 from under [REDACTED] he's done well in the year 2003. He
15 reported to me as of the end of December, 2002, and
16 what he needed was he needed some help and support in
17 a couple of areas, which I believe is, you know,
18 management's responsibility not to again, drive the
19 individuals into some sort of submission.

20 You know, what he needed was he needed
21 help with maintenance, getting the material condition
22 issues over at Salem which he had been struggling with
23 and having difficulty in getting the requisites part
24 that he needed over there. There were some issues
25 with the chemistry technicians, which you know, [REDACTED]

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1 by trade, is a very technical individual, and there
2 are some cultural interpersonal skills issues which,
3 you know, I engaged corporate management, the director
4 of organizational development, and we subsequently
5 brought in a consultant to ascertain what some of the
6 cultural issues were between the Salem and the Hope
7 Creek [chemistry technicians] and what we needed to do
8 to change that.

9 To me, those were the things that were
10 really needed to help turn the [chemistry operation]
11 around. I believe we made some good headway and some
12 good progress in the year 2003.

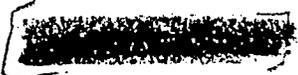
13 Now, if you sit down and have a
14 conversation with [REDACTED] he would tell you that he'll
15 talk to [REDACTED], right, have discussions with him, but
16 he'll never trust him because he either worked with
17 him or supported him in helping him accomplish the
18 goals and objectives that were necessary in his
19 department.

20 SPECIAL AGENT NEFF: Okay. When we were
21 talking before regarding -- I asked you before if the
22 incidents in March had been the first of intimidation
23 that you had witnessed. This was on the part of [REDACTED]
24 [REDACTED] and you went into the [X]SORC [REDACTED] involving [REDACTED]
25 [REDACTED] Do you have any other incidents where you

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1 had concerns about their intimidating tactics and
2 their shutting down the exchange of information?
3 Anything, or anything in terms of people -- make it
4 more general, in terms of raising issues at the site?
5 I know you've indicated there were a couple that came
6 to mind at that time, and then we were interrupted
7 there.

8  Yes, I don't know if
9 they're really safety related, but in ~~in~~ CFIG, the
10 Continuous Performance Improvement Group ~~there~~ there was a
11 non-instructor individual that raised some issues and
12 concerns in that group and was pretty abruptly shut
13 down by 

14 Now, there's issues out there that still
15 haven't been reconciled. I believe they're being
16 worked on, but ~~maintenance~~ training ~~training~~. You know, there
17 was more than one occasion where we end up with not
18 having individuals qualified to perform the requisite
19 tasks or not having the right skills and you know,
20 that program is not where it really needs to be in
21 order to support the workers and competently being
22 able to do their job, or even the supervisors being
23 able to have adequate resources, qualified resources,
24 to do the work.

25 You know, so we'll get into some of those



1 type of discussions, and individuals will raise
2 opinions. One individual raised an issue concerning
3 in the ~~CPIG~~ meeting ~~the~~ shutdown.

4 SPECIAL AGENT NEFF: And what was the
5 concern there?

6 ~~REDACTED~~ Again, I don't remember
7 the specific, but I remember the incident because it
8 created let's say an environment where the individuals
9 I think were reluctant to speak up, and that would a
10 lot of times traditionally happen when those
11 individuals came into or sat in any management
12 meetings.

13 SPECIAL AGENT NEFF: You don't recall the
14 specific concern here? In what way, the topic,
15 anything more specific, and time frame?

16 ~~REDACTED~~ Well, the time frame was
17 2003 here. I mean, it wasn't that long ago. It was
18 probably the spring time frame.

19 SPECIAL AGENT NEFF: And who was the
20 individual?

21 ~~REDACTED~~ It was an instructor out
22 at the training center. I don't recall what his name
23 is. I know who he is, but I don't recall his name.

24 SPECIAL AGENT NEFF: Had he been there
25 long? Any kind of a description or anything? How

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1 many instructors are out there?

2 [REDACTED]: There's quite a few. I
3 believe he was an instructional technologist, maybe or
4 an analyst.

5 SPECIAL AGENT NEFF: It was associated
6 with a particular department or anything?

7 MR. BARBER: Was this related to
8 maintenance training? Are they connected? You
9 indicated there was maintenance training.

10 [REDACTED] I believe it was.

11 MR. BARBER: Okay.

12 [REDACTED] It was again, the
13 environment that was created with the public
14 exhibition of, you know, I don't want to hear it.

15 SPECIAL AGENT NEFF: What did he say [REDACTED]

16 [REDACTED]
17 [REDACTED] I don't remember if it was
18 in this case, but typically there is a lot of swearing
19 and vulgarity in his mannerism, and I think if you
20 look at the -- I suspect. I haven't seen them, but I
21 would suspect that if you looked at the employee
22 concerns area, that a lot of that is probably
23 documented in the employee concerns area.

24 SPECIAL AGENT NEFF: Regarding [REDACTED]

25 [REDACTED] way of dealing with people?

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1 [REDACTED] Correct, conversations,
2 his way of dealing with people, the vulgarity and the
3 I'd say just in general that mannerism.

4 SPECIAL AGENT NEFF: Okay.

5 [REDACTED] And there's other
6 secretaries I know that have heard it. There was an
7 occasion that an individual was on the phone, on the
8 speaker phone, and I have to believe that [REDACTED] knew he
9 was on the speaker phone. I think it was [REDACTED]
10 was on the phone with him. I think the secretaries
11 made a comment to him because I mean, you could hear.
12 I wasn't up there, but you know, they could hear the

13 conversation.

14 A lot of times, that's a conversation that
15 you'd get in your morning voicemails, on the way in in
16 the morning, on the telephone.

17 SPECIAL AGENT NEFF: Oh, okay.

18 [REDACTED] So you could probably look
19 at those records. I don't know if those are all
20 retrievable or not, but a lot of those records are I
21 sense a lot of cursing and swearing and a lot of
22 times, by the time I'd get into work in the morning,
23 based on some limited knowledge or information, what
24 I would say there was a lot of consternation that was
25 already being spun up.

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1 Typically what I would do is say all
2 right, you know, I hear you. I said let me get the
3 facts. Let me go find out what the rest of the story
4 is because what I would find out is that based on
5 limited information or knowledge, that those two
6 senior individuals would start really churning the
7 organization, and when you went and really found out
8 what the whole story was, you know, the appropriate
9 actions were taken and the individuals did exactly
10 what you would have expected them to do.

11 So, you know, a lot of it was -- a lot of
12 time was spent in damage control.

13 SPECIAL AGENT NEFF: Okay. We talked
14 before about the incident in March where you had made
15 it clear that start-up would be a problem because it
16 was a safety concern, and we talked about your
17 involvement in that. Do you have any other instances,
18 or did you feel that you were able to raise concerns
19 at the site that were of a safety nature, you
20 personally?

21 [REDACTED] Absolutely. I have no
22 --

23 SPECIAL AGENT NEFF: You could?

24 [REDACTED] Correct. I have no qualms
25 about raising safety issues and concerns because I

1 would have no issues in taking it above, you know, to
2 whatever level I needed to to make sure that the
3 facility was operated in a safe manner.

4 MR. BARBER: How much of what you say,
5 though, is a matter of your own will and determination
6 and how much of it is representative of the
7 environment? I mean, you could have an environment
8 that is autocratic, dictatorial, and you could still,
9 because of your own will and personality, you could
10 still challenge that, or you could counter challenge
11 it, but others may not have that same demeanor, the
12 same will and determination. I think that was one of

13 the things Eileen was asking about, you know, whether
14 other things were maybe, if you didn't feel that way,
15 that you felt that maybe others had.

16 I mean, the one example you provided was
17 a ~~(SORC)~~ Was there any other example of that that fit
18 that profile?

19 [REDACTED]: Where the individuals --

20 MR. BARBER: Where in your perception you
21 thought they may have been actually chilled at a given
22 time for a given set of circumstances, you know, that
23 there were either involved with an event or a
24 discussion with something that was relevant and
25 germane to operations or to safety and that because

1 they weren't as strong willed or have such a strong
2 character that they would not have raised the issues?
3 [REDACTED]: It's pretty hard to answer
4 that.

5 SPECIAL AGENT NEFF: Well, it's asking you
6 to get into the minds of people that you worked with.
7 We could say have you become aware, and I think we
8 touched on this of an instance where somebody feared
9 raising an issue that they should not have been. You
10 know, it should have been no doubt that they could
11 raise a concern. Was it an environment where people
12 brought concerns? If they had the concern, did they
13 raise that to the appropriate level, and how was that
14 handled?

15 Let's go off the record.

16 (Whereupon, the foregoing
17 matter went off the record
18 briefly and went back on the
19 record.)

20 SPECIAL AGENT NEFF: Okay, we're back on
21 the record. We were 30 seconds off.

22 Just before we were one the record, you
23 said that your sense was that people would be guarded.

24 [REDACTED] Be guarded, hesitant, or
25 reluctant in some situations.

1 SPECIAL AGENT NEFF: Now, are you basing
2 that on what we've discussed so far, or are there more
3 reasons that go into your assessment there?

4 MR. BARBER: Or examples, or events,
5 issues, what have you?

6 [REDACTED] Well, there were a couple
7 of other examples that go farther down in the
8 organization. One had to do with the ~~the~~ modification of
9 the component cooling pump, the drain line. ~~X~~

10 MR. BARBER: Okay.

11 [REDACTED] We were in a 72-hour seal,
12 and I was there late. It was about 10, 10:30. I was
13 getting read to leave, and [REDACTED] called, paged
14 me. So, I got on the car phone in the parking lot,
15 and said what's going on.

16 He said well, we're better than halfway
17 through the LCO and considering whether or not I
18 should call out a TARP. A TARP is an action response
19 team.

20 SPECIAL AGENT NEFF: And the time frame
21 for this is?

22 [REDACTED] Pardon?

23 SPECIAL AGENT NEFF: The time frame for
24 this incident?

25 [REDACTED] I can't remember if it's

1 the end of 2002, 2003 time frame.

2 SPECIAL AGENT NEFF: Late 2002, early
3 2003?

4 ~~REDACTED~~ Or early 2003.

5 SPECIAL AGENT NEFF: Okay.

6 ~~REDACTED~~ I don't remember
7 specifically. So I said well, let me go down and find
8 out what's going on. So, they were having some
9 difficulty getting ~~isolation~~ on a valve, but the thing
10 that really stuck in my mind is that there is an ~~oil~~
11 reservoir right underneath the pump casing, and this
12 ~~drain~~ line comes right out of the bottom of the pump
13 casing. It's a ~~screwed-in~~ fitting, and then it's
14 ~~welded~~ out to the drain line or whatever gauge you're
15 going to put it on.

16 Well, when I went down there and looked at
17 it, the last ~~weld~~ was right under ~~between~~ that ~~pump~~
18 casing and that oil reservoir. So, you had about that
19 much room to do the ~~socket weld~~ and operations was
20 looking at trying to make sure they had, you know,
21 good isolation on it.

22 So, I went down and I talked to the ~~welder~~
23 and the maintenance individuals, and asked them, you
24 know, about the ~~welding~~ and how they were doing, and
25 they said they were having difficulty in making the

1 ~~weld.~~ I said well, why would you do the final ~~weld~~ X
2 when you've only got that much room to work in? Why
3 didn't you just move it out, you know, another foot?
4 Then you'd have plenty of room to put that ~~socket weld~~ X
5 in.

6 I talked to the [REDACTED] It was [REDACTED]
7 and he said well, we brought that up. I said well,
8 who did you bring that up to? I said, you know, we
9 could have gotten engineering to put in a change
10 request and just change where that last weld was going
11 to be made. He said we brought it up to our
12 supervisor, and he said just go get the job done. I
13 said, you're kidding me.

14 SPECIAL AGENT NEFF: Who was the
15 supervisor?

16 [REDACTED]: It was [REDACTED] I
17 believe. I said you're kidding me. I said, you know,
18 his job is to get engineering involved and make sure
19 that we've got you guys set up for success. I had a
20 conversation with [REDACTED] about that, told him
21 that that wasn't, you know, appropriate behavior
22 because you know, ultimately what we ended up doing
23 was putting a little ~~cup~~ piece in there and putting a
24 cap on there, which I told [REDACTED] I said, cut me a
25 piece of pipe, thread it on one end, and get a cap for

1 the other end because I'm going to exit that LCO
2 tomorrow morning. If you can't make that last weld
3 then I'm going to put that cup piece on there, and
4 we'll exit the LCO and go after it later on. I'm not
5 sure if that piece of pipe is still on there or not,
6 but to me, that behavior was unacceptable.

7 You've got a supervisor who, again, was
8 supposed to be out there working with the employees,
9 setting them up for success. It was like the chief
10 and the welder had noted when they got the package to
11 the supervisor, that it was going to be difficult
12 making that last weld in the situation was, and the

13 feedback they said they got was well, it's
14 configuration control. Can't change it. Go do it.

15 I said, well that's absurd. So, anyway,
16 that was one incident that I personally got involved
17 in. Now, I don't know how many more of those types of
18 things go on out there.

19 Case in point is when we dealt with all of
20 the diesel issues over at Hope Creek with the shaft
21 seals. You know, again, we were into a 72-hour LCO,
22 and called audit TARP over there. You're going
23 through the systematic approach. You know, we laid
24 out the seals and they weren't the same dimension.
25 It's almost unfathomable that you can get two days

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1 into a 72-hour LCO before you recognize that the
2 length of the seals aren't the same dimension and that
3 they actually have to be cut.

4 So, that raises some other questions,
5 programmatically. You know, how did -- who changed
6 the seal? Who went away from the original vendor?
7 Why wasn't it picked up in receipt inspection? What
8 is the receipt inspection program? Why doesn't the
9 maintenance procedure clearly delineate the fact that
10 that seal has to be cut to dimension and where is the
11 oversight and the supervision that ought to be engaged
12 with supporting that effort? As it was, you're well

13 aware, we ended up in the action statement before we
14 recovered that diesel.

15 MR. BARBER: Yes.

16 [REDACTED] We should never got there
17 to begin with.

18 MR. BARBER: Yes.

19 SPECIAL AGENT NEFF: This incident was
20 when, which one was that?

21 MR. BARBER: June, 2003.

22 [REDACTED]: Correct.

23 SPECIAL AGENT NEFF: The actions and
24 discussions on the LCO and the timing on that, can you
25 go into that a little bit, in terms of the decision

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1 making on the hot shutdown?

2 ~~REDACTED~~: On the one I just
3 mentioned?

4 SPECIAL AGENT NEFF: On the June incident,
5 yes.

6 ~~REDACTED~~ I believe it was we were
7 going into -- I don't remember the specifics. We were
8 going to go into normal maintenance on the diesel, and
9 replacing the shaft seal, and the leakage was
10 unacceptable when they looked at the return, the
11 diesel back to operation.

12 Subsequently went in and replaced the seal

13 again. I forget what the duration was. By the time
14 we were into the third seal, we were already the
15 better way through the 72 hour LCO. I'm not sure what
16 the hour time frame was, but it was either Thursday.
17 It was late to me because it was well after midnight.
18 When I got involved, it was four, 5:00 in the evening.
19 The 72-hour LCO ran out at early the next morning.

20 It was at that point in time, ~~REDACTED~~
21 was a TARP fleet. We laid out the seals and said
22 they're not even -- here's the old seal and here's the
23 new one. They're not even the right size, the same
24 dimension. I think we had two left.

25 MR. BARBER: Are you talking about seals,

1 or are you talking about the actual shaft?

2 [REDACTED] The shaft seals.

3 MR. BARBER: Okay.

4 [REDACTED] They've got like screwed
5 fittings where they go together, and for whatever
6 reason, nobody ever bothered to lay the two side by
7 side, the one that they took out and the new one that
8 they were putting in.

9 MR. BARBER: Okay.

10 [REDACTED] One was notably longer
11 than the other one. So when you put the seal on, it
12 never conformed to the shaft.]

13 MR. BARBER: Oh, I see.

14 [REDACTED] And it should have been
15 cut. So, I don't know how we had been doing it in the
16 past, but those seals should have been cut to the
17 requisite dimension.]

18 MR. BARBER: Okay.

19 [REDACTED] And it was worth it for
20 the seals if we ever replaced.]

21 MR. BARBER: Okay.

22 [REDACTED] So, you say well, how can
23 we get to this point with an operation that's been
24 running for as long as it has? The procedures don't
25 recognize it. The craft doesn't recognize it, or the

1 supervision isn't cognizant of the fact that the seals
2 are a different dimension. I mean, now everybody
3 knows, but it seems like we're into discovery on some,
4 you know, maintenance 101 issues that continue to
5 challenge, as you well know, the operation of the
6 units.

7 With the issues we've run into with the
8 diesels, with the dangle bolts, with the seals over at
9 Hope Creek.

10 MR. BARBER: What happened with that
11 issue, when you and the TARP fleet discovered that?
12 Where did things progress from that point on, or how
13 did they progress?

14 [REDACTED] Well, we got maintenance
15 management involved and showed them what the issue
16 was. I think [REDACTED] got him in the loop and
17 --

18 [End of Side B, Tape 1]

19 [Beginning of Side A, Tape 2]

20 [REDACTED] You're talking about the
21 jacket water pumps?

22 MR. BARBER: Right. Were you talking
23 about something different?

24 [REDACTED] Yes.

25 MR. BARBER: Oh, all right. I thought we

1 were talking about the same issue.

2 ~~REDACTED~~ Yes. Well, it's not a
3 whole lot different. In a way, there's a lot of
4 similarities to what you encountered.

5 MR. BARBER: Are we back on the record
6 now?

7 SPECIAL AGENT NEFF: Yes, we're on.

8 ~~REDACTED~~ There's a lot of
9 similarities in what you encounter with the ~~jack~~et
10 water pump. ~~X~~

11 MR. BARBER: Okay, so you were talking
12 about a different --

13 ~~REDACTED~~ And the ~~shaft~~ seals ~~X~~

14 MR. BARBER: Okay. I'm sorry. I was
15 thinking you were talking about that initially, and
16 then when you got into it, I knew you were talking
17 about something different.

18 ~~REDACTED~~ Yes.

19 MR. BARBER: All right, so you got one of
20 the ~~mainten~~ance ~~leads~~ involved, and got the issue
21 addressed. What would you attribute the nature of
22 that deficiency to, the lack of understanding of the
23 need to ~~cut~~ the seals? ~~X~~

24 ~~REDACTED~~: I attribute it to a number
25 of items that broke down. One is the procedure. We

1 reflect and recognize the fact that those seals had to
2 be cut to dimension. The seals had been changed like
3 the turbochargers had. J

4 MR. BARBER: Okay.

5 [REDACTED] Whereas at the receipt
6 inspection of the procurement process, what broke down
7 there.

8 MR. BARBER: Okay.

9 [REDACTED] There's just a lot of
10 programmatic issues that broke down. The skill of the
11 craft, a lot of times if you read in the documents, it
12 talks about, you know, it's a skill of the craft where

13 in training is covered and from a management, the
14 supervisory oversight, I mean, I should think that
15 that would just be one of the common things that you
16 would check would be the dimensions to make sure that
17 they're similar.

18 Any one of those barriers could have
19 precluded that incident from happening so that when
20 you get into the work management process like that we
21 talked about before and you do all the planning and
22 the scheduling, that you really have the workers set
23 up for success when they get engaged in that activity.

24 Those are a number of the issues that as
25 you well know, we encountered in 2003.

1 SPECIAL AGENT NEFF: The focus of our
2 inquiry is on safety related issues for people -- I
3 mean, at this point what we're talking to you is
4 safety related concerns that people bring forward, or
5 how comfortable are they in raising these, and what's
6 the response that they get. Overall, in your
7 experience, have people been able to raise concerns
8 without a fear of retaliation for having done so
9 there, and do you have anything --

10 MR. BARBER: Yes, let me add a little bit
11 to it. I know you were trying to recall some other
12 instances, but maybe we could go back over some of the
13 things, and maybe it will help jog your memory. One
14 of the things you talked about was that you had this
15 discussion in [REDACTED] office after there was a
16 discovery there was a problem number ~~two~~ bypass valve
17 that wouldn't ~~close~~, and you said he had kind of
18 intimidating manner, and he directed it mainly at [REDACTED]
19 [REDACTED] but you and he had had a discussion prior to
20 going over there and said hey, you know, we definitely
21 have to take ~~unit~~ off line and we've got to ~~shut down~~.
22 We've got to go after this ~~valve~~, we've got to fix it,
23 and that's what we're going to do.

24 You had made a decision, and you said he
25 had directed that at [REDACTED] Now, when you left the

1 meeting and you were done, presumably maybe you had
2 some discussions after the fact. Could you
3 characterize, if you did have discussions with [REDACTED] or
4 anybody else what their reaction was to what they just
5 experienced?

6 [REDACTED] I don't know that there
7 are any specifics other than what I would say is that
8 I believe there was probably a relief that the
9 conclusion that one had that he had arrived at. I
10 mean, he was the prudent one, and not to restart the
11 unit. *D*

12 MR. BARBER: How about -- I mean, did you
13 talk with anybody after the meeting? Was there any
14 discussions, I mean, after you -- I don't know if you
15 walked with [REDACTED] back to the plant or where everybody
16 was and where they were going, or [REDACTED] or I'm
17 not sure who else you mentioned were there [REDACTED]
18 [REDACTED] Was there any discussion with anybody else
19 other than or even with [REDACTED] as far as other than the
20 relief aspect about the environment of the meeting,
21 what the reaction was to that?

22 [REDACTED] I don't recall.

23 MR. BARBER: Okay.

24 SPECIAL AGENT NEFF: When you say
25 ultimately you got to the right decision *not* to

1 restart. In your opinion, that was the way to go, and
2 it had been from the start. Was there something, was
3 there some pivotal input that changed, you know, what
4 won over [REDACTED] At what point did he stop
5 pushing not to restart it?

6 [REDACTED] Well, somewhere I would
7 say in the meeting and in the discussion and the
8 dialogue. I believe he recognized he wasn't going to
9 change our position as far as ~~not~~ restarting the unit.
10 You know, his only recourse at that point in time
11 would have been to give me a direct order.

12 SPECIAL AGENT NEFF: Okay.

13 [REDACTED]: If he would have done that
14 at that point in time, you know, I'd have escalated it
15 up through the management chain.

16 SPECIAL AGENT NEFF: As you said before.

17 [REDACTED]: Right.

18 SPECIAL AGENT NEFF: And when it was in
19 that meeting, it was Mr. [REDACTED] opinion. Who else
20 was differing with him besides yourself and [REDACTED]

21 [REDACTED] I don't recollect who else
22 was in the meeting, you know. The focus was on [REDACTED]
23 you know, and the operation, and I was in there. [REDACTED]
24 [REDACTED] was in there. Obviously [REDACTED] [REDACTED]
25 might have been in there. I don't recall specifically

1 but, you know, because [REDACTED] was involved with
2 that. [REDACTED] was the one that we had sent down
3 to check the valve, and came in and said it's up
4 against a hard mechanical stop of some sort and it's
5 not closing.

6 SPECIAL AGENT NEFF: Okay.

7 [REDACTED] There was something
8 binding that valve, and he works with [REDACTED]. So, [REDACTED]
9 might have been in that meeting. I don't recall
10 specifically.

11 MR. BARBER: Was there anybody that felt
12 it was -- I mean, was [REDACTED] the only one that was
13 pushing the position that let's go ahead and restart
14 because the valve had -- or did everybody besides him
15 believe that there should have been some action taken
16 to shut the unit down and fix the valve, or was it all
17 one-sided?

18 [REDACTED] I think it was
19 predominantly coming from him.

20 MR. BARBER: Okay.

21 SPECIAL AGENT NEFF: Can you think of
22 anything else, any other incident where you would
23 question the appropriateness of the push-back or the
24 questioning that you were getting on any other
25 incidents?

1 [REDACTED] I don't -- I'm trying to
2 remember any other specifics. I mean, it was a pretty
3 busy year.

4 MR. BARBER: How about anything related to
5 maybe a start-up? There was something that someone
6 mentioned about the containment walk-downs after
7 start-up in 2002. Do you recall anything about that,
8 about doing containment walk-downs or not doing them
9 and who was doing them and what the circumstances
10 were?

11 [REDACTED] Well I ended up going on
12 containment walk-downs and the drywell close-out. The

13 last number of times that we've done those, [REDACTED] and
14 I and [REDACTED] went and did the Hope Creek drywell close-
15 out and actually went in -- Salem came in with [REDACTED] on
16 I believe on one or two occasions, on a Salem
17 containment walk-down. Actually, I think, if I
18 remember right, [REDACTED] and I had gone in and done a
19 walk-down and then [REDACTED] came later and wanted to go
20 back in again. So, he and I went back in.

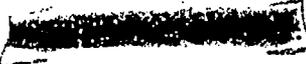
21 MR. BARBER: Was that unusual that he
22 would want to go back in, if you and [REDACTED] had already
23 done a walk-down?

24 [REDACTED] I think the purpose of
25 that was that he wanted to show or demonstrate that he

1 had participated in the containment walk-down. I
2 don't think there was any question or issues with
3 respect to where we were at, what we found, and what
4 was going on in my sense. Probably a little bit more
5 political than that, to at least say that, you know,
6 senior management had been in -- I mean, I'm a senior
7 manager too, but that I had participated in the
8 containment walk-down.

9 Some of that was around the Davis Besse
10 incident and time frame. Management hadn't been
11 involved to the extent they needed to be.

12 SPECIAL AGENT NEFF: Had he originally had
13 been planned to be a part of that walk-down? How did
14 that come about?

15  I'm trying to remember if
16 he was and then he didn't show up. We had actually
17 gone in and completed it. I think he was planning,
18 and I believe the time that I recollect, he was
19 planning on going in and then the time came and he
20 wasn't there, so we went ahead and, you know,
21 completed the walk-down, made sure that we had all the
22 issues identified, anything in the CO, was identified,
23 was closed up in containment.

24 Then it was a later point in time that
25 -- I don't remember what kind of time frame that he

1 had arrived, and went back in again.

2 MR. BARBER: You said it was from Davis
3 Besse. Was there any procedural requirement that
4 would have mandated that he go in there, or was this
5 something he did on his own?

6 [REDACTED] I don't believe that there
7 was any procedural requirement that mandated he went
8 in there.

9 MR. BARBER: Okay.

10 [REDACTED] There was a sign-off that
11 containment had to be closed down to some of the
12 IOP's.

13 MR. BARBER: Okay.

14 [REDACTED]: And one of the issues that
15 had come up from Davis Besse was that management
16 hadn't been involved with some of the problems that
17 Davis Besse had experienced.

18 MR. BARBER: Right.

19 [REDACTED] So I think that
20 promulgated some of him wanting to be more involved
21 with those issues, or not issues, but with the walk-
22 down.

23 MR. BARBER: Okay.

24 SPECIAL AGENT NEFF: Was this walk-down
25 was built into some sort of a checklist then?

1 [REDACTED]: Correct.

2 SPECIAL AGENT NEFF: And when he wasn't
3 there originally, could you get around that in some
4 way?

5 [REDACTED]: Yes.

6 SPECIAL AGENT NEFF: And it was --

7 [REDACTED]: Yes, we could, you know,
8 there's a checklist and a walk-down, and we could go
9 ahead and sign that off without him being part of that
10 walk-down.

11 SPECIAL AGENT NEFF: If he was there, he
12 just sort of, would N/A, just make the step?

13 [REDACTED]: It wasn't specific to his
14 position.

15 SPECIAL AGENT NEFF: Okay. Do you recall
16 any questions surrounding that incident where anybody
17 questioned whether or not he participated in that
18 walk-down? Did that cause any problems for anyone?

19 [REDACTED]: I don't believe so. I
20 can't think of any, to my knowledge.

21 SPECIAL AGENT NEFF: Was it your decision?
22 Was that the level the decision was made to go ahead
23 without his walk-down?

24 [REDACTED]: Yes, I would say he wasn't
25 available, and you know, sometimes [REDACTED] would, you

1 know, want to participate in things and then something
2 else would come up. So, we proceeded with the
3 containment walk-down, you know, [REDACTED] and I did.

4 SPECIAL AGENT NEFF: Did --

5 [REDACTED] But that wasn't abnormal,
6 I mean, because he didn't participate in all of the
7 walk-downs prior to that.

8 SPECIAL AGENT NEFF: All right.

9 MR. BARBER: Was this one data point? I
10 mean, is this like the only one he did and then he
11 didn't do it anymore, or did he continue to do
12 containment walk-downs after this?

13 [REDACTED] He didn't do the drywell
14 close-out over at Hope Creek.

15 MR. BARBER: Okay.

16 [REDACTED] And he hadn't done them
17 prior to that. I think there was like one or two that
18 he might have participated in.

19 MR. BARBER: Okay. Would you say that you
20 participated in most, if not all, of the ones that
21 were mandated when you were in the position?

22 [REDACTED] Yes.

23 MR. BARBER: Was it required at your
24 level, or could you have delegated it to somebody like
25 [REDACTED] or something.

1 [REDACTED] I could have delegated it
2 I think to [REDACTED] In fact, on one occasion, I do
3 believe that I think [REDACTED] did the
4 close-out at Hope Creek.

5 MR. BARBER: Okay.

6 [REDACTED] Because if I remember
7 right, I think [REDACTED] was ill or whatever, after he came
8 out of there. I don't know, claustrophobia or what.

9 MR. BARBER: Okay.

10 [REDACTED] There was another
11 incident. I don't know how this plays in, but we were
12 in the outage, and I remember it gets back to this

13 ASME code class leaks.

14 MR. BARBER: All right.

15 [REDACTED] Driving in in the morning,
16 they had indicated that we were in a condition red
17 because of a leak on a service water valve.

18 MR. BARBER: Okay.

19 [REDACTED] Do you remember that? I
20 don't know if you recall that or not. They were
21 actually getting ready. Here's where I guess I got,
22 you know, concerns to me because the entire operations
23 control center was getting ready to take out the
24 entire service water bay to go fix that valve because
25 it can isolate it.

1 I remember getting on the phone with [REDACTED]
2 [REDACTED] on my way in in the morning and said you know,
3 what's going on. He said oh, I've got an ASME code
4 class leak on this valve, and we need to take the bay
5 out in order to get the insulation and go ahead and
6 replace it.

7 I said don't you dare take that bay out.
8 I mean, from a safety standpoint, it just didn't add
9 up. I said let me get in there. I want to take a
10 look at it and see what we really have going on.

11 I came in, I swung up through the
12 operations, through the outage control center, and
13 they already had the plans. They were getting ready
14 to take the bay out. They were going to go replace
15 this valve. They had plans all in place, and I said,
16 you know, in fact, [REDACTED] was I think the
17 engineer up in the outage control involved with that.

18 MR. BARBER: Okay.

19 [REDACTED] I said you're not doing
20 anything. I'm going to take a look at that valve.
21 There's nothing wrong with the valve. What we had was
22 a knick, right, it was a little weepage that you could
23 barely see it, and it would weep out of the valve.
24 So, we ended up x-raying it which was to me an
25 acceptable alternative. The integrity of the valve

1 was not in question whatsoever, but I mean, there was
2 a condition or a situation where the entire
3 organization was getting ready to take that whole
4 service water bay out, which to me had broader safety
5 significance that living with that little knick hole
6 in there, right?

7 MR. BARBER: Okay.

8 [REDACTED] And you know, the
9 integrity of that valve was not jeopardized,
10 compromised one bit. So, you get into where's the
11 -- I mean I don't know if that what your -- you know,
12 what's the thinking of the organization that would

13 allow them to get to that point. I'm convinced if I
14 wouldn't have intervened or if I wouldn't have been
15 there, that service water bay would have come out.

16 MR. BARBER: Do you remember the time
17 frame of that?

18 [REDACTED] It was during -- it might
19 have been during the spring of 2003, the Salem outage.
20 No, that wasn't. That was Hope Creek. I got to stop
21 and get my dates straight here. Probably the fall of
22 2002, I'm thinking, the Salem outage.

23 MR. BARBER: Okay. Did you get any kind
24 of negative repercussions because of that? Did
25 anybody say that you didn't address the issue

1 properly? I mean, you're portraying that you had a
2 holistic view of the plant in saying hey, look, you
3 know, if you weighed the balance, the effect of the
4 risk of taking the bay out of service and what that
5 meant from kind of an overall standpoint to living
6 with a small leak, and you made a judgment. Did
7 anybody say hey, you know, we had set up to do this.

8 [REDACTED] Well, you know, some of
9 the others members of the organizations, I believe
10 [REDACTED] was involved with that decision.

11 MR. BARBER: Okay.

12 [REDACTED] was involved
13 with that decision. I asked [REDACTED] I said, what are
14 you thinking? He said well, you know, the OCC said,
15 you know, [REDACTED] was there, and I go time out. You
16 guys can't take that bay out. You know, what are you
17 thinking about?

18 You know, in that situation, you know,
19 from [REDACTED] or [REDACTED] or whatever, they were aligned with
20 where I ended up taking the plant. The rest of the
21 organization down below was, they were ready to go,
22 you know, proceed forward. That was when I guess
23 probably provided me some interesting insight into
24 where the organization's thinking was.

25 MR. BARBER: One thing that that sort of

1 highlights, but I don't want to jump too far ahead
2 with this conclusions, but it seems like that people
3 were making decisions without having complete
4 information. I mean, if they didn't really understand
5 what the nature of the problem was, and they all kind
6 of just marched forward, maybe one person or two
7 people saw what the nature of the problem was, and
8 made some judgments that, you know, okay, this is what
9 we want to do and when --

10 [REDACTED] Well, I think that's one
11 of the cultural elements that you've got out at the
12 stations. They don't think big picture. What they

13 did is they went to tech specs and get ASME code class
14 leak rate. [It's inoperable] and they got into a very
15 narrow myopic view of what actions they had to take.

16 MR. BARBER: Okay.

17 [REDACTED]: And that was the way they
18 were proceeding.

19 MR. BARBER: Okay.

20 [REDACTED]: And they had all come to
21 the conclusion that that was the right answer.

22 SPECIAL AGENT NEFF: Had you see that
23 happen in other instances where people aren't thinking
24 big picture to this extent?

25 [REDACTED]: There are, but I have to

1 think about --

2 SPECIAL AGENT NEFF: That's probably going
3 to have you thinking for a minute. Let me just go
4 back on another question that I had. In terms of the
5 checklist on the start-up at Salem where there was a
6 question of whether [REDACTED] would perform the
7 walk-down and you would be able to do that, in
8 conversations with [REDACTED] how did he feel when
9 you proceeded with -- you were indicating you were
10 going to start up without, he didn't have to
11 participate. Did you get a reaction from him on that?

12 [REDACTED]: Yes, he didn't have any
13 problem or issue with it. You know, he said basically
14 I believe he said that was, you know, the
15 responsibility anyhow, but he wanted to go in. I
16 said, you know, if you want to go, I said, you know,
17 we've already done the walk-down. We've got our list,
18 and you know, have given to the control center. He
19 was already suited up, if I remember, and I think he
20 already had his scrubs on. So, I said, you know, if
21 you want to go back in, I said, I'll go back in with
22 you. He said, yes, I'd like to go ahead and do that.
23 So, you know, I went back in.

24 SPECIAL AGENT NEFF: His reaction to you,
25 was it at all critical?

1 [REDACTED] No, no.

2 SPECIAL AGENT NEFF: What was the result
3 of the walk-down after he performed it? Were there
4 any issues out of that?

5 [REDACTED] I don't believe so. I
6 believe there might have been a couple of questions on
7 a maybe a piece of scaffold or something, just to
8 validate the fact that it was on the list and you
9 know, because I didn't have -- you know, the list that
10 we had generated somebody else already had. [REDACTED]
11 probably had to go and clear out. So, there were a
12 couple of other questions, you know, so just to
13 validate the fact that they were in fact already on
14 the list. I don't believe there were any other
15 significant problems and/or issues associated with the
16 walk-down.

17 SPECIAL AGENT NEFF: Okay.

18 MR. BARBER: Do you perceive there was any
19 added value in him going on, I mean, other than you'd
20 stated that it was kind of a political motivation
21 behind it. Was there any other, I don't know,
22 outcomes from that, in that walk-down?

23 [REDACTED] I don't believe there were
24 any other outcomes other than maybe demonstrating to
25 the organization that it's important, you know, which

1 it is, and that you know, senior management is going
2 to be involved in making sure that we do things and do
3 them right.

4 MR. BARBER: Okay.

5 [REDACTED] Some ethic, you know, from
6 that standpoint, it was positive.

7 MR. BARBER: Okay.

8 SPECIAL AGENT NEFF: And you were going to
9 take a moment and think about --

10 [REDACTED] Big picture thinking
11 versus --

12 SPECIAL AGENT NEFF: The big picture
13 thinking and where that may have caused some problems.
14 I'll go off the record briefly.

15 (Whereupon, the foregoing
16 matter went off the record
17 briefly and went back on the
18 record at 11:36 a.m.)

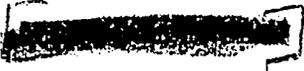
19 SPECIAL AGENT NEFF: Okay, we're back on
20 the record after a brief break. It's approximately
21 11:36 a.m. [REDACTED] in your experience at the
22 site, was there a mindset that contributed to a
23 production over safety type of a mindset? Was there
24 directives or actions or behaviors that gave you the
25 impression that there was a production over safety

1 atmosphere here?

2  You know, there was
3 definitely I think a production, if you want to call
4 it drive, but I don't recollect where I would say
5 safety or production actually took precedence over
6 safety, or where it was at least acknowledged and/or
7 recognized. You can use the incident with the service
8 water valve. You know, that was clearly you're
9 driving, you know, the production side and why weren't
10 you thinking about the safety implications of that
11 operation.

12 There was an incident that -- I probably
13 shouldn't speak because I can't remember the
14 specifics, but there was something coming out of one
15 of the outage at Hope Creek that I think I wasn't
16 cognizant of. I remember bits and pieces of it. I
17 probably can't even comment on it, but --

18 SPECIAL AGENT NEFF: What's the time
19 frame?

20  I believe it's 2003 where
21 -- I think it had to do with the diesels. There was
22 an issue with the diesel, and instead of going after
23 it and resolving it during the outage, because of the
24 schedule impact, it was put off and we went into it
25 after the outage. It might have been the water jacket

1 issue. I don't recall specifically, but there was an
2 issue with the schedule and a safety related piece of
3 equipment. I don't have the specifics. I'd have to
4 go and --

5 SPECIAL AGENT NEFF: And the issue being?

6 [REDACTED] That the schedule took
7 precedent over actually resolving the equipment issue.

8 SPECIAL AGENT NEFF: Okay, but you don't
9 have any more?

10 [REDACTED] No, I can't remember the
11 specifics, other than the fact that I didn't become
12 cognizant of it until after the outage. You know, a

13 lot of the decisions being made, you know, up in the
14 OCC, the outage control center.

15 MR. BARBER: Right. Was that a problem?
16 I mean, did you feel that you didn't -- there was,
17 whether it was intentional or not, or maybe it wasn't,
18 but there was a --

19 [REDACTED] Conscious decision?

20 MR. BARBER: Yes, to not inform you or to
21 delay it?

22 [REDACTED] I don't know if there was
23 a conscious decision, but I believe there was a
24 conscious decision to go ahead and not do the work,
25 though.

1 MR. BARBER: Okay. Because it would cause
2 you to exceed the LCO and you would get into a
3 shutdown? Is that the idea?

4 [REDACTED] No, you were in the
5 outage. You were actually in the outage but because
6 of the schedule.

7 MR. BARBER: Oh, because it would delay
8 the restart?

9 [REDACTED] Correct, it would delay
10 this. It would impact the schedule.

11 SPECIAL AGENT NEFF: Whose decision would
12 that have been?

13 [REDACTED] It would have been the
14 outage, the manager, or whoever the shift outage
15 manager, whoever was in charge of the outage at that
16 point in time. Now [REDACTED] should have been cognizant.
17 I don't know that he was, but I know I wasn't.

18 SPECIAL AGENT NEFF: Do you know why this
19 decision was made that way?

20 [REDACTED] Schedule impact.

21 SPECIAL AGENT NEFF: That was it?

22 [REDACTED] Correct. I believe that's
23 the reason.

24 SPECIAL AGENT NEFF: And why do you say
25 that? Who was in on the considerations for that? Was

1 there some sort of pressure on [REDACTED]
2 [REDACTED] I don't know if [REDACTED] was
3 intimately involved with that decision, or if it came
4 to the outage organization. If it came to the outage
5 organization, you know, [REDACTED] might not have found out
6 until after, either.

7 There was another incident that comes to
8 mind that might give you some insight into the
9 organization piece here. It had to do with the issue
10 with the pins that we had on the circulator, the water
11 boxes, on the discharge on the water boxes, where we
12 had the continued issue with 13 off and 13 bravo. As
13 I recollect, the DP was going up on the -- it was
14 either 13 off or 13 bravo. That's when they had the
15 valve problem.

16 But the DP head was continuing to
17 increase, and when I went out again, encountered the
18 workers, were there looking at trying to drill that
19 pin out, a couple of things. One is they were there
20 by themselves. There wasn't any supervision.

21 They weren't cognizant of the critical
22 nature of the work that they were doing. In fact, if
23 that valve didn't get repaired and/or replaced, may
24 have to de-rate the unit, might actually move the unit
25 around because of having two water boxes out.

1 It wasn't until I had gotten intimately
2 involved. I know I had got a hold of [REDACTED]
3 and got a hold of [REDACTED] said you know, you
4 don't have the supervision out there. They guys don't
5 know what the critical nature of this work is that's
6 going on. You know, what's the problem here? And it
7 continued to, you know, linger on, and [REDACTED] said,
8 well, I'll get out there and I'll help, and I'll take
9 care of it.

10 What we came to find out is I actually had
11 to get engineering involved, and there were other
12 folks. We ultimately got the valve back, right, and
13 got it repaired in time, but it was almost like you
14 know, if I didn't get intimately involved with pulling
15 the rest of the reservices together, the organization
16 doesn't -- it's like they don't come together. They
17 don't self-actualize like a high performing
18 organization.

19 You got a problem, everybody's on it until
20 they get a clear success path, right, they're working
21 through the issues and the resolution. It doesn't
22 seem like that happens out there. It's more of a
23 siloed approach. Maintenance has got it, and I don't
24 know if it's prior or whatever, but a lot of times you
25 don't see the maintenance supervision intimately

1 engaged in the activities and the work out there.

2 MR. BARBER: That sounds like a personal
3 accountability issue.

4 [REDACTED] Well, it is.

5 MR. BARBER: Is there something more to
6 that than that?

7 [REDACTED] Well, I'm not sure that,
8 you know, if you get back to [REDACTED] shouldn't have
9 been driving maintenance to be more in support of him,
10 but management to get on top of those things. I mean,
11 getting on me on the operations side, but you know, I
12 didn't have maintenance working for me, and I didn't

13 have work management working for me, so it was hard to
14 get my arms wrapped around those guys.

15 MR. BARBER: So you had like to go up at
16 his level and go over to like [REDACTED] and then down or go
17 up to [REDACTED] or something, right?

18 [REDACTED] Right, I could interface
19 with [REDACTED] or with [REDACTED] but it just seemed like we
20 weren't getting out of the organization, out of the
21 work management and out of the maintenance. I mean,
22 it shouldn't take the [REDACTED] to go up
23 and say, you know, where's your supervision.

24 There were a couple of other occasions.

25 MR. BARBER: How did you know to do that?

1 I mean, was this just an instinct you had, or --

2 [REDACTED] Yes, because I knew the
3 plant was, you know, going to be challenged if I
4 didn't get that equipment back. So, what I would do
5 is go out in the field and actually check on some of
6 that myself to find out what was going on. You know,
7 a lot of times, you know, more often than not what I'd
8 find is that maintenance supervision wasn't engaged.
9 The workers didn't have clear direction, right? They
10 knew what they were supposed to do. You weren't
11 getting out of hand also out at the work site. So,
12 all that was, you know, eating up time.

13 You know, unless I went out there and at
14 least give myself confidence that things are coming
15 together, on a lot of occasions, they weren't. I
16 started getting the shift managers more involved
17 because, and [REDACTED] was vacuum breaker on the
18 surf water system, that thinking we were going to have
19 to de-rate the unit and challenge the unit if we
20 didn't get it replaced in short order.

21 When I went out there, there wasn't
22 anybody out at the work site, so I grabbed [REDACTED]
23 [REDACTED] and said, you know. He says well, they're out
24 there. I said I was just there, and nobody's there.

25 Well, the drawing wasn't right, so he went

1 up, and if you just follow this whole thing through,
2 it's like nobody is coordinating and driving a lot of
3 these, you know, these critical work activities which
4 had a real opportunity to challenge the unit.

5 SPECIAL AGENT NEFF: And the time frame
6 for this is at what point?

7 [REDACTED] 2003.

8 SPECIAL AGENT NEFF: Is this through the
9 time that you left there in early September?

10 [REDACTED] Correct.

11 SPECIAL AGENT NEFF: You saw that there
12 was no change in the way that it was coordinated?

13 [REDACTED] Yes, there were a number
14 of occasions that I had to intimately get involved
15 with with that activities. I couldn't obviously get
16 involved with everything that went on, but if it was
17 something that it in my opinion looked like it was
18 going to challenge the units, then I went and
19 intimately got involved until I had confidence that
20 things were on the right track.

21 SPECIAL AGENT NEFF: When you had to get
22 involved to stay on top of this, did you have to bring
23 that concern to anybody to get it coordinated more
24 effectively? I mean, who were you dealing with to get
25 it resolved?

1 [REDACTED] Well, it's being dealt
2 with operations, leadership, you know, the assistant
3 operations managers and operations managers in some
4 cases. In some cases, I got a hold of maintenance
5 supervision and got them involved. I would talk to

6 [REDACTED]
7 MR. BARBER: What was the reaction? If
8 you can talk about operations leadership. I mean,
9 you're their boss, and you're portraying an issue
10 where maybe their coverage or potential coverage is
11 something that's important to operations, is somewhat
12 lacking. Did you ever get any feedback that, you

13 know, that you were impeding them in some way or did
14 they take it as oh, no, this is good feedback. Yes,
15 you're right, we should have been out there?

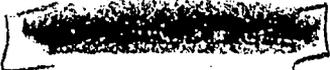
16 [REDACTED] I think there was a level
17 of frustration with the operations managers, shift
18 managers, shift superintendents, that they weren't
19 getting the support they needed in the maintenance
20 area.

21 SPECIAL AGENT NEFF: So you were on the
22 same page as these individuals?

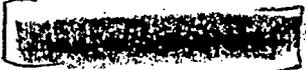
23 [REDACTED] Yes.

24 MR. BARBER: Did they feel any
25 culpability, though, because like for example, like

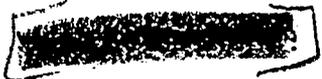
1 the surf water example you mentioned. Although it's
2 not safety related per se, it relates to plant
3 availability and something that, you know, could
4 impact to cause a transient or make a transient more
5 likely. Did they take away anything that would say
6 hey, you know, maybe I should have been out there
7 looking at this and pushing the issue? I mean, does
8 the shift manager feel free to go out in the plant on
9 something like that?

10  Yes, they do. What I
11 would say is they've gotten out there a whole lot more
12 recently here than they had in the past.

13 MR. BARBER: Okay.

14  But they ran into some of
15 the same frustrations I do when they go into the plant
16 and getting the response that they're looking for from
17 within the departments and organizations.

18 MR. BARBER: Okay.

19  On one occasion, I was
20 looking at, you know, resolving this vacuum breaker
21 issue, and I said well, you know, who's in charge?
22 Where's the maintenance? Well, the maintenance
23 supervisor is in charge. Well, he's headed over to a
24 meeting at Hope Creek. I said you got to be kidding
25 me. You go into a meeting at Hope Creek, and I got

1 one of the ceiling units right, that if I don't get
2 this issue resolved on the vacuum breaker and don't
3 get that circulator back in, I may have to de-rate the
4 unit.

5 The workers don't appear to have clear
6 direction on what the urgency and what they needed to
7 get after. So, those are just some of the things.

8 MR. BARBER: Those aren't so much safety
9 conscious work environment issues as more like
10 performance issues. Those are more how the
11 organization is performing, how it's interacting,
12 whether there are people filling accountability.

13 [REDACTED] Right, organizational
14 dynamic issues.

15 MR. BARBER: Right, right,

16 [REDACTED]: And organizational
17 effectiveness issues, but when you talk to senior
18 management, right, to me, those are some of the
19 shortfalls of why Salem/Hope Creek had to change the
20 level of performance that they can and they should
21 have. It's an organizational thing, and the personal
22 dealings with the personnel and the effectiveness and
23 the alignment integration with the organization. It's
24 independent of some program or process issues. We
25 talked about procedures and things that aren't up to

1 par.

2 If senior management doesn't, you know, if
3 they don't focus on that and drive that to get the
4 organization to coalesce and come together to resolve
5 these issues, and they're more individually driven and
6 oriented, to me, you're just, you're dealing with all
7 the individual symptoms. You're not fixing the
8 problem.

9 To be frank with you, I don't know that
10 the senior managers, I'm talking about the VP's, have
11 got the organizational perspective or savvy on how to
12 go after that. I believe that it's very technically

13 oriented, and the issue that this is more of an
14 organizational interface, effectiveness, and a
15 dynamics issue that you're dealing with out at
16 Salem/Hope Creek.

17 SPECIAL AGENT NEFF: For what time frame
18 are you considering that? Is that most recent with
19 the changes that have been made?

20 [REDACTED] Well, this may alleviate
21 some of that now with the unitization because now
22 you've got maintenance, and they're going right in
23 line with the food chain, right, with the station
24 manager, when before it was more aloof. It was hard
25 to get a hold of the requisite manager.

1 When you look at the control room
2 indicators, I mean, as hard as we pushed and tried and
3 put things in the work schedule to get those control
4 room indicators down and get to a black board, until
5 it ultimately became an accountability that
6 maintenance is going to be measured against, it wasn't
7 an issue for them, and I couldn't get them off the
8 dime on it.

9 You know, clearly if they'd have reported
10 directly to me, you know, I would have had a lot more
11 influence in making that a higher priority for them.

12 SPECIAL AGENT NEFF: Anything further on
13 that, because I'll take a quick break on here. Before
14 I do, I want to ask you the situation from your
15 perspective. We talked about whether there was a
16 production over safety mindset, and you had said that
17 no, you didn't see it take effect. It was production
18 over safety, and it had never actualized, but you
19 threw out two incidents where that came to mind.

20 The March 17 incident was one with the
21 debate. Did you ever become aware of the concerns on
22 the part of others that there was production over
23 safety mindset? Even if maybe that perception was
24 incorrect in your mind, did you become aware of a
25 situation where that was what was being said, that

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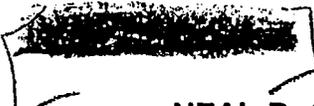
1 this was a production over safety environment?

2  I had heard, you know,
3 some discussion and dialogue, and heard people comment
4 on that. Now, as far as a specific incident, other
5 than the one that, you know, we talked about clearly,
6 the bypass valve issue was a production thought
7 process versus a safety process.

8 Similarly, not to fix any equipment
9 because of schedule impacts or taking out service
10 water bays without taking a look at the big picture
11 and the broader perspective of the safety implications
12 or alternatives. In fact, as far as determining the
13 integrity of the equipment and the intent of the
14 statements and the technical specifications versus
15 just kind of getting into what I would say was like a
16 blank compliance. This is what it is, so what it says
17 is what I have to do.

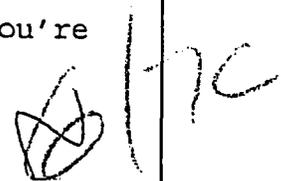
18 So, what I would say in some of the
19 actions, sit back and you look at them, would exhibit
20 more of a production over the safety mindset or
21 mentality. I'm not aware of any specific incident
22 where safety took precedent over production.

23 MR. BARBER: You mean production took
24 precedent over safety, don't you?

25  I'm sorry, yes, you're

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1 exactly right. My mistake, yes, the production took
2 precedent.

3 SPECIAL AGENT NEFF: You're not aware of
4 any specific incidents?

5 [REDACTED] Not on my watch.

6 SPECIAL AGENT NEFF: Okay.

7 [REDACTED] Not that I was cognizant
8 or aware of.

9 SPECIAL AGENT NEFF: Okay. We'll go off
10 the record. It's 11:57 a.m.

11 (Whereupon, the foregoing
12 matter went off the record

13 briefly at 11:57 a.m. and went
14 back on the record.)

15 SPECIAL AGENT NEFF: Back on the record.

16 [REDACTED] You know, I've challenged
17 senior management on a number of occasions. The one
18 specifically, you know, we were talking about is the
19 [recert of Hope Creek after the shutdown in the
20 incident with the bypass valve.]

21 SPECIAL AGENT NEFF: The March incident,
22 and when you say challenged them, had that been
23 ongoing since you were on site in [REDACTED]

24 [REDACTED] I would say that
25 management style was in conflict where you know, there

1 have been comments if I go down, I'm taking you with
2 me, and you know, those types of, probably were with
3 the type of environment that was prevalent there. I
4 believe both [REDACTED] and [REDACTED] both
5 indicated, you know, if I go down, I'm taking you guys
6 with me.

7 If you take a look at some of the --

8 MR. BARBER: Who said that? You say

9 [REDACTED] said that to [REDACTED]

10 [REDACTED] said that you can,
11 and [REDACTED] had said that as well.

12 MR. BARBER: Meaning you personally?

13 [REDACTED] Senior managers.

14 MR. BARBER: Other people?

15 [REDACTED] Yes, [REDACTED] will
16 attest to that.

17 MR. BARBER: Okay.

18 [REDACTED] You know, if you take a
19 look at the senior managers under [REDACTED] just to take
20 a snapshot --

21 [End of Side A, Tape 2]

22 [Beginning of Side B, Tape 2]

23 [REDACTED]: -- done a good in
24 operations training and what have you. He was let go.

25 If you look at [REDACTED] right,

1 [REDACTED] he was under a lot of pressure. To
2 be honest with you, I thought the individual was quite
3 close to having a heart attack here in December of
4 2002. Since not having the reporting relationship
5 with [REDACTED] has done a great job. I think even if you
6 asked him, he'd say that things have come around in
7 chemistry. To me, it was really suppressing, I
8 believe, you know, the organization and now allowing
9 the organization to grow and supporting the
10 organization and the management team, and he was, you
11 know, they were considering letting him go.

12 If you look at [REDACTED], he wasn't
13 awarded a position in this last organization. All of
14 a sudden they found him one, but I mean, he was the
15 only department that didn't have a finding from the
16 last evaluation and is recognized in the industry for
17 probably having one of the better rate protection
18 programs in the industry. So, the question you'd have
19 to ask is well, why wasn't he afforded a comparable
20 job in the new organization.

21 We've got [REDACTED] right, who was
22 the [REDACTED] and basically said he
23 wasn't going to work under [REDACTED] anymore and left.
24 He's working at [REDACTED] as a [REDACTED] I believe
25 at [REDACTED].) You know, subsequently, you know, [REDACTED]

1 [REDACTED] he left, and [REDACTED] I think he took
2 another position because his days were probably
3 numbered as well.

4 SPECIAL AGENT NEFF: And the common thread
5 for these individuals is what, are you saying?

6 [REDACTED] It's [REDACTED], and I'm out as
7 well. So, if you take a look -- you can't tell me
8 that all of these managers that report to this one
9 individual are non-performers. I was told probably
10 more than once that. Hey, [REDACTED] not getting it. Get
11 rid of him. You know, it's not true. To me [REDACTED] was
12 very conscientious. He also challenged senior

13 management on more than one occasion, both [REDACTED] and
14 [REDACTED] I'm sure that's why he's left the company,
15 because his future here is probably limited or short
16 lived, or would have been.

17 SPECIAL AGENT NEFF: You're saying that
18 this also applies to yourself in terms of not only
19 what happened in March but that you would challenge
20 your management?

21 [REDACTED] Correct, routinely
22 challenge them on the issues that they brought up. On
23 a number of cases, they were based on limited
24 information, limited knowledge, supposition, innuendo,
25 and weren't factual. You know, my management style is

1 not to go in to beat the organization into submission.
2 It's to more of a bottoms up approach and get the
3 organization to bring the issues to the table so that
4 you can actually resolve and fix the problems that are
5 out there in the plant.

6 If you try running the operation from only
7 the top half dozen folks, you can put in a lot of
8 time, and there's no way that you're going to be
9 cognizant of everything that's going on out at that
10 station, but if you can get the organization to all be
11 participatative and supportive and to bring issues to
12 the forefront so they can be resolved, the operation
13 is going to get better, and it's going to continue to
14 improve the performance.

15 I think, you know, that's probably why you
16 see some of the work-arounds. If you take a look at
17 the safety tagging issues, the question you ask is
18 well, how come people don't follow the safety tagging
19 process? They've been doing business that way for a
20 long period of time where they don't tag out the fan
21 when they change the belts.

22 Well, why isn't the maintenance
23 supervision folks know that that's a common practice?
24 Why aren't they helping change that behavior, and why
25 aren't they getting involved in changing that, and by

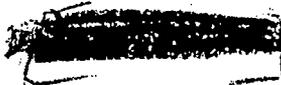
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1 not raising it up, they're condoning it. Operations
2 is the tagging authority, but if you've got a long of
3 these long-time embedded problems or issues in the
4 station and these legacy issues, they're not going to
5 surface unless people bring them to the forefront,
6 unless you encourage them and endorse bringing them to
7 the forefront so they can be address and dealt with
8 and so they can be successful.

9 SPECIAL AGENT NEFF: Under Title 10 C.F.R.
10 50.7 prohibits retaliating against individuals for
11 having raised concerns of a nuclear safety or
12 regulatory nature. Had you considered that that

13 applied to your situation? Is that what you're
14 saying?

15 : What I'm saying is I don't
16 know that it has or has not at this point. I mean, I
17 don't have any knowledge or information to determine
18 that it has or has not, but I will take it under
19 consideration.

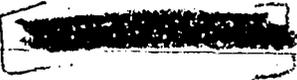
20 SPECIAL AGENT NEFF: You were going to say
21 something else? I'm just going to go off the record.
22 I'd like to talk to Scott briefly, and I think we can
23 wrap it up soon.

24 (Whereupon, the foregoing
25 matter went off the record

1 briefly and went back on the
2 record at 12:10 p.m.)

3 SPECIAL AGENT NEFF: All right, we're back
4 on the record. It's approximately 12:10 p.m.

5 Going back to the incident in June of 2003
6 regarding the diesel jacket water, the pump leakage
7 and the unplanned LCO, in terms of the delay when the
8 LCO was exceeded and the delay in going into the
9 shutdown, can you explain the decisions that were made
10 around that, and your observations of what was going
11 on at that point?

12  Well, prior to entering
13 into the action statement, it was believed that there
14 was ample time to go ahead and to replace, it was a
15 shaft seal. This wasn't the jacket water. This was
16 the shaft seal. What they had, in fact, done in
17 replacing that seal, they had pulled it all the way
18 through, and they screwed it on. They must have
19 screwed it on too tight, and had to subsequently
20 replace one more seal. The decision was to proceed to
21 replacing that seal, enter into the action statement.

22 I don't recall a specific time, but there
23 was a time from there that we would have commenced
24 shutting the unit down if we hadn't achieved
25 operability on that diesel. I don't recall the

1 specifics.

2 MR. BARBER: Let me see if I can refresh
3 your memory on it. What we had, our information was
4 is that you had established a leakage where initially
5 a leakage rate of like 150 drops per minute. It was
6 routinely around 10, and then on a weekend, like on a
7 Saturday or Sunday when the operation went out, and
8 saw like a prompt increase.

9 [REDACTED] That was the jacket
10 lottery.

11 MR. BARBER: Right, right.

12 [REDACTED] So, it was a different

13 --

14 MR. BARBER: That was actually the inner
15 cooler pump.

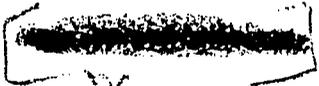
16 [REDACTED] Correct, that was the
17 inner cooler pump. That wasn't the shaft seal.

18 MR. BARBER: Right, so we're talking about
19 a different incident.

20 [REDACTED] Correct.

21 MR. BARBER: Okay, so that was the issue,
22 and then I think the LCO was on a Sunday, and it was
23 72 hours, so you had Monday, Tuesday, Wednesday. So,
24 Wednesday at 4:30 in the morning, you would have went
25 over, you have exceeded the LCO.

1 Well, there were a lot of maintenance
2 activities, and there were a lot of back and forths.
3 Okay, well, we had these three shims are 40
4 thousandths of an inch. You know, let's see what we
5 have. Do we have two? Do we go with three? Do we go
6 with one, and there was back and forth, back and
7 forth.

8  Yes, it was like 80,000
9 versus 120,000.

10 MR. BARBER: Right, there was a lot of
11 back and forth there, but at some point, engineering
12 was engaged, and they were working in parallel. They
13 were working in parallel to look at the design basis
14 of the leakage to say what's an acceptable amount of
15 leakage. They had come up with 150 because it was
16 related to how long it took to drain the backwater
17 expansion tank, and it was actually like seven days at
18 that rate.

19 Well, they ended up working to a solution
20 to quote, change the design basis and provide comp
21 measures in parallel with what maintenance was doing,
22 but at some point, and in effect, it was the 4:30
23 point, 4:30 a.m. or 4:35 or whatever it was on that
24 Wednesday, the LCO was exceeded. Then you went into
25 the 12 hours to hot shutdown time frame. So, you're

1 in that window.

2 Then from our view, we're looking at
3 saying, okay, when are they going to start, when
4 should they start, how much time do you think they
5 need to shutdown, and I don't think that the shutdown
6 started until fairly late in the window. I think what
7 we're asking you to comment on is what was behind
8 that? Why so long? What kind of decisions were made?
9 What kind of discussion was involved with that, and
10 the timing of that?

11 [REDACTED] You know, the extra time
12 line, you know, would be difficult for me to, you

13 know, but I recall the discussion on the 100 and 150
14 drops per minute. It came in on Sunday. I think in
15 fact [REDACTED] was in again. It was like I get
16 this seal replaced or whatever, and we'll be out of it
17 to make, and it went into Monday.

18 Then at some point in time there that we
19 were having a conversation with [REDACTED] He said
20 hey, you know, there was 120,000 shims in there, and
21 we only put 80 back in. So, we really didn't put back
22 in all that was in before. Again, to me that gets
23 into the narrow focus, myopic. He was saying hey,
24 what's going on? Why is this [120?] What are all the
25 other pumps at? Is it [80 or 40] whatever it is, but

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1 some different figure there.

2 So, it was -- it sounded like, you know,
3 listen to maintenance. What they were telling me was
4 that they had made a mistake when they replaced the
5 shims. Somebody had made a decision to go ahead and
6 put in [100,000] versus [80,000] and it caused the seal
7 to leak again.

8 Went through that iteration, and it was
9 [REDACTED] and I, and [REDACTED] asked me,
10 where does the design basis come from for the [150
11 drops per minute?]. I think it was predicated on once
12 you get the alarm or whatever, you're able to take to

13 either drain the tank or the tank's full from the
14 alarm set point, I think. That's all they had come up
15 with, 150 drops per minutes without any additional
16 action or whatever, that that would insure you that
17 you need to prop up to these. You know, why can't I -
18 - he asked the question why can't he stick a fire hose
19 in there. You know, why can't I do something
20 different to keep that jacket water expansion tank
21 full?

22 Well, I guess you can. We never thought
23 about it before. So, what we were really down to was
24 what they had always done in the past, the assumption
25 see how easy it is to pass -- it was not predicated on

1 any design basis. It was predicated on engineer.
 2 Assume that, you know, once you hit that alarm level,
 3 like there's how much water you have left in there
 4 based on the ~~leakage~~ to insure that you won't
 5 compromise the operation of the diesel. So they took
 6 a couple of parallel pass, and on the back of the
 7 envelope, right, they had put a bunch already, you
 8 know, figured out what we could do to support
 9 operation of the unit.

10 Now, recognize that we had a ~~few~~ leaks. ~~X~~
 11 As soon as you move that unit down, it's going to take
 12 a long time to get it back up, and it's not a

13 -- you don't want to be, you know, ~~a~~ minor fuel leak, ~~X~~
 14 you don't want to be moving the unit around anymore
 15 than what you have to.

16 MR. BARBER: Okay.

17 ~~_____~~ So, it was ~~_____~~ --

18 MR. BARBER: Was it a fuel leak, or was it
 19 something with the recirc system, the reactor recirc?
 20 Was there a pump seal?

21 SPECIAL AGENT NEFF: ~~Seal?~~ ~~X~~

22 ~~_____~~: Yes, ~~fuel leak. Yes, fuel~~ ~~X~~
 23 ~~leaks.~~ ~~X~~

24 MR. BARBER: Okay.

25 ~~_____~~ And engineering was giving

1 us a document, and they did, and it passed muster, and
2 they gave us another one.

3 SPECIAL AGENT NEFF: And when you're
4 saying us, who was involved here?

5 [REDACTED] It was [REDACTED] and I.
6 I think [REDACTED] was involved as well, and [REDACTED] I
7 think, was the [REDACTED] I knew they had
8 resolution to the issue. Didn't want to, you know,
9 start moving the unit around unnecessarily. We got to
10 the point where in good judgment, we weren't sure that
11 we were going to get a final document from engineering
12 that would support the operation because they kept

13 making promises to us that they were going to give us
14 the final product, and it wasn't acceptable from our
15 point that as far as what they had written up in the
16 operability document to support continued operation
17 wouldn't pass our scrutiny and certainly wouldn't pass
18 anyone else's scrutiny.

19 It was at that point in time decided to
20 commence the reactor shutdown. I think we got down to
21 probably 40 percent before we had an acceptable
22 document secured for the shutdown.

23 MR. BARBER: Did you lay out the rough
24 schedule ahead of time so that you knew that if you
25 didn't have an answer by a certain time, you had to

1 start moving? I mean, was that part of the pre-
2 planning discussion?

3 [REDACTED] That was part of the
4 discussion that [REDACTED] and I had, and [REDACTED] was actually
5 pushing me and saying, in good judgment, I'm not
6 convinced I'm going to have a viable document by the
7 right time frame, and we're not going to put the
8 operators in a situation where they have to, you know,
9 hurry to shut the unit down. I don't want to
10 compromise that and aren't going to have them making
11 any mistakes.

12 We were sitting [REDACTED] office, and
13 he said I concur. Start shutting the engines,
14 commence reactor shutdown.

15 SPECIAL AGENT NEFF: Throughout the
16 situation, was the control of the situation and the
17 call on when to go into hot shutdown, was that within
18 your control?

19 [REDACTED] Yes.

20 SPECIAL AGENT NEFF: Okay. Did you have
21 any influence on you from management, any pressure on
22 you not to go into the hot shutdown mode?

23 [REDACTED] I'm sure there was
24 discussion and dialogue that was taking place, but you
25 know, I certainly had expected at least initially to

1 have an acceptable engineering document, and prior to
2 having to commence the reactor shutdown, but we got to
3 a point where there was no recourse because in order
4 for us to do an acceptable shutdown without placing
5 the operators in a rushed scenario or circumstance, we
6 had to start it at that time.

7 Basically it was a conversation which
8 everybody wasn't appreciative of by the conversation
9 between [REDACTED] and I.

10 SPECIAL AGENT NEFF: And when you say
11 everybody wasn't appreciative, what do you mean by
12 that?

13 [REDACTED]: Well, you know, it's just
14 a statement. I mean, any time you take a look at
15 taking one of the units off line or shutting it down,
16 I'm sure it's, you know, the financial impacts are to
17 consider which I take into consideration as well, but
18 clearly there was no alternative. I mean, we had to
19 commence the reactor shutdown at that point in time.

20 SPECIAL AGENT NEFF: Okay, and in terms of
21 any action or criticism of you after the fact when you
22 went into hot shutdown, did you have any feedback on
23 anything like that?

24 [REDACTED]: I don't recollect any.

25 SPECIAL AGENT NEFF: Were you comfortable

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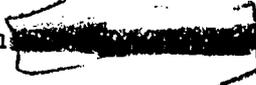
1 with the reactions by your management to what you had
2 to do?

3  Yes, I believe so. I
4 don't remember any of the specifics, but I don't
5 particularly recall anything unique or specific to
6 challenging me in that regard.

7 SPECIAL AGENT NEFF: Okay. I just wanted
8 to get your perspective on that.

9 Scott, anything further?

10 MR. BARBER: Maybe one last question, or
11 maybe a couple of questions, but just on kind of a
12 general topic. You know, you talked about you had
13 worked out one of the last things that you did with
14 your folks prior to leaving in August was you worked
15 out their partnership agreements and kind of finished
16 them up.

17 In thinking of it the other way, thinking
18 of your partnership with , just thinking
19 of, you know, the dialogue, discussion, or whatever,
20 was there anything that was involved with that,
21 whatever discussion you had in that regard that made
22 you say, you know, I really felt like I was doing the
23 right thing here, and you're being critical of me
24 because you know, I had a safety approach to whatever
25 the issue was and I --did you get any feedback in that

1 regard?

2 [REDACTED] No. In fact, he and I
3 never, I don't know that we ever sat down and really
4 finalized our partnership. I wrote mine up, and
5 submitted it. That was pretty much it.

6 MR. BARBER: So you didn't get any
7 feedback on it, okay.

8 SPECIAL AGENT NEFF: Would you like to add
9 anything else? Anything we either haven't asked you
10 or you would like to have on the record?

11 [REDACTED] Other than, you know, the
12 one point that you brought up, right? I mean, that

13 seems a little bit -- see how to choose my words here,
14 are difficult to understand, right, based on the fact
15 that I've operated all three units, in a broad spanse
16 of operation on a dialogue that I've had with the two
17 Salem units and the Hope Creek unit, including the RP
18 program and chemistry program, which just came under
19 my responsibility as of [REDACTED] I have
20 clearly 25 to 30 years experience in the industry in
21 a number of capacities, [senior management] [senior] you
22 know, [executive level positions], that just split up
23 the units into, you know, the Salem units and the Hope
24 Creek unit, that is something that doesn't ring true
25 that I would not have been provided an opportunity to

1 run one of those, either the Salem units or the Hope
2 Creek unit.

3 SPECIAL AGENT NEFF: Okay, and at this
4 point, what I'm making you aware of are the provisions
5 of the point of law that prohibits being discriminated
6 against for having raised concerns. It's got to come
7 from your consideration of events, your knowledge of
8 your interactions. You're working there, and the
9 reasons given to you for the actions taken recently,
10 in considering that, if the allegation, if that's the
11 allegation you want to make and the NRC has an office
12 set up to handle that. I can give you the information

13 on who to call. Then what would happen is if you
14 articulate what appears to be a prima facie case, and
15 then my office, the Office of Investigations, gets
16 involved and investigates.

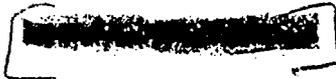
17 So, what I'm hearing from you is you're
18 considering it. You're not firmly alleging this. I
19 just want you to know that --

20 MR. BARBER: You always have the option of
21 calling. We're not trying to force you to make a
22 decision today on whether you think there was anything
23 of that nature going on or not. That option is always
24 there.

25 SPECIAL AGENT NEFF: The only other point

1 that I would make is, and the NRC allegations also
2 would tell you that in terms of Department of Labor
3 involvement, allegations to them need to be made
4 within 180 days from the adverse action, and that's
5 something you need to consider, too.

6 The difference being that if DOL got
7 involved in allegation and discrimination, they look
8 for personal remedy to the situation, if it applies.
9 The NRC Office of Investigation gets involved to
10 address the wrongdoing, and that's -- we would be
11 looking at potential wrongdoing on the part of the
12 licensee. That's the difference.

13  I see. If you have some
14 information, I'm currently entertaining some
15 discussion with an attorney, and that's why I haven't
16 made any decisions yet because I was going to have the
17 discussion and dialogue with an attorney to find out
18 what their position and thoughts are before I proceed,
19 but I'd be interested in at least obtaining the
20 information.

21 SPECIAL AGENT NEFF: Okay, and I'll give
22 you that today, too.

23  Okay.

24 SPECIAL AGENT NEFF: Anything else? I'm
25 about to close.

1 [REDACTED] I guess one closing
2 comment, again, I think there's a lot of great people
3 out there. I don't think the issues that are in Hope
4 Creek are union issues. I don't think any of the
5 issues out there are individual people issues. I
6 think there are some program process and structural
7 issues, and I think there are some organizational
8 dynamic type issues, and I also believe it's not one
9 shoe fits all. It's the right management and
10 management style that will take that operation really
11 to the level of performance that I know it's capable
12 of achieving.

13 I've got a high regard and respect for the
14 people that are out there. A lot of people want to do
15 the right thing for the right reasons.

16 SPECIAL AGENT NEFF: Okay. [REDACTED]
17 have I or any other NRC representative offered you any
18 promises or threatened you in any manner in exchange
19 for today's information?

20 [REDACTED] No, you have not.

21 SPECIAL AGENT NEFF: Have you offered this
22 information freely and voluntarily?

23 [REDACTED] Yes, I have.

24 SPECIAL AGENT NEFF: Okay. At this point,
25 I'm going to close. It's approximately 12:30 p.m.,

1 and I'd like to thank you very much for your time
2 today.

3  You're welcome.

4 (Whereupon, the above-referenced matter
5 was concluded at 12:30 p.m.)
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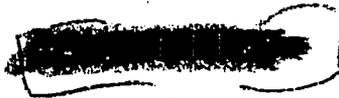
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CERTIFICATE

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

Name of Proceeding: Interview of

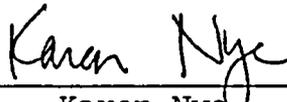


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Docket Number: n/a

Location: Exton, PA

were held as herein appears, and that this is the
original transcript thereof for the file of the United
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direction of the court reporting company, and that the
transcript is a true and accurate record of the
foregoing proceedings as recorded on tape(s) provided
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Karen Nye
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