1 We're not talking about a particular case. Until you
2 know the details, et cetera, you can't.
3 Q Let's talk about instrumentation lines
4 improperly installed. That's pretty well documented.
5 Was that a violation of Appendix B?
6 A I don't know. I'm not a QA expert. I don't
7 know the answer to that question.
8 Q You are certainly familiar with the
9 inspections that go into the installation of safety
10 related components in a power plant in general in the
11 sense that if they are installed improperly, Appendix B
12 requires you to have procedures for installation, control
13 of processes, so there would at least be noncompliance
14 with that aspect of it, when they're supposed to be
15 inspected to ensure that they were properly installed and
16 a procedure to identify that the inspections (a) either
17 weren't done or (b) weren't adequate.
18 There's a violation, with noncompliance with
19 Appendix B, with that criteria and then another criteria
20 that would talk about audits or inspections, the
21 nonconforming parts and conditions. If somebody were to
22 walk through and identify improper slope, that's good,
23 they were in compliance with that criteria. But you're
24 in noncompliance, within this example, with two of the
25 criteria for Appendix B. So, I am confused as to what

1 you mean when you say you're in compliance or
2 noncompliance with Appendix B.
3 A I'm not sure I understand your point or
4 question.
5 Q Appendix B, Criteria 18 requires audits to
6 be conducted.
7 A Uh-huh.
8 Q If you fail to do those audits, are you in
9 compliance or noncompliance with Appendix B?
10 A You have a nonconformance that you document
11 in a nonconformance report to the Nuclear Regulatory
12 Commission. Whether or not that represents a
13 nonconformance with Appendix B, I don't know.
14 Q In your position as a licensing engineer and
15 as a manager in Licensing, do you normally review
16 enforcement actions that the NRC issues with respect to
17 TVA notices of violations, civil penalties, those kinds
18 of things?
19 A Uh-huh.
20 Q Then you look at the notices of violation,
21 so you're familiar with the way a violation is
22 structured?
23 A Uh-huh.
24 Q My question goes back, then, if you're in
25 violation in a specific instance, if we went out to Watts

1 Bar. right now and found one criteria of Appendix B that
2 was not being met, then we, the NRC -- you could help me
3 write it -- Appendix B criteria requires the above. If
4 you're not doing it, that's in violation of Appendix B?
5 A Right.
6 Q Then going back to your earlier statement
7 about a long-term -- you used the word "pervasive." How
8 does that factor into a violation of Appendix B?
9 A It doesn't necessarily factor into a
10 violation of Appendix B. It has to do with -- what I'm
11 talking about is whether or not we had a programatic
12 breakdown in the Quality Assurance program versus a
13 specific nonconformance with or violation of.
14 Q So when you were talking about being in
15 noncompliance with Appendix B, you were talking about a
16 programatic breakdown only?
17 A I think I'm understanding where you're
18 coming from now, yes.
19 BY MR. ROBINSON:
20 Q In the iterations of the cover letter, what
21 were the mechanics of that? Just kind of explain the
22 mechanics of it to me a little bit. In other words,
23 would you come up with a draft cover letter and send out
24 comments copies to various people for their comments and
25 then get them back and incorporate it into another draft?

1 How did that go on?

2 A Essentially about what you just said there.

3 We would some up with a draft. It would be sent out for

4 review to the cognizant organizations, and they would

5 make comments and send them back to us.

6 Q Would you just incorporate those comments as

7 best you could without question, or in other words, were

8 you just essentially trying to work those comments into

9 the cover letter and get it together or were you

10 conscious of what the cover letter was saying?

11 A I was conscious of what the cover letter was

12 saying, doing, most of those things, trying to resolve

13 the comments, et cetera. We would redraft it and send it

14 back out for comments.

15 Q I think you said -- correct me if I'm

16 wrong -- that after that first meeting in Knoxville where

17 no consensus was reached, it was about a week after that

18 or a few days after that that we came up with the first

19 boilerplate draft?

20 A Uh-huh.

21 Q If you don't have any idea as to whether or

22 not there's going to be a consensus on down the line, how

23 can you come up with a draft that is going to address

24 compliance? Did you assume compliance until proven

25 otherwise?

1 A I think that you would have to assume a
2 position and get it out, you know. You're not going to
3 work in a void. You write down a position in a letter,
4 and you send it out for review. It's that simple. It
5 would either be supported or not supported.
6 Q But you don't recall in that first letter
7 whether or not compliance was addressed specifically?
8 You said that it probably would have had to have been
9 addressed.
10 A I don specifically remember, but, to me,
11 it would only make sense that it had to be in there.
12 Q Would it have probablay said, "We are in
13 compliance."
14 A I would think so, yes. As a matter of fact,
15 that would be -- if I went back and said, "Okay.
16 Starting today I've left that meeting I'm going to come
17 back and try to write up a draft letter," that's what I
18 would do. I would write up a position stating that and
19 then get it out for review of all the line organizations
20 and see if it was supported or not.
21 Q And if all the line people would have come
22 back with the fact that that draft was perfect the first
23 time around, would we have just sent that out?
24 A If it had gone through that process and a
25 corporate concurrence process which we put the letters

1 through, the answer to that question is yes.

2 Q Who was the primary or the major person that

3 made comments to your iterations of drafts, or was there

4 a primary person?

5 A Let's see. I don't specifically remember,

6 but it would have had to have been the people that knew

7 the most about the issues, the NSRS people, D & E people

8 and people at Watts Bar.

9 Q Do you specifically remember getting copies

10 of comments back from NSRS people?

11 A No, I do not specifically remember that.

12 Again, keep in mind that Quality Assurance was the

13 organization that worked with the other ones to pull

14 together the technical positions on the eleven issues.

15 Q Yeah. And I'm just talking about the cover

16 letter. You sent drafts of the cover letter out?

17 A Okay.

18 Q That's all I'm worried about right now.

19 Okay? Do you remember getting NSRS comments on the cover

20 letter?

21 A No.

22 Q Each time you prepared a new draft from the

23 comments that you had collected, was it the attitude

24 that, "This is going to be the final letter," or was it

25 kind of the attitude, "Well, let's give this one a shot

1 and see what happens with this one."
2 A It was between there. It was neither a, you
3 know, "This is it," or "Hey, I'll just throw this out
4 there and see what happens." It was an incorporation of
5 the comments, send it back out and see what happens.
6 Q Did you get any indication that Mr. White or
7 any of his staff was impatient or dissatisfied with the
8 cover letters that were coming out of your office and
9 that maybe that was the reason that it was kind of taken
10 out of your hands?
11 A No.
12 Q Okay.
13 MR. MURPHY: I have a few more questions,
14 but why don't we take a short break?
15 (Whereupon, a brief recess was taken from
16 10:38 to 10:52 a.m.)
17 BY MR. MURPHY:
18 Q Okay. We're back on the record at 10:52. I
19 have a couple of follow-up questions for you. One is you
20 said that upon completion of the revisions, you destroyed
21 all these drafts and comments. Why was that done?
22 A It was not a conscious, "Hey, let's destroy
23 those." It was simply a way that we generally do
24 business here. When we, you know, mark up hard copies of
25 drafts, et cetera, when the changes are made, they just

1 generally get trashed.

2 Q Then what you're saying is that this is a

3 common practice not to maintain them. If we go into your

4 files and look at other licensing activity, we aren't

5 going to find any drafts of letters?

6 A I'm not saying that's 100 percent. You

7 might, in some cases, find a draft. Somebody may have.

8 Q But in the vast majority of cases there were

9 no draft letters?

10 A Yes.

11 Q You said you get those comments from a lot

12 of sources. You would send these letters out to the

13 various groups?

14 A Uh-huh.

15 Q You never had any conflicts in comments?

16 And, if so, how do you iron them out?

17 A Get the parties that are in conflict.

18 Q Let me give you an example. We have three

19 or four different folks, at least, involved in revising

20 and concurring with the drafts of these letters. That's

21 a minimum. I suspect there's probably many, many more.

22 You sent a draft letter to each one of these guys. They

23 make comments and return them to yourself, Mr. Gridley,

24 whoever. Weren't there ever any disagreements? All the

25 comments were so compatible that you could incorporate

1 them into one letter and send it back out?
2 A If you get conflicting comments, 180 degrees
3 about face, for instance, you simply discuss those kinds
4 of things with the line organizations making the opposing
5 comments and try to resolve those. If you cannot resolve
6 them and you want to get another draft out for further
7 comment, you try to resolve them with the involved
8 organizations.
9 And if you cannot resolve them, you've got
10 two choices, you can either say, "Okay. I'm going to,
11 for the sake of getting this thing out for review again,
12 I'm going to resolve those comments. I'm going to write
13 it this way. I'm safe because it's going to go back out
14 to the same people for review, so I'm not excluding
15 anybody's right to comment, or you escalate.
16 Q And then you would get these letters back?
17 Is that what you're saying? If there was a disagreement,
18 that they would make the same comment about the letter
19 again? What are you are trying to say?
20 A Well, I don't remember a whole lot of
21 iterations like that where we just went around and around
22 and around and around on the letter where we got opposing
23 comments. I guess I'm, more than anything, describing
24 the process and the way we would have resolved comments.
25 Q Did you get anybody saying in the comments

1 that they did not think we were, TVA was, in compliance
2 with Appendix B?
3 A Again, I'm trying to remember if we got
4 anything specifically like that. If I remember
5 correctly, the comments again, you can't just totally
6 disconnect the letter from the development of the issues.
7 Okay? They are hand in hand, and the comments were more
8 along the lines of, "No, we're not in compliance with
9 Appendix B until we can evaluate the further information,
10 concerns that we've got." We would try to address or
11 resolve those, and depending on the evolution and
12 resolution or lack thereof on those, they impacted the
13 letter.
14 Q Are you saying that there were areas in the
15 eleven concerns where the people said, "We're not in
16 compliance until we resolve certain issues on the initial
17 technical responses."
18 A I seem to remember, you know, some things
19 like that.
20 Q Okay.
21 A Again, I was not responsible for handling
22 those things. That was handled by the Quality Assurance
23 organization interfacing with the other organizations.
24 Q But if I remember the letter from the NRC,
25 it raised two issues, first, were you in compliance with

1 Appendix B, and you had seven days, and the other was
2 respond to the eleven concerns in a 30-day period, right?
3 But what you're saying is before you could respond to the
4 first one, you had to assure that the eleven concerns
5 were not valid?
6 A Absolutely. Sure.
7 Q Okay. So although, then, without the
8 resolution of a negative comment like, "We are not in
9 compliance in this particular area," then you couldn't
10 answer the letter, right?
11 A Absolutely. Right.
12 Q And you recall that there may have been some
13 negative responses, or am I putting words in your mouth?
14 A I recall that there were issues that clearly
15 had to be further investigated or resolved before we
16 could say that we were in compliance with Appendix B,
17 flat out.
18 Q Okay. You don't remember any of them in
19 particular?
20 A No.
21 Q Have you ever heard this comment in the
22 process of developing this letter, "We are going to come
23 as close to saying that we are not in compliance without
24 doing so." Maybe not in them exact words, but in the
25 context of that, "We're going to come as close to saying

1 we're not in compliance, but we're really going to say we
2 are in compliance."
3 A I don't recall anything like that.
4 Q Nothing like that?
5 A No.
6 Q Okay. Do you ever remember any comments
7 about the ramifications of making material false
8 statements, if this would become a material false
9 statement? Was that ever brought up?
10 A Sure. We talked about that. I guess that's
11 one thing I missed in response to your question about the
12 ramifications overall. Making a material false statement
13 is obviously one of the concerns that we had.
14 That's why we could not send a letter out
15 until we investigated the eleven issues. We were not
16 about to do something like that because there was enough
17 concern on those issues to make it evident we had to do
18 some investigation.
19 Q Was this a concern on a lot of people's
20 part? I mean, who was worried about making a material
21 false statement issue? Was it just merely you?
22 A Oh, it was a number of people. I was
23 concerned. Bill Cottle was concerned about it in the
24 meeting. Bob Mullin, all the upper managers that know
25 what a material false statement is were concerned about

1 that kind of thing.

2 Q This was a consideration in developing the

3 letter then?

4 A Well, it's not a consideration in developing

5 the letter. It's something that's out there, you know,

6 we wanted to be right. We absolutely wanted to be

7 correct in what we said. If we had a problem, we wanted

8 to say that. If we didn't have a problem, we wanted to

9 say that. But we absolutely wanted it to be right.

10 A material false statement is something

11 that's out there and you know it's there and it's

12 something that can happen if you make a mistake. That's

13 the context in which it was looked at.

14 Q Okay. Let me ask you another question: Was

15 any consideration given to -- first off, let me ask you,

16 have you ever heard the comments by NSRS people that you

17 referred these issues to the same individuals who were

18 responsible for getting them all screwed up to begin

19 with?

20 In other words, you were taking issues

21 identified by NSRS and referring them to line

22 organizations which NSRS said was responsible for

23 creating the problem to begin with. Have you ever heard

24 that comment made?

25 A I don't ever remember hearing that. I just

1 don't remember hearing that.

2 Q I mean, was there any consideration given to

3 the fact that if you refer problems identified by NSRS to

4 line that you really are not getting a very independent

5 review?

6 A Well, the thing, you know, NSRS was involved

7 in the review of what we came up with, and they had

8 review rights over what we came up with. So, that, to

9 me, alleviated that concern if I understand what you're

10 saying.

11 BY MR. ROBINSON:

12 Q There's a difference between having review

13 rights and being involved in the review. Do you know for

14 a fact that NSRS staff people were involved in the review

15 of what the technical responses were?

16 A It was my understanding that they were.

17 Q How did you get that understanding?

18 A Early on it was my understanding that they

19 were going to be involved in the review of the positions.

20 Q How did you get that understanding?

21 A I guess through verbal discussions. I seem

22 to remember something in the meeting in which we talked

23 about that.

24 Q The original Knoxville meeting?

25 A Right.

1 MR. ROBINSON: Okay, Dan. I'm sorry.

2 MR. MURPHY: That's okay.

3 Is it not a fact here that TVA that there

4 has been conflict constantly between the line

5 organization and NSRS over the years? Are you aware of

6 any such conflict?

7 A Yes, sir.

8 Q I mean, isn't that common knowledge?

9 Wouldn't you think in TVA that line organizations and

10 NSRS didn't agree on many things?

11 A Well, let me put that in context. At

12 certain early stages, the formation of NSRS, et cetera,

13 there were managers in place in TVA at pretty high levels

14 that had very little regard for NSRS and did not want to

15 work with them as a member of the team. That changed.

16 I know Jim Buffam and I [illegible] Jim Darling were

17 very much in favor of working with those people. I had

18 excellent relations and still do with Kermit Whitt and

19 Newt Culver. We worked with them on a number of things.

20 For instance, I remember working on the

21 Brown Ferry integrated schedule. We had meetings years

22 ago where we wanted their input. I know what you're

23 talking about though, exactly.

24 Q And you don't see any validity in the

25 comments made by NSRS very publicly that you referred

1 those items to the same organization that screwed them up
2 initially?
3 A I can understand why they would say
4 something like that.
5 Q I mean, in view of that, would you consider
6 line organizations' technical reviews to be an
7 independent review of these issues?
8 A I would consider the line organization as an
9 integral part of putting the position together along with
10 the fact that NSRS would have to have review rights over
11 the positions.
12 Q Okay. Then, in your opinion, NSRS did have
13 review rights at least?
14 A If I remember right, Kermit Whitt signed
15 some sort of a statement on the March 20th letter. I
16 think there was a list of concurrences that were signed
17 by managers, and I believe Kermit signed a statement.
18 Q Would you send a draft of the official
19 letters to Kermit for review or comments?
20 A I personally don't remember sending any of
21 those things to Kermit. That would have been Ralph's
22 responsibility.
23 Q Okay. Do you consider the March 20th letter
24 to be a policy statement by TVA that they're either in
25 compliance or not in compliance. Is that a policy

1 statement?

2 A Yes.

3 Q What's the Board of Directors'

4 responsibility for such matters?

5 A Let me back up a minute. I don't think I

6 understood what your question was. You're saying was it

7 a TVA policy statement?

8 Q Surely. That we are in compliance with

9 Appendix B. Is that a policy statement, or is it not a

10 policy statement? I don't know.

11 A I don't know that I would necessarily

12 qualify that as a policy statement in the strictest

13 sense. It was certainly a statement on the part of top

14 level TVA management on the position on something of

15 great importance.

16 Q Okay. As you understand it, what's the

17 Board of Directors' responsibility for such?

18 A Okay. The Board of Directors have review

19 authority, and normally concurrence goes along with that

20 for certain matters, policy statements being one of them.

21 Q Uh-huh.

22 A They can also inject themselves as they see

23 fit into other areas where they have expressed a high

24 level of concern. Enforcement action, for instance, they

25 want to be involved in those kinds of things.

1 Q Let me distinguish: You say they have
2 review authority. Or do they have review responsibility?
3 I think there's a little difference.
4 A I guess Title 10 or Code 10 -- I get
5 confused. There's a code requirement in TVA that that be
6 done.
7 Q Okay. Let me ask you one final question.
8 You've obviously read the March 20th letter. What did it
9 mean to you? Give us, as best you can, your
10 understanding of what that letter said.
11 A It basically, to me, said that we have got
12 some problems as evidenced by the enclosed issues and the
13 fact that we addressed those, et cetera. We've got some
14 problems, but overall we don't think we had a programatic
15 breakdown.
16 Q And they're in compliance or not in
17 compliance?
18 A You mean -- I don't want to get hung up on
19 words here. We have a Quality Assurance program as
20 required by Appendix B. We've had some problems. We've
21 had violations, et cetera.
22 Q Let me go back then to the letter that
23 started all this. The letter asked TVA to state whether
24 they were in compliance or not in compliance with the
25 Appendix B. Did that letter say we were in compliance,

1 or did that letter say we were not in compliance?
2 A It said we were in compliance.
3 Q In compliance?
4 A Uh-huh.
5 Q Okay. Does it say that in very clear terms
6 in your view?
7 A It wasn't like it was, you know, underlined
8 twice in, capital letters with exclamation points behind
9 it. What I wanted and what I hoped we could do was write
10 back a very short statement that was very direct, based
11 on the discussions and evidence that, you know, we would
12 go up there and talk to the people and come back with a
13 short, concise letter that says, point blank, "We're in
14 compliance," period.
15 Q You thought that should have been done in
16 the final analysis?
17 A Well, what that letter also tried to do was
18 it tried to give some detail as to what the enclosure
19 stated. In other words, it was not just going to be a
20 four or five sentence letter. It's got some information
21 in there about the concerns, et cetera, gives an overall
22 flavor for the enclosure. But your question was would it
23 have been my preference to write a short letter versus
24 one like that?
25 Q Uh-huh.

A My preference would have been to write a short, direct letter before the end of January. From that point, my preference didn't go one way or the other in the way you're phrasing it. As I think I said earlier, my sincere hope was, after all the work that had gone into the letter, that it was dead on target.

Q Did you agree with the letter?

A Let me make sure I understand. Are you saying did I concur?

Q No. I looked at the concurrence slip. I don't think you're on there.

A Uh-huh.

Q But did you agree with the letter?

A Yes.

Q I'm not talking only about contents, but the manner in this as it related TVA's position. Was it totally clear to you what TVA was saying?

A I think so.

Q You think so, or you know so?

A Well, I mean, I've been doing this so long that I'm sure -- and I don't want to make this sound facetious. That's not my intent. We could pick -- there's one, two, three, four, five, six, seven of us in here, six. We could take an identical letter, put it in front of all six of us, and we would come away with a

1 little bit different interpretation of what you just
2 asked, I think.
3 Q You spent some time in Licensing. Do you
4 think that you could take most of the responses to the
5 NRC that Licensing presented and come away, if six people
6 reviewed it, with six different interpretations?
7 A Not six totally different interpretations,
8 not as to what the intent of the letter is, no. Do you
9 understand what I'm saying?
10 Q I guess I'm trying to understand. Was that
11 letter representative of the types of letters that
12 Licensing had sent out over the years?
13 A It wasn't outside the bounds of letters that
14 we've sent in before.
15 Q You've sent other letters that read similar
16 to that?
17 A I'm sure we have.
18 Q I guess you were kind of taken out of the
19 picture, I'm told, sometime in mid-February?
20 A Somewhere around there.
21 Q Elevated to an upper level?
22 A Uh-huh.
23 Q Did you resent this at all from a
24 professional viewpoint? Your responsibility is basically
25 to do that type of work. Was there any resentment on

1 your part?

2 A There was a little bit of resentment on my

3 part. Again, my main frustration, which was much greater

4 than any offense I might have taken for it being taken

5 out of my hands, was that it was taking us so long to

6 develop a position and send a letter back to the NRC.

7 That was a much bigger frustration for me.

8 BY MR. NORTON:

9 Q Why was it taking so long?

10 A The level of work, detail, reviews,

11 discussions, meetings, et cetera, was just extremely

12 thorough. It was obvious to me that Mr. White wanted as

13 much as anybody else or perhaps more than anybody else to

14 be certain, absolutely certain, and get in the top people

15 that he could get to review that, to be certain that that

16 letter was correct. He was very, very concerned about

17 that as we all were. But he was very concerned about

18 that.

19 Q When you say "top people to review it," whom

20 do you mean?

21 A Craig Lundin, Mr. Kelly, et cetera, you

22 know, people that have a reputation for being top-level

23 QA people.

24 Q What did Craig Lundin do in regard to the

25 letter?

1 A I don't know specifically other than he had
2 an awful lot of involvement in it in working up the
3 positions, reviewing them, talking to people, et cetera.
4 I don't know specifics, other than that, what he did.
5 Q Just a follow-up on one of Dan's lines of
6 questioning regarding this letter, this issue: Was the
7 Board, in fact, involved in reviewing it?
8 A I don't know.
9 Q You weren't sending copies of it to the
10 Board?
11 A Oh, no, I wasn't. That wouldn't have been
12 my responsibility. It would have been something I might
13 not have even known about. That would have been the
14 responsibility of Mr. White's office.
15 Q Okay. One last question: You mentioned
16 earlier, a number of times, as a matter of fact, Mr.
17 Domer, that it would have been your preference to write
18 back the NRC and say, you know, "Regarding your letter of
19 the 3rd, the answer is yes, we are in compliance."
20 A Uh-huh.
21 Q Was there a conscious effort as this process
22 went along to make the letter less definitive?
23 A No. No. Not that.
24 Q Okay. Because obviously the final letter
25 doesn't say what you would have preferred it to have said

1 back in early January. It goes on and on and on.
2 A Well, I want to make sure you understand the
3 differentiation between what you said and what I said.
4 Q All right.
5 A My preference was that we were in a position
6 to clearly state, based upon the facts, in a timely
7 fashion, that we were in compliance. Our credibility,
8 TVA's credibility had gotten very, very low. I've been
9 in TVA over 13 years, and I've seen it all happen. That
10 was one of my main concerns that we'd be in a position to
11 make a clear statement in a timely fashion on the facts
12 and clearly state, "Yes, we're in compliance and we've
13 got a good QA program."
14 That was my sincere hope. When that drug on
15 and on and on, my frustration level, as well as a lot of
16 people in TVA -- the frustration level was very high. We
17 knew the importance of the issue. We knew the importance
18 of being responsive, and it just took a lot longer than
19 we wanted it to.
20 So, what I'm saying, bottom line, in
21 response to your question is if we had been able to,
22 within, say, two weeks or thereabouts, some short time
23 frame, developed a response that ended up being sent
24 March the 20th, I would have felt a whole lot better
25 about it.

1 Q Okay. Even the response that was sent March
2 the 20th is not a straight forward answer. It talks in
3 terms of there being no pervasive breakdown and overall
4 compliance. It is not a one-word answer.
5 A Right.
6 Q Do you know the reason for that?
7 A No. I mean, nothing specifically comes to
8 mind about, you know, that one way or the other, just the
9 way the letter is written and the flow of it, et cetera.
10 Q Okay.
11 BY MR. CRAIG:
12 Q You attended a meeting in early January with
13 the NSRS people in Knoxville?
14 A Uh-huh.
15 Q To prepare the initial response, your hope
16 was that you'd get a quick response back. You left that
17 meeting having been presented with a number of technical
18 facts and various information about each one of the NSRS
19 perceptions and you had an uneasy feeling with them and
20 you thought there was some validity to the perceptions?
21 A I thought there might be some validity to
22 the statements.
23 Q Might be. Uh-huh. And you had an uneasy
24 feeling. You were concerned that you might have a
25 problem if you couldn't get out a quick answer. Sometime

1 shortly before or shortly after March 20th, you saw the
2 March 20th letter. And you just stated you agreed with
3 that letter? You thought it was correct?
4 A Uh-huh.
5 Q What caused you to change your mind or to
6 form an opinion, not change your mind. What caused you
7 to think the letter was correct and accurate?
8 A The fact that the letter had been through
9 such a rigorous process with such top-level Quality
10 Assurance people involved in it and it had been through
11 such a thorough process. It had been looked at so
12 thoroughly.
13 Q Do you believe today the letter is correct?
14 A I believe that we've got problems in the
15 welding area obviously.
16 Q Let's talk about welding for a minute. Do
17 you think there's been an overall breakdown in the
18 Quality Assurance program associated with structural
19 welding?
20 A Rephrase that, please. Well, ask the
21 question again.
22 Q The March 20th letter talks about overall
23 breakdown in the Quality Assurance program.
24 A Uh-huh.
25 Q And so that would encompass the training of

1 people doing the work, control of materials involved in
2 doing the work, inspections of the work, reinspections
3 and acceptance of the work?
4 A Uh-huh.
5 Q Do you believe that there was a programatic
6 breakdown in the Quality Assurance program associated
7 with the welding at Watts Bar?
8 A I would have to say that it would be very
9 suspect of a breakdown.
10 Q Even today, the number of welds that are
11 being reinspected and determined to be unacceptable
12 today, even though of they've previously been accepted by
13 welding inspectors, QC inspectors, everybody involved?
14 A Uh-huh.
15 Q But today you could only conclude that it
16 was suspect?
17 A Very suspect.
18 MR. CRAIG: Okay. That's all I have.
19 BY MR. WILLIAMSON:
20 Q Mr. Domer, traditionally Nuclear Licensing
21 had dealt with all correspondence with NRC; is that
22 correct?
23 A Generally speaking. There were rare
24 exceptions. Correct.
25 Q That was the case until this particular

1 response you had mentioned earlier. I think that once
2 the technical review had been received that it became
3 apparent to you that this final draft or response to this
4 letter was going to be handled by corporate management?
5 A The fact that the technical input and review
6 had been received was not the thing that made it clear to
7 me. What made it clear to me that corporate management
8 was going to handle it is the fact that they got the, you
9 know, Craig Lundin, et cetera, people and they just
10 simply began to handle it.
11 Q Did you, as part of Nuclear Licensing, have
12 limited input to this response?
13 A Yes.
14 Q And that was unusual?
15 A Yes. There are cases in which that occurs
16 where, say, for instance, the TVA Board writes a letter
17 to the NRC. That doesn't happen every day, but there are
18 cases where the Board writes letters to the NRC.
19 There are cases where the Manager of Nuclear
20 Power, Hugh Parris, wrote letters to the NRC. So, there
21 are exceptions to that rule.
22 Q But it became evident to you that Nuclear
23 Power was not having the input in this particular process
24 that it had had previously had in response to letters to
25 the NRC?

1 A I think you said Nuclear Power. Did you
2 mean Licensing?
3 Q Licensing. I'm sorry.
4 A Okay. Yes, sir, at least on my part
5 personally.
6 Q Okay. And was there a point in time after
7 reviewing all these drafts that either you decided or
8 became aware that maybe these technical reviews were
9 perfunctory and it really didn't matter what their
10 responses were?
11 A I'm not sure I understood your question.
12 Would you repeat it, please?
13 Q Well, what happened, I'm saying, is you
14 indicated that you had reviewed several drafts, several
15 iterations, of these draft responses?
16 A Uh-huh.
17 Q You had also reviewed the technical
18 responses?
19 A Uh-huh.
20 Q Through this process from January through
21 March or through February when you were involved in it,
22 was there any point in time that it became apparent to
23 you that the technical responses, it didn't matter what
24 the technical responses were in regard to what this final
25 letter was going to say?

1 A No.

2 BY MR. ROBINSON:

3 Q Who, in your mind, was the person that was

4 coordinating the meaning of the technical responses and

5 making sure that the cover letter was consistent with the

6 meaning of those technical responses, Kelly?

7 A I don't know specifically if it was Kelly or

8 not. I know, you know, he was one of the people that was

9 in that group of people that was working on that when it

10 got up on the sixth floor. It may have been him. I

11 don't personally know.

12 Q After your initial look at some of the

13 drafts of the technical responses, were you ever briefed

14 or did you ever look at the subsequent drafts of the

15 technical responses in consequence with your preparation

16 of the subsequent drafts of the cover letter?

17 A Are you saying when I reviewed the cover

18 letter in all cases, did I also go back and review the

19 technical input?

20 Q Was there more than just that initial look

21 by you at the technical input, or did you from that point

22 concern yourself primarily with finetuning the cover

23 letter?

24 A My emphasis was on the cover letter.

25 Q Was there any more review by you of the

1 technical data other than that first cut, we'll say?
2 A I don't know if "first cut" is the right
3 term, but very early on in the process I was out of that
4 mode of looking at the technical responses.
5 Q Okay.
6 BY MR. NORTON:
7 Q Other than in this room today, Mr. Domer,
8 have you had any discussions with anyone regarding what
9 the term "pervasive breakdown" means in the context of
10 this letter?
11 A We've talked about what the term "pervasive
12 breakdown" means. We haven't -- you mean, have we talked
13 about it specifically in regard to this letter at great
14 length or -- I'm just not sure.
15 Q Talked about it in regard to this letter,
16 yeah. I don't care about the length.
17 A Yes. Yeah. You know, there's been some
18 discussions here and there, nothing in particular, but
19 it's been talked about.
20 Q With whom?
21 A I've probably talked about it with a number
22 of people, you know, in my staff upstairs, Ralph Shell,
23 et cetera.
24 Q Okay. Have you spoken about it with anybody
25 from Mr. White's staff?

1 A No.

2 Q How did these discussions come up?

3 A I don't remember anything in particular

4 triggering the discussions. It's just, like, you talk

5 about various things, various issues, during the day

6 every day.

7 Q I mean, was the subject of the discussion,

8 you know, "What does this term mean?"

9 A I think they were more along the line that

10 pervasive is something that's difficult to quantify

11 exactly, you know. It's not a black and white issue.

12 Q Did you have any discussions with anybody as

13 to where the term originated?

14 A No.

15 Q I mean --

16 A I don't remember saying, "Hey, where did

17 somebody come up with that term?" No.

18 Q Exactly.

19 A No.

20 Q So, basically in your discussions you

21 indicated that you and your staff have had problems

22 quantifying the term yourselves?

23 A Yes. And you know, there were not any real

24 formal discussions. It was just informal discussions.

25 Q Yeah. Over the coffee pot or whatever?

1 A Yeah. Something like that.

2 BY MR. MURPHY:

3 Q Do you know if Mr. White went outside the

4 NRC for any advice on this letter?

5 A Outside the NRC?

6 Q I mean outside TVA. Excuse me.

7 A Okay. No, sir. I'm not aware of that.

8 Q I mean any outside legal opinion on the

9 letter, legal help?

10 A You, I believe, asked me that question when

11 I was up in Dick Gridley's office several weeks ago along

12 those lines. I'm not personally aware of anything that

13 he did on those lines.

14 Q Okay. You're not aware of this letter being

15 sent to an outside legal source? I mean, because I think

16 we were told that a draft copy of a letter was sent out

17 and came back with some comments. Have you seen the

18 draft letter and the comments?

19 A No, sir. Sure haven't.

20 BY MR. ROBINSON:

21 Q Just one more thing: To your knowledge was

there any advice given to TVA by NRC in this letter?

23 A You mean in the initial preparation of it?

24 Q At any time prior to the issuance of the

25 letter?

1 A I'm not personally aware. However, in the
2 October, I believe, of '86 meeting before the Dingell
3 subcommittee in which it was mentioned that apparently
4 Mr. White and Mr. Stello -- there's an investigation
5 ongoing as to the fact, not a fact, but that they may
6 have had a discussion.
7 Q That's all you know?
8 A That's my information right there.
9 MR. MURPHY: Okay. That's all I have.
10 Anyone else?
11 I have one closing remark. Mr. Domer, have
12 I or any other NRC representative here threatened you in
13 any way or offered you any reward in return for this
14 statement?
15 A No.
16 Q Have you given this statement freely and
17 voluntarily?
18 A Yes.
19 Q Is there any information that you would like
20 to add to the record?
21 A No.
22 Q Well, let me express the appreciation of the
23 members of the OI staff, and we thank you for taking time
24 to talk with us.
25 A You're welcome.

1 MR. MURPHY: This interview is concluded at
2 11:31.
3 MR. CRAIG: One quick question.
4 BY MR. NORTON:
5 Q Mr. Domer, is there any possibility that you
6 would have any drafts or notes in your file at all on
7 this topic? Have you checked?
8 A I have not checked specifically for the
9 purpose of information related to this issue. However, I
10 have, as I think we all do on a number of occasions,
11 purged my office of old information, et cetera.
12 And I did that, I'd say, no longer than say
13 two or three weeks ago, again. I don't have any old
14 information that I'm aware of that would reflect anything
15 on this issue.
16 Q May I make a request then? If you do, in
17 the course of time, come across any earlier drafts or
18 notes of meetings or whatever, would you be so kind as to
19 contact Mr. Murphy or Mr. Williamson?
20 A Yes, I will.
21 Q Thank you very much.
22 MR. MURHY: This interview is concluded at
23 11:32 on February 25th, 1987.
24 END OF STATEMENT
25

CERTIFICATE OF OFFICIAL REPORTER

This is to certify that the attached proceedings before the UNITED STATES NUCLEAR REGULATORY COMMISSION in the matter of:

NAME OF PROCEEDING:

AN INVESTIGATIVE INTERVIEW OF: **JAMES A. DOMER**

DOCKET NO.:

PLACE: **LOOKOUT PLACE**
CHATTANOOGA, TENNESSEE

DATE: **FEBRUARY 25, 1987**

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

(sign) Elizabeth B. Coffey

(TYPED) **ELIZABETH B. COFFEY**

Official Reporter

Reporter's Affiliation

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RESULTS OF INTERVIEW OF
JAMES A. DOMER
AS PREPARED BY
INVESTIGATOR LARRY L. ROBINSON

On April 29, 1987, James A. DOMER, Assistant Director, Division of Nuclear Safety and Licensing, Tennessee Valley Authority (TVA), Chattanooga, Tennessee, was interviewed by Investigator Larry L. Robinson at TVA's offices in Chattanooga, TN.

The subject of the interview pertained to a meeting in Knoxville, TN, in the conference room of TVA's Nuclear Safety Review Staff (NSRS), in early January, 1986, regarding the TVA corporate response to NRC as to whether or not TVA was meeting the requirements of 10 CFR 50, Appendix B at their Watts Bar Nuclear Plant.

After being duly sworn, DOMER provided the following information:

DOMER advised that this meeting was an all-day meeting in an effort to develop a plan on how TVA was going to respond to the NRC request. He stated that he recalled the following people being present at the meeting either all day, or at some time during that day: Bob MULLIN, Willie BROWN, Bill COTTLE, Kermit WHITT, Mike HARRISON, Bob SAUER, Lew WALLACE, Scott SCHUM, and one or two other individuals who he could not identify. DOMER stated that he was present at the meeting all day, until it adjourned. He stated that COTTLE and WHITT seemed to be in charge of the meeting, but that there was a lot of participation by MULLIN, BROWN, and WALLACE, also. DOMER advised that, to his recollection, nothing was really resolved at this meeting other than to develop the plan on how to respond to NRC.

DOMER stated, initially, that he did not recall much, if any, effort at developing a proposed corporate response, as opposed to the development of an agreement regarding each of the individual eleven NSRS Perceptions. DOMER stated that he recalled SAUER leaving the conference room periodically, and calling the NSRS people at Watts Bar to check with them to see if they agreed with a given position on a specific Perception.

At this point in the interview, DOMER was given a photocopy of a typewritten draft of a proposed TVA corporate position on compliance with Appendix B, that had been characterized by Bob SAUER as being the final of many drafts that had been worked on by the attendees at that meeting, and that had

been agreed upon by these attendees as being a mutually satisfactory response to NRC.

DOMER stated, after review of this draft document, that he did recall working on a draft like the one he had just reviewed, because he remembered the wording in the last paragraph.

> Investigator's Note: The wording in the last paragraph of the draft document reviewed by DOMER is as follows: "In addition, over 1200 safety-related employee concerns remain to be investigated or reviewed by the Nuclear Safety Review Staff and/or Quality Technology Company, and we expect to discover additional problem areas. In this context, (i.e., that uncorrected and as yet unsubstantiated problems exist), TVA acknowledges that 10CFR50, Appendix B criteria are not currently being met in some cases at Watts Bar, but we emphasize that the intent of this program is to identify and resolve those problems. We will provide the additional information you requested no later than February 3, 1986"

When asked if he agreed with the contents of the draft that he had just reviewed, DOMER advised that he would not agree, or concur, with any letter being sent to NRC without the concurrence of upper level management of all the divisions of TVA that were pertinent to the subject matter of the letter. When asked if the level of management in attendance at the Knoxville meeting in question was high enough to be acceptable to him for concurrence in the Appendix B response to NRC, DOMER advised that the level of management was high enough, and all the pertinent divisions of TVA were represented, but that he did not recall a "meeting of the minds" of all in attendance regarding the acceptance of a corporate response draft letter.

DOMER stated that he did not recall leaving that meeting with a draft of a corporate response. He stated that he did not know whether or not MULLIN left the meeting with a draft of such a response. DOMER advised that he just recalled a "healthy exchange of information between professionals" at the meeting, and that there was no attempt at intimidation by anyone present. He advised that there was discussion over differences of opinion in some areas, but that the exchange was professional and informative. DOMER stated that when he left the meeting, he did not feel anything was finally resolved regarding either the corporate response or the individual 11 NSRS Perceptions, other than the plan on how TVA was going to go about preparing the responses.

DOMER stated that his involvement in the early drafts of the corporate response letter, as opposed to the technical responses to the 11 Perceptions, was primarily before Steven WHITE came to TVA as Manager of Nuclear Power. DOMER stated

that he recalled having to make trips over to the old Missionary Ridge building to make contact with Hugh PARRIS and Bill COTTLE regarding the Appendix B issue, because PARRIS' and COTTLE's offices were still over in that building. DOMER stated that when Dick GRIDLEY came to TVA as Manager of Licensing, GRIDLEY was the Licensing contact with WHITE and his Staff regarding the corporate response. DOMER stated that he recalled that Jim HUFFHAM, the Manager of Licensing before GRIDLEY, was fired on January 16, 1986, for, to DOMER's knowledge, issues unrelated to the Appendix B issue. The point being that HUFFHAM was not involved in the Appendix B issue with DOMER at all.

DOMER stated that he wanted to point out that, from his perspective, the reason that it took so long to get the TVA Appendix B response out was that there was an extraordinary effort on the part of everyone involved to make sure that the response "was right." DOMER advised that the demand to "get it right" came from WHITE, and that he (DOMER) had a lot of respect for WHITE. DOMER stated that there was a lot of frustration on his part, and on the part of a lot of other people involved in the preparation of the response because it was taking so long to get it out, and it was caused by WHITE's concern for making sure the response was correct.

This Results of Interview was prepared on May 1, 1987, by Investigator Larry L. Robinson.

Larry L. Robinson, Investigator