

1 BY MR. MURPHY:

2 Q What I'm asking you about technical reviews is that  
3 a great deal of work went into developing a line organization  
4 response to the NSRS perceptions. Did Kermit Whitt at any  
5 time participate, to your knowledge, in the resolution of them  
6 issues.

7 A I don't know, Dan, I really don't know. Let me tell  
8 you, I had never seen this myself -- I had not seen that --

9 Q But you're also not attesting to whether that's  
10 correct or not.

11 A No.

12 MS. BAUSER: But that also means that his judgment  
13 on whether or not Kermit Whitt participated isn't worth a  
14 whole lot since he doesn't know who participated.

15 MR. MURPHY: I'm not asking for his judgment, I'm  
16 asking if he has any knowledge of whether this occurred or  
17 not, and I think he's saying he has no knowledge.

18 MS. BAUSER: Right.

19 MR. MURPHY: That isn't judgment.

20 MS. BAUSER: Well that doesn't mean --

21 MR. MURPHY: It's a statement of fact, either you  
22 know that he participated or he doesn't know he participated.  
23 In this particular case, he says he doesn't know he  
24 participated. And I accept the witness' testimony like it is.

25 THE WITNESS: Okay, I don't recall.



1 MR. MURPHY: That's fine. Let me ask a further  
2 question.

3 BY MR. MURPHY:

4 Q Was there a letter ready to go on 20 February 1986,  
5 to your knowledge?

6 A I've been wrestling with that. There was a letter  
7 ready to go in the middle of February, I just have lost -- you  
8 know, I wasn't very smart about keeping the dates --

9 Q I'm going to help you out, Mr. Gridley. My question  
10 really pertains to the line organization's certification that  
11 the statement and the enclosures are correct. You can look at  
12 these yourself, but each one of these enclosures that were  
13 given to us refers to a March 20th letter, they're attesting  
14 the contents of the -- excuse me, February 20, 1986 letter.

15 A 2/25?

16 Q Yes, read it please.

17 (The witness reviews the document.)

18 A I would say that -- in my time frame, that's  
19 probably right. I was thinking maybe the week before we had  
20 something, pretty close to that, yeah.

21 Q Do you know why an additional concurrence sheet  
22 wasn't prepared stating that they agree with the contents of  
23 the March 20, 1986 letter?

24 A You mean another --

25 Q Well another form from the line organization.



1 MR. ROBINSON: Another group of sheets by the  
2 preparers of the technical responses.

3 A I'll give you an answer, my own reason why I think.

4 Q That's fine.

5 A Is that the attachment was done -- the only thing we  
6 were playing with from probably mid-February till March 20th  
7 was the letter.

8 MR. WILLIAMSON: The cover letter.

9 THE WITNESS: Cover letter, yeah. What did I say.

10 MR. WILLIAMSON: The letter, that's fine.

11 BY MR. MURPHY:

12 Q Could it also be that the corporate position didn't  
13 change during that period?

14 A As far as I know it didn't, but that's -- as I  
15 remember it didn't change.

16 MR. MURPHY: That's fine.

17 MR. ROBINSON: Do you have any other questions on  
18 the concurrence?

19 MS. BAUSER: I have a question.

20 EXAMINATION

21 BY MS. BAUSER:

22 Q Do you -- a follow up question -- during the round  
23 table meeting that you've been discussing that took place on  
24 March 20th, did you have any reason to believe that Mr. White  
25 was pressuring people to sign up for a letter that they did

1 not have confidence in?

2 A No, I'll tell you my view of that meeting, and it  
3 was getting to know Mr. White, was that he was very demanding  
4 to have as much knowledge as he needed to make a decision.  
5 You know, getting to know him for the first month was an  
6 experience, that here was a person who would not accept other  
7 people's first answer and he was very penetrating in  
8 questioning that made you realize that you'd been goofing off  
9 for a lot of the time. He was quite a teacher in making you  
10 go check.

11 So my recollection of not just the day that we met  
12 for the March 20th concurrence, is that all the way daily and  
13 leading up to there was that he was continuing to question  
14 people, that they really had done their job. So it wasn't  
15 that he was pressuring us to stop and give him a letter. He  
16 would have waited another -- we were putting pressure on him  
17 to get the letter out. As a licensing thing, you know, we're  
18 missing commitment dates here. And he says "I'm going to take  
19 as much time as I need to satisfy myself." So his questions  
20 were very penetrating.

21 I don't know if I answered your question but --

22 Q Let me ask you another question, do you have any  
23 reason to think that Mr. White sought Kermit Whitt's  
24 concurrence on this in order to create some sort of appearance  
25 that wasn't really there in substance? In other words, that



1 they wanted it to look like NSRS agreed or something like that  
2 even though they didn't, or that he was trying to co-op them  
3 in some way?

4 A Once again I've got to go back to the concurrence  
5 process. I didn't even invite the guy to the first one  
6 obviously and you're asking me for conjecture on what was in  
7 Mr. White's mind. I don't know what was in his mind. It made  
8 sense to me, as I explained to Dan previously, is that it made  
9 sense to have Kermit review the package before it went to be  
10 sure that we hadn't erred in their side of the story, if you  
11 will. Every one of those, if I remember right -- Dan, you've  
12 got the book -- I think that the perception is written out,  
13 isn't it?

14 MR. MURPHY: Uh-huh.

15 THE WITNESS: Yeah, so at the very least I would  
16 expect Kermit to read that to be sure that we had the  
17 perception spelled right -- or worded right. I can't answer  
18 that, I don't know. My own view is that no, there wasn't any  
19 -- see I'm a naive individual -- not so much as I used to be,  
20 but the -- in all my years in the nuclear business, it's the  
21 first that that I ever got into a situation where there was a  
22 challenge to whether or not you do the work straight up and  
23 without any political or subtle, clever ways of -- I know it's  
24 happened. There are utilities that have been involved --  
25 managers and executives been involved in doing little shady

Alcy

1 things, but I've never dealt in an area where I didn't -- I've  
2 never seen anything done to deliberately sway the thing in a  
3 certain direction.

4 I didn't have any feeling that that was an advantage  
5 or disadvantage, to have Kermit -- I know this, that it would  
6 make sense to me if I was Mr. White to have the supervisor of  
7 the group that made the presentation -- I didn't challenge  
8 him, why do you want Kermit Whitt -- it made sense to have  
9 Kermit Whitt involved in the concurrence process.

10 MR. ROBINSON: And before we leave this topic of  
11 concurrence, let me throw out what I think a logical meaning  
12 for Mr. Whitt's concurrence on that letter is. Obviously  
13 since his group was involved in the issue in the first place,  
14 without any qualification if Mr. Whitt's signature appeared on  
15 the concurrence list that I was reviewing, I would say that  
16 that meant that Mr. Whitt read the letter and the attachments  
17 and agreed that the issue was resolved properly, or else he  
18 wouldn't have concurred on it. That's what Mr. Whitt's  
19 concurrence would mean to me on that letter.

20 And him making a statement, whether it be for the  
21 fact that he could not supervise his people if he concurred on  
22 it, or for whatever reason, him making a statement such as his  
23 signature means only that he read the letter obviously takes a  
24 lot of the meaning of his concurrence away from that letter.

25 Just take that for what it's worth.



1 <sup>working</sup> THE WITNESS: That's pretty consistent the way it's  
2 working now anyway. I know that I just saw a closure on a  
3 couple of investigations where the people withdrew their  
4 complaint because they were satisfied the way it was resolved  
5 by TVA. We're seeing more of that now. Not so much back in  
6 the early days, but more and more now people who had concerns,  
7 concerned individuals, are now requesting that their concerns  
8 be withdrawn because they're satisfied with the way TVA -- so  
9 I guess, Larry, I would agree that the concurrence could mean  
10 that he was satisfied with the way they were resolved.

11 I don't know how much the technical response to the  
12 perception versus the corrective action that was taken to  
13 address the perception -- you know, we had two things going.  
14 We had a response to the perception but at the same time there  
15 was corrective action being taken to address the concerns that  
16 were raised by the eleven perceptions. That was in progress.

17 I think a lot of the <sup>NSRS</sup> [NSRS] -- I would speculate that a  
18 lot of the NSRS people started swinging over that, yeah, TVA  
19 is being more responsive to concerns. In fact one of them  
20 works for me.

21 BY MR. ROBINSON:

22 Q Let me ask an opinion, Mr. Gridley. Do you think  
23 from your limited knowledge of Mr. Whitt that he would have  
24 had the courage not to concur with that letter in that final  
25 meeting, if he felt like he would not have concurred in it?



1 And this is your opinion.

2 A My opinion is that he would have the courage.  
3 Because I, in several meetings that I had with him prior to  
4 him -- he's no longer involved in that -- I remember two or  
5 three of them were very -- I thought he was a pain in the ass  
6 because he was so outspoken and direct. I never had any doubt  
7 in my mind that -- he was not a wimp or somebody that just  
8 caved in. I almost took him to be one of the best DPO's that  
9 you could find probably. So --

10 MR. ROBINSON: Any other questions?

11 MR. MURPHY: Yeah, I have one. I just want to  
12 clarify a statement you made.

13 BY MR. MURPHY:

14 Q You said that you were putting pressure -- it was  
15 you putting the pressure on White to get this letter out as  
16 opposed to White putting the pressure on you to get the letter  
17 out. He was telling you to take all the time you want, right?

18 A Pardon me?

19 Q Was White telling you to take all the time -- you  
20 said earlier that you were putting pressure on White kinda to  
21 get the letter out from a licensing viewpoint, and he was  
22 telling you to take all the time you need to get the thing  
23 done right.

24 A He was not really telling me, Dan, to take all the  
25 time I wanted, but he was saying "I'm going to take all the

1 time I want. I'm going to continue asking questions and I'm  
2 not going to sign anything until I'm satisfied that I -- you  
3 know, that's the best that I was getting from him.

4 Q Then in your view he wasn't under any particularly  
5 strong pressure to complete that thing next week or in two  
6 weeks?

7 A I'll tell you, I don't know whether your peers have  
8 told you about it, but we're still -- if he isn't satisfied --  
9 due dates mean nothing to him. <sup>They the NOC</sup> [He] can send us an NOV to us  
10 and it's a 30 day response and if on the 29th day he's not  
11 satisfied that we've got a good response for the violation,  
12 he'll say we'll take another week. You're going to come and  
13 you're going to -- one of the few managers that I've ever seen  
14 requires solid briefings of the submittal information. We  
15 just had one a week ago where we were responding to the  
16 Brown's Ferry Appendix R issue. And we thought we were ready  
17 and we said come on in, we're going to tell you what the  
18 submittal is going to be on Appendix R for Brown's Ferry. He  
19 sat there for 15 minutes, asked some questions, said you guys  
20 aren't ready, got up and walked out. We spent another week.

21 So he's not pressured by due dates.

22 MR. ROBINSON: Any other questions on this area?

23 (No response.)

24 MR. ROBINSON: Before we go to the next area, why  
25 don't we take a five minute break. We're off the record at

1 3:02 p.m.

2 (A short recess was taken.)

3 MR. ROBINSON: It's now 3:15, we're back on the  
4 record.

5 BY MR. ROBINSON:

6 Q Mr. Gridley, as I mentioned before, the secondary  
7 discussion is going to be regarding the drafts of the March  
8 20th, 1986 cover letter just prior to and after Mr. Edgar's  
9 review and comments. First question is, when you got the  
10 package back from Mr. Edgar after his review, to the best of  
11 your recollection, describe what was in that package.

12 A (No response.)

13 MS. BAUSER: Can I ask him a preliminary question?

14 MR. ROBINSON: Sure.

15 MS. BAUSER: Do you remember the form in which the  
16 package came back to you?

17 THE WITNESS: You're really pushing me now. I  
18 believe it came back -- as I recollect it came back by some  
19 sort of express mail and I believe the form it was in was what  
20 was handwritten comments, changes on what I sent him, not  
21 retyped or anything, just crap all over the thing, up the side  
22 and -- as I remember. I'm going to stop there.

23 BY MR. ROBINSON:

24 Q I'm going to show you a document that's headed  
25 "Information for: Dick Gridley, Bill Wegner". In the upper

1 righthand corner it has the initials ELW 31 July '87.

2 A ELW?

3 Q This is handwritten initials.

4 A Oh, and the date is 7 --

5 Q 31 July 1987. That is the date that we received  
6 this document from Mr. Edgar.

7 A Oh, okay.

8 Q I'm going to ask you if you recognize that document.  
9 (The witness reviews the document.)

10 A I think I remember seeing this.

11 Q Do you recall if that might have come back with the  
12 package that had the handwritten notations in the margins?

13 A I think it did, yeah.

14 Q Do you also recall perhaps a small 3 by 5 size piece  
15 of paper with some handwritten comments on it from Mr. Edgar  
16 in that package?

17 A Was it a card or just a piece of paper?

18 Q Either one.

19 A I don't remember either one.

20 Q You don't remember either one?

21 A No, huh-uh.

22 Q Okay. What did you do with that package when you  
23 received it?

24 A Well if it was in the form that I think it was in, I  
25 had it retyped. You know, as I remember, my mission at the

1 time was to get Edgar's comments and get them incorporated  
2 into another draft and that's I'm pretty sure what I did. I'm  
3 not positive but I think that's what I did. That would have  
4 been the logical thing for me to do.

5 Q If you notice, the last two pages of the document I  
6 described before as being headed "Information for: Dick  
7 Gridley and Bill Wegner", it appears to be a smooth draft and  
8 it was stated by Mr. Edgar as being a smooth draft that he  
9 prepared as a possible alternative regarding this submittal to  
10 NRC.

11 A Uh-huh.

12 Q Do you remember that?

13 MS. BAUSER: Can I clarify something? When you say  
14 "a smooth draft", you're saying --

15 MR. ROBINSON: That there's no handwriting on it.

16 A I for some reason remember handwriting. I don't  
17 remember a -- you know, that I worked with. I don't remember  
18 a smooth draft. I remember handwriting -- at least I think I  
19 do.

20 BY MR. ROBINSON:

21 Q Okay.

22 A But that's not to say I may have gotten that --

23 Q But you seem to recall preparing your next draft  
24 from an earlier TVA draft that had had handwritten notations  
25 on it from Mr. Edgar?

*Handwritten initials*

1 A Let me say this, I don't know how many drafts we had  
2 been through but it was not uncommon -- not uncommon, it was  
3 the way -- we'd send a draft and people would write in the  
4 margin and that's what I recall.

5 Q Okay.

6 A You know, I can't really say, now that you show me  
7 this, whether or not I got a smooth, typed, something that we  
8 could use <sup>MS a</sup> letter or whether -- I still think I got something  
9 from him with handwriting on it.

10 Q Was it essentially your role as Manager of Licensing  
11 to come up with the various iterations of the drafts as they  
12 went through the process?

13 A If you mean my role, the responsibility was to  
14 continue to incorporate comments and hopefully get to a draft  
15 that everybody would agree to.

16 Q Up to the final letter?

17 A Up to the final letter.

18 Q We have a series of drafts that were provided to Ms.  
19 Bauser by Mr. Burdett. These drafts are identified by  
20 handwritten notations in the upper righthand corner, R-0, R-1,  
21 R-2, R-3, R-4, et cetera. I'm going to show you the one  
22 that's identified as R-3 and ask you if you can recall if  
23 perhaps that's the draft that you sent to Mr. Edgar for  
24 comment.

25 MS. BAUSER: Could you give him a chance to look at

*MS*

1 all of these?

2 MR. ROBINSON: Sure.

3 (The witness reviews the document.)

4 THE WITNESS: Okay, here we go. Draft 1 is Damer  
5 and Kathy Stevens and the redraft is Wallace -- I don't know  
6 who DRN is --

7 MR. ROBINSON: Doug R. Nichols.

8 THE WITNESS: Doug Nichols, okay -- and Wallace.

9 BY MR. ROBINSON:

10 Q When you say redraft, what do you mean?

11 A I don't know, I've never seen this before. It just  
12 says redraft.

13 Q Oh, okay.

14 A It doesn't identify who did the work, let me look at  
15 it.

16 MR. ROBINSON: For the record, indicate which draft  
17 you're talking about.

18 THE WITNESS: Okay, R-2 doesn't have any notation as  
19 to <sup>who</sup> [why] typed it.

20 BY MR. ROBINSON:

21 Q Okay. My question is, in your examination of R-3,  
22 do you recall that as either being or possibly being the draft  
23 that you sent to Mr. Edgar for his comments?

24 A Okay, let me look at it. I don't know.

25 Q Okay.



1 A It looks too refined to be the one, but I don't  
2 know.

3 Q Do you recall --

4 A R-3 --

5 Q Do you recall whether or not the draft you sent up  
6 to Mr. Edgar was double spaced or single spaced?

7 A No, I don't, I don't remember.

8 Q Okay. Do you recall, looking again now at the draft  
9 that Mr. Edgar prepared in a smooth, typewritten form without  
10 any handwritten notations -- do you recall using that draft as  
11 the basis for the draft identified as R-4?

12 A There's R-5 --

13 Q The reason I asked that question, Mr. Gridley, is  
14 that the wording in Mr. Edgar's smooth, typewritten draft is  
15 very, very similar to the wording in R-4 and is distinctly  
16 different from the wording in R-3.

17 A Well I could draw that conclusion that obviously  
18 this was used to prepare this letter.

19 Q Well I -- first of all let me ask you if you  
20 independently recall that.

21 A No, I do not.

22 Q Okay. Do you recall making any comments yourself,  
23 at this point, after receiving Mr. Edgar's package, regarding  
24 refining the wording in the cover letter?

25 A You mean where I would have made changes?

1 Q Yes.

2 A No. I mean I don't recall making any changes.

3 MS. BAUSER: I'm sorry, you were saying any changes  
4 to the Edgar version of the letter, is that what you were  
5 talking about?

6 MR. ROBINSON: Yes, any changes to drafts after  
7 receiving the Edgar suggested draft.

8 THE WITNESS: Let me just clarify the process that  
9 Licensing goes through and maybe we can go back to R-1. R-1  
10 would be typical of something Licensing would do. And once we  
11 take our best shot, then we leave it up to the smarter people  
12 to keep revising letters. We kinda lose ownership once you  
13 start going out for; you know -- especially with cover  
14 letters. Normally cover letters are not -- that you're  
15 transmitting -- this detailed, they're normally quite -- just  
16 boilerplate. Because of the importance of responding to the  
17 NRC letter, this one required more than just boilerplate. But  
18 anyway, I would say that somewhere in here -- and maybe down  
19 through R-2, there would have still been an attempt by me or  
20 someone in Licensing to be good licensing people and then  
21 after that, I would -- it starts taking on a flavor that it's  
22 -- it's constructed right now, it's just a matter of making  
23 sure everything is included that needs to be addressed in the  
24 response. I'd say no changes by Licensing from about R-3 on.

25 BY MR. ROBINSON:

1 Q Do you recall having any conversations with anyone  
2 like Mr. White, Mr. Wegner or Mr. Kelly regarding the nature  
3 of any changes they made after receiving the Edgar package?

4 A No, I don't recall.

5 Q Let me show you a couple of specific changes and see  
6 if that jogs anything in your memory.

7 A Okay.

8 Q If you notice, the wording is basically verbatim  
9 with some minor changes or apparent minor changes. As you  
10 notice in the first sentence of the second paragraph, Mr.  
11 Edgar said "On the basis of our review of the NSRS  
12 perceptions...."

13 A Uh-huh.

14 Q And TVA's R-4 said, "On the basis of our review of  
15 the issued identified in the NSRS perceptions...."

16 A Uh-huh.

17 Q With the phrase, quote "...of the issues  
18 identified...." being added.

19 A Uh-huh.

20 Q Do you recall any conversation about the addition of  
21 that phrase?

22 A No, I don't recall any.

23 Q Okay. I now want to point out a small difference  
24 between R-4 and R-5.

25 A Same page?

1 Q We're still in the second paragraph at a sentence  
2 six lines up from the bottom in R-4, which says quote "While  
3 we have made positive findings concerning the issues  
4 identified in the NSRS perceptions and the adequacy of the  
5 overall QA program, ...." and it goes on. If you notice that  
6 R-5 says "While positive findings have been made concerning  
7 the issues identified in the NSRS perceptions...." -- okay,  
8 excuse me. I want to point out the difference between Mr.  
9 Edgar's draft in that area and R-4.

10 A Oh, okay.

11 Q Mr. Edgar's draft says "While we have made positive  
12 findings concerning the NSRS perceptions of the adequacy of  
13 the overall QA program...." and R-4 says "While we have made  
14 positive findings concerning the issues identified in the NSRS  
15 perceptions and the adequacy of the overall QA program...."  
16 Do you recall any conversation about the difference between  
17 using the word "of the adequacy of the overall QA program" and  
18 using the word "and the adequacy of the overall QA program"?

19 A No, I really don't recall.

20 Q And you yourself made no changes like that?

21 A Right, I did not.

22 MS. BAUSER: Let's take a one minute break, I need  
23 to catch up.

24 MR. ROBINSON: Okay. It's now 3:34 and we're off  
25 the record.

*Handwritten initials*

1 (Brief pause.)

2 MR. ROBINSON: It's now 3:37 and we're back on the  
3 record.

4 BY MR. ROBINSON:

5 Q Mr. Edgar told us -- and I'm reminding you of my  
6 question to you about finding a little 3 by 5 note in that  
7 package that he sent -- he indicated that he sent a note in  
8 that package with three recommendations on that note. One, to  
9 reorganize and restructure the attachments so that they could  
10 more logically be reviewed. Two, to make the author or each  
11 attachment certify to its truth and accuracy and three, to  
12 contact senior NRC management and see if the letter was  
13 responsive.

14 Do those instructions from Edgar ring a bell to you  
15 at all?

16 A No, in fact when you got to the third one, that  
17 convinced me in my mind I hadn't seen it. I don't recall that  
18 at all. The first one makes sense, you know.

19 Now I'm confused as to, if he included it, why I  
20 don't recall it, but I don't.

21 Q You indicated earlier that the technical responses  
22 or the attachments themselves were essentially ready to go  
23 around February 20th and to your knowledge there was no  
24 changes to them between February 20th and March 20th.

25 A Not that I remember. I think we'd been through what

1 we call, you know, the Executive Summary routine by that time.

2 Q Okay. So I guess my question regarding whether or  
3 not Mr. Edgar's advice regarding the attachments was followed  
4 or not, is not really pertinent because you don't remember  
5 getting Mr. Edgar's advice.

6 A That's right.

7 MS. BAUSER: Well let me ask something, do you know  
8 when Mr. Edgar's package came to Mr. Gridley?

9 THE WITNESS: That's what I -- I don't recall when I  
10 got that back.

11 MR. ROBINSON: Well I -- the only indicator that I  
12 have of that is Mr. Edgar's testimony itself plus R-4, which  
13 appears to be the draft prepared after the receipt of Mr.  
14 Edgar's package has the handwritten date 2/19 up in the upper  
15 righthand corner and it has the handwritten initials RLN and  
16 TEB, which I assume is Ray Newby and Tom Burdett.

17 THE WITNESS: Probably. So that was a Wednesday,  
18 2/18 -- 2/19 was a Wednesday.

19 BY MR. ROBINSON:

20 Q Do you recognize the handwriting in that 2/19 date  
21 and those initials?

22 A No, but my secretary quote often lower-cases all of  
23 the distribution on my letters, so it could be -- maybe that's  
24 the way they train those secretaries up there, maybe they all  
25 use lower case for distribution. I'm just saying that's the

*RLN*

1 only connection I have. And I can't say that's her  
2 handwriting because I don't know.

3 Q Do you have any reason to believe that the Edgar  
4 draft would have arrived any time after February 19, since R-4  
5 appears to be based on Edgar's draft?

6 A Well I was trying to think that through. Now I've  
7 got a date for this thing --

8 Q The witness was pointing to R-4 when he said "this  
9 thing".

10 A To R-4. Then that puts the Edgar letter the week  
11 before, the 13th or 14th. Because I remember it was on a  
12 famous Friday/Saturday go do, and I couldn't remember whether  
13 it was the weekend after the 20th or the weekend before the  
14 20th, but I'm satisfied it was the weekend -- it kinda checks  
15 with my recollection of the schedule of things as we  
16 proceeded. I think in the middle of February was where we  
17 were at on this thing.

18 Q Like I say, if you don't have any recollections as  
19 to who made the changes between R-4 and R-5 and R-5 and the  
20 final, then I don't really have any further questions, and if  
21 anyone else --

22 A I don't. I can say I don't.

23 MR. MURPHY: I've got a couple of questions.

24 BY MR. MURPHY:

25 Q Who was designated as the individual responsible for

1 writing this letter, do you know?

2 A I would say that I was the responsible individual  
3 for getting a cover letter prepared to transmit the  
4 attachment. And I think I continued in that responsibility  
5 right through to the March 20th letter.

6 Q Okay. You were responsible for getting the letter  
7 together. In my mind there's a difference between getting the  
8 letter together and writing the letter.

9 MS. BAUSER: Content of the letter.

10 MR. MURPHY: Content of the letter, yes.

11 A Well once again, I was playing a conventional  
12 Licensing Manager role in taking other people's <sup>Comments</sup> [commentings]  
13 and incorporating them into the next revision and back out for  
14 review and additional comment. You always hope that when you  
15 prepare something, you send it out and you get comments from  
16 three or four people and you incorporate the comments and  
17 you're through. In this case, I didn't realize that we were  
18 up to Rev. 4 or 5 to the final letter, but I didn't keep track  
19 either. But that's not uncommon when you have that number of  
20 people that we had commenting on letters, to get up to Rev. --

21 Q Well I guess -- go ahead.

22 A Well I still say it was my responsibility to come up  
23 with an end product. White wasn't looking for Wegner, wasn't  
24 looking for Kirkebo or Kelly or somebody else. He was very  
25 persistent -- if anything else, he was very persistent in

1 assigning responsibility for areas, functional areas of  
2 activity. Mine was licensing and he wasn't looking to Kirkebo  
3 or Kelly or anybody else to do that job, it was my job right  
4 up to the final --

5 Q Let me ask you a question, did Mr. White ever tell  
6 you, "Mr. Gridley, you're responsible for preparing that  
7 letter"?

8 A Well if he didn't say it, I knew it. But you know,  
9 do I recall having him look me right in the eye and saying --

10 Q I'd even buy a telephone conversation. I mean did  
11 Mr. White contact you and tell you you were responsible for  
12 doing this?

13 A Yeah.

14 Q He did do that, do you remember --

15 A Well you ask me do I -- some things are very clear  
16 in my mind, like the March 20th afternoon, I can see that as  
17 if it was yesterday, I can hear people talking. If I take  
18 from the first week of February down to February the 20th, was  
19 there any -- you know, did he -- yeah, absolutely. I can see  
20 myself <sup>walking</sup> [working] in his office on responsibility for getting  
21 this response. You know, but I can't, Dan, remember the  
22 words.

23 Q I guess -- did you write any of this stuff? I mean  
24 you --

25 A Let me say, I may have taken a shot at using my

1 experience on maybe Rev. 2, somewhere in there.

2 Q Uh-huh.

3 A Because obviously Domer was -- had the  
4 responsibility on Rev. C or Rev. 1 along with Mullin. I  
5 probably, since I was a new manager, thought I ought to exert  
6 some of my experience on maybe Rev. 2, but after that I  
7 probably, as I recall, felt that it was more now a  
8 responsibility for QA, Kelly, to put the final touches on the  
9 final letter.

10 Q I'm not trying to put words in your mouth, but it  
11 seems like during a previous interview you said that at some  
12 point in time, it kinda got shifted upstairs to whoever that  
13 entity was upstairs, to prepare it. Is this a fact?

14 A I think that at some point I recognized that I had  
15 no more to contribute to the structure and the emphasis of the  
16 letter and it was shifted to -- when you say upstairs, yeah,  
17 that involved Kelly, it involved Wegner. Basically really I  
18 think if I had to say who do I think were the final -- had the  
19 final, you'd better do it this way, it would be Kelly and  
20 Wegner.

21 Q Okay. What method did you use for sending these  
22 various drafts to folks who might have some input? I mean did  
23 you attach a buck sheet to it and send it and say -- I mean  
24 how do we get the draft of these letters into the hands of  
25 those folks who probably would have some input.



1           A     I would -- recalling I would think they came out of  
2 my secretary's typewriter, she brought me five copies, ten  
3 copies and I said okay, take this down to Kelly, take this  
4 one to Wegner. I would have someone hand carry them to the  
5 individual involved. They were probably Wang'd to Knoxville.

6           Q     Uh-huh.

7           A     In fact, I'm certain they were Wang'd to Knoxville  
8 for their review.

9           Q     Who in Knoxville?

10          A     Drotleff or Drotleff's office.

11          Q     Engineering?

12          A     Engineering, yeah. So it would be hand carried to  
13 Wegner, maybe by me, because I probably wanted recognition  
14 that we had a product coming close to completion; probably by  
15 my secretary down to Kelly, down meaning fourth floor versus  
16 fifth floor, and Wang'd to Knoxville.

17          Q     How do you collect all this stuff up?

18          A     As a rule, they would bring them back to my office  
19 or have some of my people go pick them up.

20          Q     Did you have some way of determining that everybody  
21 that you sent the draft to responded to --

22          A     No, at that time we weren't in the -- we didn't have  
23 even the route approval sheet. It was just -- I knew who we  
24 were working with, so I -- I'm not even sure -- I shouldn't  
25 say that, but I'm not even sure if I carried -- if I got the

*[Handwritten signature]*

1 comments back. I sent it out and said hey, this looks like a  
2 good product. The <sup>Next</sup> thing to happen is they would call on  
3 the phone and say it looks good to me. What you hated to see  
4 coming was a guy coming upstairs with it cut and pasted and  
5 margin comments and then you've got to type it all over again  
6 and you've got to go back through the cycle again to get the  
7 other people involved.

8 Q Do you remember that happening?

9 A You know, it sticks in my mind, Revs. with --

10 Q Who did they come from?

11 A I would think -- the best of my recollection it was  
12 Wegner and Kelly. I don't remember getting anything, quite  
13 frankly, from Engineering, on the cover letter.

14 Q Do you know who -- were you also directed to  
15 coordinate between the line organization and those individuals  
16 preparing the various drafts of the letter, to incorporate the  
17 line organization's response to the NSRS perceptions?

18 A You're talking about the attachment?

19 Q Yes.

20 A No.

21 Q Okay.

22 A That was clearly a product that was to be delivered  
23 to me by somebody else.

24 MR. WILLIAMSON: Let me ask you one question.

25 BY MR. WILLIAMSON:



1 Q The various iterations of this draft we understand  
2 was circulated around, do you recall that there were a group  
3 of people that were present at least during the January-  
4 February-March time frame -- and I'm not sure what they're  
5 called, they've been referred to as kitchen cabinet, they've  
6 been referred to as advisors and after asking a number of  
7 people who these -- this group was, I'm still not sure. But I  
8 know that probably Mr. Kelly -- excuse me, Mr. Sullivan and  
9 Mr. Siskin, Mr. Miles, Mr. Brodsky, Mr. Stone, Mr. Nace  
10 possibly, Mr. Wegner and Mr. Bass -- do you know if these  
11 people had the opportunity to comment on any of these drafts,  
12 revisions to the cover letter?

13 A Certainly Brodsky did because I had personal contact  
14 with him. Certainly eventually Wegner did. I'm not  
15 personally aware of the other people -- you know, I didn't ask  
16 them to review it and comment but you have to remember that we  
17 had that big bullpen and it was not uncommon for Mr. White to  
18 wander into the bullpen, ask Sullivan a question or Siskin a  
19 question -- and these weren't bashful people, they would all  
20 chime in. So there's a lot -- quite frequently there would be  
21 a lot of dialogue going on in that what we call the bullpen.  
22 I don't particularly remember a specific jawboning on this  
23 letter but I could see it happening where he would walk in and  
24 ask a question of any one of those people in there. It might  
25 be a specific question to satisfy -- he's a very inquisitive



1 person, especially if there's -- if someone says something to  
2 him that's new and he was learning a lot of new terminology  
3 about TVA, he would go -- it was not unusual for him to  
4 immediately phone somebody or go call somebody and --

5 BY MR. ROBINSON:

6 Q Did you personally witness him going out in this  
7 bullpen or is this just kind of knowledge that --

8 A No, I was in the bullpen for about a week and a  
9 half, so I was in that environment. And then when I moved to  
10 the office downstairs, that's the reason I stayed so thin  
11 because I was up and down to the sixth floor all the time.

12 BY MR. WILLIAMSON:

13 Q Were these -- in your opinion, were these reviews by  
14 the people in the bullpen substantive reviews or cursory  
15 reviews, were they for editorial purposes? And also did they  
16 have the attachments?

17 A Well that's what I was going to ask you, when you  
18 use the word "review", do you mean the cover letter and --

19 Q Cover letter and the attachment.

20 A I can't -- I don't know or have knowledge that they  
21 even did a review. They -- like I said, they very well could  
22 have been involved in specific areas. I did not give them the  
23 attachment and say review and comment.

24 BY MR. ROBINSON:

25 Q Do you recall a project that was undertaken by Craig

1 Lundin?

2 A Absolutely.

3 Q Do you recall any of t his group that we were just  
4 talking about before reviewing the efforts that Mr. Lundin  
5 did?

6 A My knowledge of Craig Lundin's effort was that he  
7 was Stone & Webster, he came on site with a team, I don't  
8 think it was very large, but I do know that people like Nace  
9 and Siskin and Kirkebo who was still an advisor at that time,  
10 and Kelly of course and Huston, were all as I recall very  
11 involved in, you know, Lundin's effort.

12 Q Do you remember any involvement on the part of Mr.  
13 Bass, Brodsky, Miles, Stone; those individuals, in Lundin's  
14 efforts?

15 A No. I could speculate, but no, I don't recall.

16 MR. ROBINSON: Okay.

17 BY MR. WILLIAMSON:

18 Q I might have missed it, the term "pervasive", that  
19 came from Mr. Edgar, is that correct?

20 A I really don't know who coined that.

21 MR. WILLIAMSON: Have you discussed that?

22 MR. ROBINSON: Pardon?

23 MR. WILLIAMSON: Have you discussed this?

24 MR. ROBINSON: No, we haven't.

25 BY MR. WILLIAMSON:

24

1 Q You don't know where that came from?

2 A No.

3 Q I don't recall, and it might have been through  
4 reading one of the transcripts, that you obtained a document  
5 at some point in time, it was either regarding the Callaway  
6 decision or the Diablo Canyon decision or both -- you  
7 presented these decisions to someone and I was under the  
8 impression this was early, like maybe late January-early  
9 February.

10 A It'd have to be towards the middle of February.

11 Q Did you obtain those on your own or were they  
12 provided to you?

13 A No, the Callaway was discussed with me and given to  
14 me by Huston, Jim Huston. The Diablo Canyon was given to me,  
15 I believe now that I think about it, by one of my own people,  
16 like Ralph Shell or one of the -- you know, that came from a  
17 difference source as I remember. And then the question was  
18 which one should be referenced in the letter as the best to be  
19 referenced as setting a precedent of establishing requirements  
20 for Appendix B compliance. I think I leaned in favor of, if I  
21 remember right, the Diablo Canyon and someone else felt that  
22 Callaway was a better -- I didn't review the case but --

23 Q I think that was in Rev. 4 -- 3 --

24 A Somewhere in there.

25 Q Somewhere there's a reference to --

1 MR. ROBINSON: Three referred to it specifically and  
2 Rev. 4 did not.

3 BY MR. WILLIAMSON:

4 Q And this was before the information from Mr. Edgar.

5 A Uh-huh.

6 Q So I guess I was wondering why that came up. Was it  
7 with regard to the Appendix B issues specifically?

8 A Well we did a lot of jawboning about Appendix B.  
9 The question, are you in compliance with Appendix B. A lot of  
10 us that are in the business feel that it's no big thing to be  
11 out of compliance with Appendix B at any time as long as you  
12 know you're out of it and you're doing something to fix it.  
13 So there's always that question about the law and meeting the  
14 requirements of the regulation and the case studies, I can  
15 remember now -- now I'm even remembering, the case studies  
16 seem like a good fallback to let's get this issue off our  
17 plate. If a judge is ruling that you can be out of compliance  
18 with Appendix B and -- with certain conditions it doesn't  
19 place you in a compromise with the regulation, you know, if  
20 you're doing certain things, that gives you some comfort.  
21 Other people have been in the same boat and have not been  
22 charged with any serious crime and I think we probably took  
23 the letter as being threatening, you know, tell us why you  
24 aren't in compliance with -- or if you are in compliance after  
25 the perception.



1 But I remember the interesting thing was Wegner's  
2 ruling on citing either case. I don't know if he's a lawyer  
3 or not -- is Wegner a lawyer? But he said that you can't use  
4 a case for response because you've got to prove then that you  
5 have all exactly the same conditions that existed in either  
6 Callaway or Diablo Canyon. So he says you're stupid, don't  
7 even try it. That kind of made me mad because I thought it  
8 was a neat way to get out of this whole thing.

9 Now your second question I can't answer. I really  
10 have struggled with "pervasive", I don't know -- I'm sure that  
11 that came up with me, you know, even asking what the issue was  
12 after we sent the letter. It seems to me like it came up  
13 after -- we sent the letter and the newspapers made a big  
14 thing out of "pervasive" -- the word "pervasive" for some  
15 reason.

16 MS. BAUSER: I've got a question here. Do you  
17 remember in what context Huston gave you the Callaway  
18 decision?

19 THE WITNESS: Jim?

20 MS. BAUSER: Yeah.

21 THE WITNESS: He was educating me on Appendix B and  
22 of course very interested that we responded to the request on  
23 a consistent basis, that we didn't set new territory for TVA.  
24 Jim has -- came to the job with a lot of QA experience around  
25 the United States and he wanted us to be consistent in the way



1 we responded to the letter -- nothing unique for TVA, let's be  
2 consistent with the way we deal with Appendix B anywhere else.

3 BY MR. ROBINSON:

4 Q Did he also give you a proposed draft of the letter  
5 at the time he gave you the Callaway?

6 A You know, in reviewing this afterwards, Jim and I  
7 talked about a Kelly-Huston draft and while I don't remember  
8 specifically Jim saying here's what we recommend -- Dick and  
9 I, Kelly and I recommend we go with, he says he did and I  
10 accept that that he did. Because I work with him every day  
11 and I would have to say that I would -- I accepted their  
12 coaching better than I did other people, I trusted them in  
13 that area particularly.

14 BY MR. WILLIAMSON:

15 Q One more thing, was there any discussion among any  
16 of the individuals there, TVA in Licensing or QA or any of  
17 these advisors, with regard to responding to the specific  
18 question asked by the NRC, that we would limit the scope of  
19 our response just to address the NSRS perceptions issue?

20 A I guess the way I have to answer that is we felt  
21 that's what we were asked to do. I mean I read the letter and  
22 it says "Please give us your position on these eleven  
23 perceptions", and that's -- the only other wrinkle to the  
24 letter was to answer whether you're in compliance -- it was  
25 almost two -- you had the perceptions and we answered those

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1 because that's what we were asked to do and then it said, you  
2 know -- you notice this one says that you're -- I forget how  
3 Denton wrote the letter but --

4 MR. ROBINSON: Not meeting the requirements of  
5 Appendix B at Watts Bar.

6 THE WITNESS: Yeah, so that was -- the way I viewed  
7 the letter that came was you had to -- like any set of  
8 questions you get from the NRC, you need to answer what they  
9 ask you, and that was please give us your position on these  
10 eleven perceptions. The other was a question on Appendix B,  
11 which as I said Huston, Kelly -- we talked a lot about do we  
12 have Appendix B breakdown because of these perceptions. Could  
13 you say that if you have indeterminate welds and do you have  
14 loss of design control, does any one of those lead to the  
15 conclusion you're not in compliance with Appendix B. So the  
16 effort was to be consistent with the view that the industry  
17 has of compliance with Appendix B. That was a separate part  
18 of trying to respond to the letter.

19 In fact, the cover letter almost dealt completely  
20 with Appendix B and very little with the -- you'll notice we  
21 didn't say much at all, at least in the final version, about  
22 the technical response to the perceptions.

23 MR. ROBINSON: I think you pretty well framed the  
24 response to Appendix B within the perceptions.

25 THE WITNESS: Uh-huh.

*ALB*

1 MR. WILLIAMSON: I've got some more.

2 MR. MURPHY: Go ahead.

3 BY MR. WILLIAMSON:

4 Q Were you present during any discussions between Mr.  
5 Kelly and Mr. White wherein this term "pervasive" was  
6 discussed and what it meant to Mr. Kelly?

7 A No. Like I said, the word "pervasive" first hit me  
8 in the face I think from a newspaper article.

9 Q Another issue, June 5, 1986 Mr. White responded to a  
10 May 16 letter from the NRC regarding the March 20th letter of  
11 1986.

12 A Uh-huh.

13 Q Did you -- were you involved in this response by Mr.  
14 White?

15 A No, I think the last time we talked -- I did not get  
16 involved in this letter for some reason, I don't know why, but  
17 I didn't. I was looking -- wonder where are all the credits,  
18 they're not there.

19 Q They were not provided to us.

20 A Well the file copy of this letter shows that it was  
21 prepared on the sixth floor, never came down to me. For  
22 whatever reason, I don't know.

23 Q Let me just ask this, fourth paragraph and I quote,  
24 "Your letter of January 3, 1986 addressed the request for a  
25 response to a number of specific perceptions that had been

AM

1 raised by the TVA Nuclear Safety Review Staff (NSRS). In  
2 order to respond to that specific request, I assembled a group  
3 of outside individuals with significant and extensive nuclear  
4 QA experience in the areas requested and directed them to  
5 conduct a review of each one of those perceptions."

6 What group was that?

7 A I thought that was the Lundin group.

8 Q Okay.

9 THE REPORTER: I'm sorry, what kind of group?

10 THE WITNESS: The Craig Lundin, L-u-n-d-i-n.

11 BY MR. WILLIAMSON:

12 Q "In addition, I had a group of highly experienced  
13 non-TVA experts review this group's findings."

14 A Where are you at?

15 Q "In addition, I had a group of highly experienced  
16 non-TVA experts review this group's findings." I'll give you  
17 the same opportunity we've given other folks. Do you know who  
18 these non-TVA experts might be?

19 A My first answer is the senior -- the kitchen  
20 cabinet, senior advisors.

21 Q And that would be who?

22 A The Sullivans, the Basses -- I think even at that  
23 time -- if this is at the time -- if this is referring to the  
24 same time Craig was there, which was early in February, then  
25 most of those people, the Sullivans and the Siskins were still

1 there, the Brodskys, the Basses, Larry Nace, Kirkebo was still  
2 an advisor. I guess Kelly was still an advisor at that time.  
3 I don't know when Kelly became Director of QA, but -- my view  
4 is that's who he was referring to. He could have been -- I  
5 don't know who else he would have been referring to. There  
6 was no other group brought on site, you know, they didn't  
7 arrive in a van and do anything. So I think he's talking  
8 about his kitchen cabinet.

9 MR. WILLIAMSON: I don't have anything else.

10 MR. MURPHY: I don't have anything.

11 MR. ROBINSON: I've got one more.

12 BY MR. ROBINSON:

13 Q Regarding the final refinements to the cover letter  
14 after Mr. Edgar's package was received, first question, were  
15 you the one that first opened Edgar's package when it was  
16 received?

17 A Well I thought I was. If you could tell me -- if it  
18 was received by Federal Express or some other express mail --  
19 see, he worked on that on Saturday if I remember right, maybe  
20 even over -- so maybe I received it or we received it early in  
21 the week, like the 17th I think was Monday.

22 Q Do you remember opening that package?

23 A No, I don't. In fact I'm not sure that it came to  
24 me, it might have come to the sixth floor. That's the reason  
25 I think I missed this little note.



1 Q It was addressed to both you and Bill Wegner.

2 A I was talking earlier with -- I don't know whether  
3 it was Dan who came up and, you know, earlier I was trying to  
4 remember how I got that doggone package back and I couldn't  
5 remember.

6 MR. ROBINSON: Okay, if you can remember, you can't  
7 remember.

8 THE WITNESS: But you were the first one to mention  
9 the 3 by 5 note and that I don't remember at all, so I'm  
10 suspicious now -- the only thing I could conjecture now is I  
11 didn't get it that way, I got the working stuff and somebody  
12 else got the rest of it.

13 MR. ROBINSON: Okay.

14 BY MR. ROBINSON:

15 Q Any changes made to the TVA drafts of the letter  
16 after that package was received, from your earlier comments  
17 it's safe to assume were probably made by Kelly or Wegner, is  
18 that right?

19 A I think so, yeah.

20 MR. ROBINSON: That's all I have.

21 MS. BAUSER: I don't have anything.

22 MR. MURPHY: I have some closing remarks.

23 Mr. Gridley, have I or any other NRC representative  
24 here threatened you in any manner or offered you any rewards  
25 in return for this statement?



1 THE WITNESS: No.

2 MR. MURPHY: Have you given this statement freely  
3 and voluntarily?

4 THE WITNESS: I have.

5 MR. MURPHY: Is there anything that you would like  
6 to add to the record?

7 THE WITNESS: No.

8 MR. MURPHY: This interview is concluded at 4:10  
9 p.m., August 21st, 1967.

10 (Whereupon, the interview was concluded at  
11 4:10 p.m.)  
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This is to certify that the attached proceedings before the United States Nuclear Regulatory Commission in the matter of:

Name: Office of Investigation  
Investigative Interview:  
Richard L. Gridley

Docket (Closed)  
Number:

Place: Atlanta, Georgia

Date: August 21, 1987

were held as herein appears, and that this is the original transcript thereof for the file of the United States Nuclear Regulatory Commission taken stenographically 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.

151 William L. Warren

(Signature typed): William L. Warren

Official Reporter

Heritage Reporting Corporation

*Richard L. Gridley*  
9-25-87