

Official Transcript of Proceedings
NUCLEAR REGULATORY COMMISSION

Title: Petition Review Board

Docket Number: Not provided

Location: Teleconference

Date: Wednesday June 28, 2006

Work Order No.: NRC-1140

Pages 1-28

NEAL R. GROSS AND CO., INC.
Court Reporters and Transcribers
1323 Rhode Island Avenue, N.W.
Washington, D.C. 20005
(202) 234-4433

1 UNITED STATES OF AMERICA
2 NUCLEAR REGULATORY COMMISSION

3 + + + + +

4 PETITION REVIEW BOARD (PRB)

5 CONFERENCE CALL

6 + + + + +

7 WEDNESDAY

8 JUNE 28, 2006

9 + + + + +

10 The conference call was held, Mohan
11 Thadani, Project Manager, NRR/DORL/LPLR, presiding.

12 PRESENT:

13 MOHAN C. THADANI, NRR/DORL/LPL4

14 AL GUTTERMAN, Morgan Lewis & Bockius

15 GIOVANNA (JENNY) M. LONGO, OGC/NRC

16 LISAMARIE JARRIEL, Office of Enforcement

17 DOUG STARKEY, Office of Enforcement

18 HO K. NIEH, JR., NRC/NRR/DPR

19 GLENN ADLER, Service Employees International Union

20 (SEIU)

21 DONNA WILLIAMS, NRR/ADRA

22 DAVID TERAQ, NRR/DORL/LPL4

23 JOHN CRENSHAW, General Manager of Oversight

24 SCOTT HEAD, Manager of Licensing

25 JOHN DIXON

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433
(202) 234-4433

(202) 234-4433
www.nealrgross.com

P R O C E E D I N G S

(Time not given.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. THADANI: Will everyone sign in. Is everybody on the line? Can you please identify yourself?

MR. HEAD: South Texas is here.

MR. THADANI: This is Mohan Thadani.

MR. HEAD: Mr. Thadani, how are you doing today?

MR. THADANI: Fine, how are you?

MR. HEAD: Fine, thank you. At South Texas here I'll go ahead and identify everybody. We have John Crenshaw who is the General Manager of Oversight and myself, Scott Head, the Manager of Licensing.

PARTICIPANT: Good morning.

MR. THADANI: Good morning.

MR. DIXON: John Dixon at the site.

MR. THADANI: Hi, John. Good morning. I think everybody is on the line and it's about that time.

My name is Mohan Thadani. I've been assigned as the project manager for this petition. The Petitioner for this -- his name is Mr. Adler. He's present at the meeting.

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 The meeting will be transcribed and the
2 transcript will be made (Inaudible) to the meeting
3 summary.

4 (Inaudible) NRC Resident Inspector,
5 representatives of (Inaudible). The Licensee's
6 attorney is also present in this meeting. The
7 licensee is invited to participate to ensure it
8 understands the concerns about its facility and
9 activities.

10 I would ask that everyone present and on
11 the present, sign the attendance sheet, state their
12 name, affiliation and their phone number, so that I
13 can ensure their names to be included in the
14 attendees' list.

15 Anyone making a statement should first
16 identify himself or herself. Those are my
17 introductory remarks and (Inaudible).

18 MR. NIEH: Thank you, Mohan. Before we do
19 that perhaps we'll go around the room here at
20 Headquarters and introduce the participants so members
21 on the phone know who we are here.

22 Again, my name is Ho Nieh. I'm the
23 Petition Chairman. I am from the Office of Nuclear
24 Reactor Regulation, Division of Policy and Rulemaking.

25 MR. STARKEY: Doug Starkey, Office of

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 Enforcement.

2 MS. JARRIEL: Lisa Jarriel, Office of
3 Enforcement.

4 MS. LONGO: Jenny Longo, Office of General
5 Counsel.

6 MR. GUTTERMAN: Al Gutterman from
7 (Inaudible).

8 (Inaudible)

9 MR. TERAQ: This is David with NRR,
10 (Inaudible) Branch 4.

11 MR. THADANI: Mohan Thadani, Project
12 Manager for South Texas Project and the Petition
13 Manager for the Petition.

14 PARTICIPANT: (Inaudible), Service
15 Employees International Union in Washington, D.C.

16 MR. THADANI: Region IV, could you please
17 identify?

18 PARTICIPANT: Yes, this is Tom
19 (Inaudible), Senior Project Engineer, Region IV.

20 PARTICIPANT: (Inaudible), Branch Chief
21 (Inaudible), Region IV.

22 MR. THADANI: Thank you. I also heard
23 John Crenshaw and Scott Head, is that correct?

24 MR. CRENSHAW: That is correct.

25 MR. THADANI: Is it just you two?

1 MR. CRENSHAW: Okay, thank you.

2 PARTICIPANT: We'll get started. The
3 subject of this meeting is 2.206 edition submitted by
4 the Service Employees International Union of the
5 Petitioner on May 16, 2006.

6 The purpose of this meeting is to allow
7 the Petitioner to address the Petition Review Board
8 and this is an opportunity for the Petitioner to
9 provide additional explanations and support for the
10 petition.

11 This is also an opportunity for the staff
12 and the licensee to ask any clarifying questions to
13 the Petitioners about what was submitted. I do want
14 to emphasize that the purpose of this meeting is not
15 to debate the content of the petition and not to
16 determine whether or not the NRC agrees with the
17 content in the petition.

18 I just want to summarize our understanding
19 of what was submitted on May 16, 2006 before we begin.
20 In that petition, the Petitioner requested that the
21 NRC take enforcement actions against the South Texas
22 Project Nuclear Operating Company, the licensee for
23 South Texas Project in (Inaudible) County, Texas. The
24 purpose of the enforcement action would be a demand
25 for information, a DFI, that would require South Texas

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 Project Nuclear Operating Company to provide the NRC
2 its assessment of a safety-conscious work environment
3 at the South Texas Project conducted in January 1,
4 2004, and a couple other related documents.

5 The Petitioner states that it's necessary
6 for the NRC to obtain and review this information to
7 ensure that maintenance of a safety-conscious work
8 environment, which is a vital condition for safe
9 operation of the nuclear plant. The Petitioner states
10 that (Inaudible) in the request, pursuant to the
11 Freedom of Information Act back in 2004, SEIU
12 requested any documents related to the South Texas
13 Project, (Inaudible) formal action plan, any remedial
14 action that had, in fact, taken place as a result if
15 any of such remedial action. And the NRC's response
16 to that request was that no Agency records existed or
17 could be located for that request.

18 The Petitioner further stated that the
19 Agency's response made it unclear as to what actions
20 were taken by the South Texas Project in that regard.
21 And the Petitioner finds that the absence of that
22 documentation at the NRC, in light of the confirmatory
23 order issued back on June 9, 1998, is conserving. And
24 the information in the Petitioner's possession
25 indicates to the Petitioner that the safety-conscious

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE. N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 work environment problems that led to the June 1998
2 confirmatory order have continued at the South Texas
3 Project and that remedial efforts have been expected.

4 That's our summary of what was contained
5 in the information and following this meeting, the
6 Petition Review Board will meet internally to
7 determine whether or not the NRC accepts the petition
8 under the 2.206 process or whether it would be
9 addressed under another agency mechanism.

10 Again, the PRB's meeting will not
11 determine whether or not we agree with the content;
12 it's merely to determine whether or not it meets the
13 criteria to be entered into the hopper for review or
14 some other resolution.

15 After the Petition Review Board reviews
16 SEIU's letter using criteria for 2.206, the Petition
17 Manager will inform you of the results of what we've
18 determined. And, after informing the Petitioner of
19 the recommendation, the Petitioner will also be
20 provided an opportunity to comment on the
21 recommendation in a subsequent phone call.

22 Now, I try to summarize what we had, what
23 you had provided us back in May. I understand that
24 you provided us a revised copy, notes for the
25 telephone attendees that the Petitioner provided us a

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 revised petition dated June 26, 2006. There are four
2 copies here for the Headquarters.

3 So, with that, I'd really like to turn it
4 over to the Petitioner to, one, provide any additional
5 information and also with respect to (Inaudible)
6 whether or not we've characterized what your original
7 request was appropriate, or accurately, I should say.

8 PARTICIPANT: Thank you very much
9 (Inaudible) and those in the room attending the PRB
10 and those on-line. I hope you can hear me.

11 PARTICIPANT: Yes we can, (Inaudible).
12 (Inaudible) but can I ask a quick question of any of
13 you all don't mind. These copies, has Al been
14 provided one to look at? (Inaudible) at this point?

15 PARTICIPANT: There's one sitting right in
16 front of him.

17 PARTICIPANT: Okay.

18 PARTICIPANT: The copy doesn't change the
19 argument. It produces the evidence that extends the
20 information that I related in May. And, as I
21 understand the purpose of this hearing is to provide
22 additional information that could be of use to the PRB
23 in its review of my Petition.

24 So it has extensive appendices, with
25 facsimile copies of supporting documentation I refer

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE. N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 to in the May letter. As far as I know the argument
2 is consistent.

3 Mr. Nieh, thank you very much for the
4 summary. In the main, I agree with that and it really
5 does cut to the chase. What I'll do today is provide
6 a little bit of the background information that I
7 refer to. The documents are here available and
8 explain the evidence on which we make the petition,
9 which I understand is one of the criteria for petition
10 evaluation.

11 I think, to summarize this and really to
12 cut to the chase and make a long story short, there
13 were three separate surveys, two of which are on the
14 public record and one of which isn't, into the safety-
15 conscious work environment at the South Texas Project
16 that are relevant here. There are three of these
17 surveys, in 2001, again in 2003 and we surmise in
18 2005.

19 The results show that there are certain
20 problem units at the South Texas Plant which are
21 performing poorly according to South Texas' own
22 internal (Inaudible) for evaluation and performing
23 poorly against the industry standard. Now we know
24 that with respect to the 2001 and 2003 surveys because
25 they're available and we've obtained -- it was on the

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE. N.W.
WASHINGTON, D.C. 20005-3701

1 ADAMS website and the other one we obtained through
2 FOIA.

3 The third in 2005, through FOIA, we
4 obtained the minutes of the meeting that described
5 problems with security and other units at the plant
6 including IT and some other (Inaudible). What it
7 shows is that over a 5-year timeset, according to
8 these independent surveys, there were named
9 (Inaudible), the safety-conscious work environment and
10 critical areas of the plant. We're focusing here on
11 security.

12 After the 2001 and 2003 surveys, there
13 were efforts by the survey (Inaudible), the
14 contractor, to make recommendations about what to do
15 with these problems. Then there were recommendations
16 where, in fact, commitment by South Texas Project TDO
17 that steps would be taken to evaluate the problem and
18 to remediate the problem.

19 PARTICIPANT: I'm sorry, if I could
20 interrupt for one minute: Did someone else join us on
21 the teleconference on the bridge?

22 PARTICIPANT: I dropped out.

23 PARTICIPANT: I'm sorry.

24 PARTICIPANT: As I was saying, there were
25 commitments (Inaudible) to evaluate the problems with

1 these units and to remediate the problems.

2 We note though that the (Inaudible) any
3 efforts, whether they took place or not, the problems
4 persisted into 2005 in some form that's unknown to the
5 public.

6 We at the Service Employees International
7 Union made a FOIA request in 2004 to obtain the
8 surveys of 2003 which at that point it wasn't on
9 ADAMS. And supporting documents without the
10 evaluation and remediation efforts. As Mr. Nieh said,
11 we received the survey and there were no other
12 documents that were responsive to our request at the
13 time, which we perhaps mistakenly interpreted as
14 meaning there was no record at the NRC about these
15 remediation and evaluation efforts for these poorly
16 performing units.

17 Subsequently, we learned at the end of
18 2005 that a follow-up survey had been done and looks
19 to us like a comprehensive cultural survey, same
20 methodology, same (Inaudible), similar kinds of
21 questions we received. And again, those units
22 performed poorly.

23 We FOIA'd for the survey and for
24 supporting documents and we received some documents
25 that indicated, as I mentioned, the poorly performing

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005-3701

1 units. The survey itself was not available. It was
2 not in the possession of the NRC, it seemed. There
3 was no other exceptions cited, safeguards or anything
4 else. And we were, if you will, stuck or limited with
5 that one (Inaudible) information that were handed
6 (Inaudible) meeting done in August of 2005 and
7 typescript, seemed to be a summary of the meeting.
8 And that's what we know about the 2005 survey, showed
9 consistent problems in 2001 and 2002.

10 Now stepping back from all this and
11 (Inaudible), there appear on the record not an
12 allegation by us or anyone else that there are
13 persistent problems. There seems to be an absence of
14 documentation that would allow the NRC to accept the
15 nature of these problems, to accept the efforts taken
16 to evaluate those problems and to remediate those
17 problems.

18 So we are quite simply asking for a
19 (Inaudible) information under Section 2.204 of the
20 Title 10 of the GFR, that the NRC obtained this
21 material from the licensee so that it can perform its
22 oversight role into the safety-conscious work
23 environment at the South Texas project. That's it, in
24 a very brief summary.

25 Now that's all consistent of what we said

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 in May. What I provided here for your understanding
2 is further background into the nature of these surveys
3 that we can understand them from the public record.
4 You are all familiar that the licensee has been
5 subject to -- had been subject to a confirmatory order
6 arising from federal violation a whistleblower brought
7 in the 1990s. That confirmatory order had, as part of
8 the agreement between the NRC and the licensee, the
9 understanding that periodic surveys would be conducted
10 at the plant, including the comprehensive cultural
11 survey, but these would be done by an independent
12 contractor who is above reproach and well-experienced
13 in the industry.

14 It was also an understanding from the
15 confirmatory order that (Inaudible) would report the
16 results to the NRC and as I mentioned, that was part
17 of the agreement from 1998.

18 Wackenhut Corporation took over security
19 at the plant in 2001, July 2001. The 2001 survey took
20 place some months after they arrived on the scene. In
21 2001 and 2003, we know that the South Texas Project
22 results on this survey were in question. According to
23 the norms established for the industry and its own
24 internal performance (Inaudible) consistently over the
25 lack of these surveys. However, a number of the

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 components of the plant came in for some severe
2 criticism, the findings showed them to be poor
3 performers both in terms of the STP (Phonetic)
4 internal norm and the industry norm. And in this
5 instance, Wackenhut and some other units had scored
6 poorly on the independent survey on a range of
7 dimensions.

8 In fact, in the 2001 survey, Wackenhut was
9 identified as a priority 1 organization for its
10 performance relative to the other units at STP
11 (Phonetic). I can identify the areas where it
12 performed poorly either summarized on the documents
13 with effort from the 2001 survey. They go into
14 greater length in the appendices.

15 According to Synergy (Phonetic) the
16 consultants, after the 2001 survey, the company --
17 Wackehut required further evaluation and took remedial
18 action in the near term. It was also identified as a
19 priority level 3 organization, not a low score, but a
20 priority level 3 organization for its low rating
21 compared to industry standards and distinct from STP
22 standard.

23 Following the survey, the CEO, then CEO
24 (Inaudible) said that formal action plans would be
25 prepared to address the survey results, specifically

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 in the context of the poor performance and the letter
2 in which he made this statement in the attachment to
3 the appendices.

4 There's another CTA (Phonetic) that took
5 place in 2002, in fact, and it's reported in 2003. We
6 obtained that, as I mentioned through a FOIA request.
7 It's at that point it wasn't publicly available. And
8 in the 2003 survey, a number of units, including
9 Wackenhut showed deteriorating performance. That they
10 (Inaudible) in the 2001 survey. So if any remediation
11 and evaluation had taken place after 2001, it
12 (Inaudible) effective. Something that deteriorated in
13 the interim.

14 Again, Wackenhut was rated as a priority
15 level 1 organization, but the worse score. Again,
16 because it had relatively low results compared with
17 STP's own performance. So yes, STP is performing
18 well. It's including safety-conscious work
19 environment as being reinforced. There's outliers who
20 are not including (Inaudible), in fact, they're
21 getting worse. And I present the area, some of the
22 areas in which the consultants showed this poor
23 performance.

24 The deterioration came as well in some of
25 these units, including Wackenhut's performance against

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 the industry. But again, the comparison of the plant
2 and the comparison to the industry and according to
3 this, Wackenhut's performance deteriorated from a
4 priority level 3 to priority level 2. And again,
5 there was recommendation for the evaluation and
6 remedial action by the consultant in the near term and
7 once again, the STP president told to the NRC that
8 formal action plan and an evaluation would be prepared
9 to address these problems.

10 So that should be the end of the story if
11 the evaluation and remedial action had been
12 successful, but it doesn't appear to be the end of the
13 story. We have, as I said, through FOIA requested the
14 2005 survey and we received that, I think four or five
15 pages from that, including information about the poor
16 performers, which again included security. There were
17 handwritten notes which I'll get into in a moment. So
18 it seemed from 2001 to 2005, the three data points
19 that I mentioned as revealed by the recent FOIA
20 request that we made.

21 Now I think that there doesn't seem to be
22 any evidence on the public record that steps were
23 taken to remediate this poor performer. (Inaudible)
24 produced a FOIA request and the responses to those in
25 2004 and 2006 and in both, we are told there are no

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1325 RHODE ISLAND AVE. N.W.
WASHINGTON, D.C. 20005-3701

1 documents responsive to our request, when we asked for
2 -- I think the specific wording -- the specific
3 wording -- hold on a minute. Basically we asked for
4 memoranda, notes, emails, correspondence, about any
5 steps to remediate, to evaluate the results thereof as
6 well as a copy of the 2005 survey.

7 So we were told that there weren't
8 documents that were responsive to this. We weren't
9 told there was an exception (Inaudible), can't see
10 them for safeguards reasons, for proprietary
11 information or some other (Inaudible).

12 Now, as I said, in the 2005 survey, there
13 were two occasions singled out for further attention
14 who had previous poor assessments. The documentation
15 doesn't seem to be there about what happened to the
16 treatment of these entities. In the Agency's reply,
17 it's unclear whether any action plan had, in fact,
18 been developed by (Inaudible), whether it had been
19 implemented or whether the results were satisfactory.

20 Now in the FOIA that we received in 2006,
21 the handwritten notes, the typed notes of the meeting
22 that took place in August 2005, there's a very
23 interesting observation by an anonymous (Inaudible)
24 who produced the document, about concerns regarding
25 the safety-conscious work environment at STP. They

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005-3701

1 referenced outdoor (Inaudible) and problems with
2 restructuring that have caused or called into question
3 the trust of management. (Inaudible) to safety, but
4 not yet at least. Safety is still seen as a priority,
5 however, the question is of the commitment to the
6 staff. The reduction that has occurred, I don't know
7 the details of those, but it says although the staff
8 has decreased, the workload is not adjusted to
9 compensate which might suggest problems with overtime
10 issues and fatigue if the staff has been reduced, at
11 least the workload has not.

12 Many comments regarding the supervisors'
13 lack of commitment to employees. Again, strong -- I'm
14 just quoting the notes, more commitment to profit than
15 to workers. The question is whether time (Inaudible)
16 more to money than to safety. Does not seem to
17 indicate (Inaudible), profit drives the station. So
18 these notes, in our reading, describe the potential
19 problem in which (Inaudible) may trump safety.

20 (Inaudible) those notes, the discussion of
21 the meeting, which I said is summarized only in those
22 documents and given the absence of documentation about
23 action plans (Inaudible) such as Wackenhut, it is
24 important for the NRC to scrutinize the steps taken by
25 (Inaudible) to rectify the persistent problems

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 identified in 2005, 2003 and 2001.

2 So we are requesting through the demand
3 for information the documents that are referencing
4 that August 2005 meeting that the NRC attained these.
5 A (Inaudible) analysis, an outsourcing lessons learned
6 and an evaluation, again, an evaluation of IT's
7 (Inaudible) chain and technical training at Wackenhut.
8 By attaining this information, we believe the NRC will
9 better be informed about the licensing progress for
10 including the plant's safety-conscious work
11 environment top to bottom.

12 In addition, we think the NRC will be able
13 to assess the effectiveness of steps taken in the past
14 to address the problem which persist despite
15 apparently repeated remediation efforts. We make a
16 number of requests of the NRC that it demand
17 documentation including the 2005 survey itself,
18 without which I don't think you're empowered to
19 perform your oversight role.

20 I'm willing to take any questions at this
21 point.

22 PARTICIPANT: May I ask you one
23 (Inaudible). I want to emphasize that the purpose of
24 the questioning for the Petitioner are to clarify the
25 request, not to debate the contents of the petition.

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 PARTICIPANT: You said several times that
2 the result of the survey said that different groups
3 and I think you particularly emphasized Wackenhut for
4 performing poorly. Was that characterization of
5 performing poorly in the document or is that how you
6 interpreted them?

7 PARTICIPANT: Good question. More or less
8 how we interpreted it. If you wish, I could say low
9 graded organization. Use the terminology of the
10 surveyor himself. They themselves described the
11 situation as low (Inaudible) results. So I think the
12 specific words "poorly" would be ours. And
13 notwithstanding the actions that were stated by or
14 committed by Mr. (Inaudible), are the actions stated
15 (Inaudible) significant to warrant remediation and
16 evaluation in the near term.

17 PARTICIPANT: If I understand right,
18 (Inaudible) all documents you obtained from the NRC?

19 PARTICIPANT: Pardon me?

20 PARTICIPANT: The factual basis for your
21 petition is all documents you've obtained from the
22 NRC?

23 PARTICIPANT: Yes.

24 PARTICIPANT: And what you're seeking is
25 demand for information under 2.204? You're not taking

1 an order under 2.202, are you?

2 PARTICIPANT: No. I think that depends on
3 what comes out in the 2.204 (Inaudible).

4 PARTICIPANT: Right now, you're not saying
5 you know of any safety problem that hasn't been
6 reviewed by the NRC?

7 PARTICIPANT: No.

8 PARTICIPANT: Or any violation of NRC
9 requirements?

10 PARTICIPANT: No.

11 PARTICIPANT: Those are the only questions
12 I have. Appreciate it.

13 PARTICIPANT: I have a question for
14 clarification. The document (Inaudible).

15 PARTICIPANT: Well, we're hoping that
16 they've been prepared because steps were (Inaudible),
17 including evaluation and remediation. If it turned
18 out that no such steps were taken, that the documents
19 don't exist anywhere, that prevents other
20 difficulties. One wonders then whether that was done
21 to solve the problems that have been shown survey by
22 survey.

23 We're pretty confident that the 2005
24 survey does exist. That probably is indisputable. So
25 any document that there are no commitments made in

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 successive surveys.

2 PARTICIPANT: I'm not thinking of
3 (Inaudible). I'm just trying to find out the
4 (Inaudible) of your request.

5 PARTICIPANT: Right, we would accept to go
6 back and (Inaudible).

7 PARTICIPANT: So what I heard in your
8 response, Glenn, is the petition specifically requests
9 documentation (Inaudible).

10 PARTICIPANT: (Inaudible) general
11 question, does the NRC gives SEIU copies of these
12 documents?

13 PARTICIPANT: As far as I know, we don't
14 request that. We're not in a position, if I
15 understand. I think what we do request is on page 10
16 think. Copies of all correspondence (Inaudible)
17 regarding the petition. Advance notice of all public
18 meetings. Opportunity to participate in all relevant
19 (Inaudible). Copies of correspondence sent to Members
20 of Congress, etcetera. If documents are obtained by
21 the NRC from South Texas, I believe if they're not put
22 on the public record by the NRC, as a matter of
23 course, we would then request them via FOIA.

24 So we happen to be in the loop on what you
25 learned. It's just that the NRC attained them. If

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005-3701

1 they come to the NRC, we have to (Inaudible). But the
2 NRC must -- should be in the position to fulfill its
3 oversight role, regardless of what gets distributed to
4 the public.

5 PARTICIPANT: (Inaudible)

6 PARTICIPANT: Yes. I think it may be
7 divided up this way and I apologize if the document
8 isn't clear. What we're asking NRC to do is obtain
9 this information from South Texas Project (Inaudible).
10 What we are asking of the NRC is to keep us informed
11 of the process. And the information we want from you
12 is what those are between us and you and between you
13 and STP and anybody else. So if there are phone
14 calls, letters, that sort of thing, you'd like to be
15 in the loop on that. But as for the actual
16 (Inaudible) of documents that you receive, that's
17 (Inaudible).

18 As I said before (Inaudible) likely later
19 on.

20 PARTICIPANT: Thanks.

21 PARTICIPANT: Are there any other
22 questions from the participants here at headquarters?

23 Our participants over the phone, I guess
24 I'd start with the licensee. Are there any questions
25 from either John or Scott for the Petitioner?

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 PARTICIPANT: Maybe just one or two.
2 (Inaudible), you have I think in your position or have
3 seen the NRC inspection report where they close the
4 confirmatory order?

5 PARTICIPANT: Yes, I have.

6 PARTICIPANT: Which was based on -- my
7 recollection of being involved with that, of NRC
8 inspections activities and reviewing stuff while they
9 were on site.

10 PARTICIPANT: Yes.

11 PARTICIPANT: Okay. And I assume you have
12 a -- the closure letter where we basically said we had
13 fulfilled the order and in that letter or subsequent
14 letter noted that we would continue doing these
15 cultural surveys and that they would be made available
16 for your review which I would note, not as question,
17 but note that, in fact, this cultural survey that's
18 being talked about has been reviewed by members of the
19 NRC, as part of that agreement part of that allowance
20 that we stipulated. So I assume you have that letter
21 also?

22 PARTICIPANT: Yes, I have that letter
23 also.

24 PARTICIPANT: Okay, then I would -- I just
25 want to make sure that NRC is aware that you have

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-5701

1 that.

2 PARTICIPANT: May I ask a question?

3 PARTICIPANT: Yes.

4 PARTICIPANT: What does review mean in the
5 context (Inaudible) use it?

6 PARTICIPANT: In the case of review, the
7 NRC comes in and performs their typical inspection
8 activities and --

9 PARTICIPANT: Does it mean the NRC is
10 shown the documents, reads the documents, has it in
11 their possession?

12 PARTICIPANT: (Inaudible) and they have to
13 have it in their possession to do it, but they don't
14 take it back with them.

15 PARTICIPANT: You've read these cultural
16 surveys, haven't you?

17 PARTICIPANT: Yes.

18 PARTICIPANT: They're fairly cumbersome
19 documents, aren't they?

20 PARTICIPANT: Define cumbersome.

21 PARTICIPANT: Lengthy, detailed,
22 methodologically complicated.

23 PARTICIPANT: Given the scope, I think
24 they're appropriate.

25 PARTICIPANT: I agree with that, that's

1 why the seriousness of the issue and the importance of
2 the survey indicates why they should be so cumbersome.

3 PARTICIPANT: Are you (Inaudible) the NRC
4 is actually in possession of this, they have it or
5 they've just seen it and read it?

6 PARTICIPANT: Seen it and read it.

7 PARTICIPANT: Then there shouldn't be any
8 problem with them actually obtaining a copy of it?

9 PARTICIPANT: Yes, there is a problem with
10 that.

11 PARTICIPANT: Sounds like we're getting
12 into a debate.

13 PARTICIPANT: I think we want to
14 understand what the Petitioner is seeking. I
15 appreciate the clarification.

16 PARTICIPANT: (Inaudible) whether you have
17 it or not.

18 PARTICIPANT: I understand that and I
19 think these are the questions that we will actually --

20 PARTICIPANT: (Inaudible)

21 PARTICIPANT: As we review the --

22 PARTICIPANT: I just didn't want to be
23 mistaken that perhaps there was a problem with the
24 FOIA process. And in fact, it is in your possession
25 and someone made an error in the letter (Inaudible).

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005
WASHINGTON, D.C. 20005-3701

1 PARTICIPANT: Are there any other
2 questions from the licensee on the phone for the
3 Petitioner?

4 PARTICIPANT: That completes our
5 questions.

6 PARTICIPANT: Okay, thank you. How about
7 the regional participants, Tom and John, do you guys
8 have any questions for the Petitioner?

9 PARTICIPANT: Not from Region IV.

10 PARTICIPANT: No, not at this time.

11 PARTICIPANT: Okay, well, let me conclude
12 this meeting. I just want to again summarize
13 (Inaudible). Thank you for coming to address the
14 Board and provide clarification to what you've
15 submitted in 2.206 process. Again, the Petition
16 Review Board is going to meet following this meeting
17 to determine whether or not your request meets the
18 criteria for review under Part 2.206. We will make
19 the decision and the Petition Manager Mohan Thadani
20 will inform you verbally and we will also follow up
21 with a -- in writing on the results of our meeting.

22 Do you have any questions on the process?

23 PARTICIPANT: Just to thank all the
24 participants for your attendance and participation and
25 the seriousness with which you've dealt with the

NEAL R. GROSS
NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
COURT REPORTERS AND TRANSCRIBERS
1325 RHODE ISLAND AVE. N.W.
WASHINGTON, D.C. 20005-3701

1 issues.

2 PARTICIPANT: Just an administrative
3 question. (Inaudible) or are these the only copies?

4 PARTICIPANT: (Inaudible)

5 PARTICIPANT: That's okay. I just need to
6 know. We'll (Inaudible).

7 PARTICIPANT: Mohan, will you go ahead and
8 fax us?

9 MR. THADANI: I'll do that after this
10 meeting.

11 PARTICIPANT: We'll make sure here at
12 headquarters that you get -- Donna mentioned, we'll
13 docket the supplemental (Inaudible) provided today and
14 distribute it to the appropriate parties.

15 PARTICIPANT: Okay, well, that concludes
16 the meeting. Thank you for your time.

17 PARTICIPANT: Thank you very much. Hey,
18 Al, will you call us on 8171 when you step out?

19 MR. GUTTERMAN: I'll do it.

20 PARTICIPANT: Thank you very much. Thank
21 you all very much for this dialogue.

22 PARTICIPANT: Thank you.

23 (Whereupon, the meeting was concluded.)
24
25

CERTIFICATE

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

Name of Proceeding: Petition Review Board

Docket Number: not provided

Location: via teleconference

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



Francesca Zook
Official Transcriber
Neal R. Gross & Co., Inc.

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com